

"CAPITAL" STOCK AND SHARE LIST

THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

Official quotations of the Calcutta Bombay Madras London Stock
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BANKS

Wednesday, 5th February, 1964.

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		5-2-64	29-1-64	A year ago		1960	1961	1962		5-2-64	29-1-64	A year ago
Allahabad Bank P.	18	18	15	100	253/50	253/50	396/00	Indian Overseas Bank	14	14	10	100	146/50	147/00	153/00
Bank of Baroda	17	17	16	50	91/50	91/00	93/50	National & Grindlays Bank	13 1/2	14	10	sh. 15	sh. 32/9	sh. 32/9 sh. 36/1 1/2	
Bank of India	20	20	20	50	105/50	106/50	111/00	Punjab National Bank	20	20	20	10	19/50	19/50	19/00
Central Bank of India	20 2/5	20	20	25	46/25	45/00	60/00	Union Bank of India	11 2/5	11 2/5	11 2/5	5	6/12	6/08	6/28
Chartered Bank	15	15	15	50	sh. 55	sh. 56/6	sh. 56/6	United Bank of India	4 1/2	6	6	10	8/37	8/25	7/50
Hindustan Commercial	Nil	Nil	Nil	50	13/50	13/50	17/12	United Commercial Bank	12	12	12	50	71/50	71/50	74/00
Hindustan Mercantile	Nil	Nil	Nil	50	12/37	12/37	15/62								
Hong Kong & Shanghai	23 1/2	23 1/2	23 1/2	100	157/00	157/00	173/50								
Indian Bank	15	15	14	100	157/00	157/00	173/50								

*1962

JUTE MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		5-2-64	29-1-64	A year ago		1960	1961	1962		5-2-64	29-1-64	A year ago
Agarpara P.	10	2 1/2	2 1/2-12*	10	10/00	10/00	10/19	Hukumchand P.	28 1/2	28 1/2	26 1/2-26 3/4*	7 1/2	21/00	20/50	26/12
Alexandra P.	44	15	2 1/2	100	30 1/2	30 1/2	30 1/2	Indra	14	12	8-22 1/2*	1 1/2	15/25	15/25	17/81
Alliance P.	20	Nil	10-12*	100	135/00	142/00	117/00	Kumarbhaty P.	5	Nil	20	100	193/00	193/00	173/00
Anglo-India P.	20	1 1/2	10-12*	100	183/00	182/00	229/00	Kankarharan P.	Nil	Nil	10	100	129/00	129/00	125/00
Aucadian P.	27	13	Nil-15*	100	138/00	138/00	153/00	Kelvin P.	15	15	5	100	181/00	181/00	185/00
Bailly P.	25	25	25	100	250/00	250/00	280/00	Khardah P.	20	5	12 1/2-12 1/2*	10	17/81	17/81	18/25
Barnagore P.	30	10	10-10*	100	218/50	218/00	187/00	Kinnison P.	20	7	Nil-10*	100	129/50	129/50	145/00
Bengal P.	5	5	5	100	8/00	9/25	10/25	Lansdowne P.	Nil	Nil	Nil-11*	100	98/00	98/00	120/00
Birla P.	15	15	15-15*	100	33/81	33/62	28/37	Lawrence P.	7	15	10-10*	100	102/00	102/00	124/00
Buagge Budget P.	10	Nil	12	100	140/00	139/00	160/00	Magna P.	12	12 1/2	Nil-22*	10	12/75	12/87	13/31
Calcutta P.	12	6	6	100	4/12	4/12	8/00	Nainhati P.	10	10	10	100	104/00	104/00	90/50
Caedonian P.	12	6	6	100	175/00	175/00	220/00	Nasikpara	7 1/2	10	10	10	6/00	6/00	9/50
Champani P.	10	5	5	100	22/87	22/87	23/69	Natona P.	10	6	15	10	21/37	23/00	25/50
Chowdhury P.	Nil	5	5	100	21/25	21/25	23/69	Vellimaria P.	15	15	Nil	10	11/81	11/75	11/00
Chitavalish P.	5	Nil	5	100	10/00	10/00	10/69	New Central P.	15	15	Nil	10	12/81	12/84	12/56
Clive P.	10	10	10	100	9/00	9/00	8/37	Northbrook P.	30	30	20-35*	10	28/00	28/00	31/50
Dainousie P.	10	10	10	100	131/00	131/00	132/50	Nudder	5	5	5-10*	50	61/00	61/00	57/00
Deita P.	7 1/2	Nil	12	100	151/00	148/00	169/00	Presidency	5	5	5	5	5/37	5/16	5/15
Empire P.	12 1/2	7 1/2	12 1/2	100	17/75	17/75	17/19	Rameshwara P.	Nil	Nil	Nil-11*	10	9/20	9/20	9/37
Fort Gloster P.	25	10	12 1/2-20*	100	295/00	295/00	412/00	Reliance P.	Nil	Nil	Nil-11*	10	7/94	8/06	6/75
Fort William P.	22 1/2	22 1/2	10-20*	100	24/87	24/87	36/25	Sammur P.	5	5	5	10	10/50	10/50	10/50
Ganges P.	10	10	15-20*	100	13/12	13/12	13/25	Shree Ambica P.	25	25	25	10	35/00	35/00	25/00
General Industrial	40	10	15	100	16/00	16/00	17/87	Shree P.	5	5	5	10	22/50	22/50	25/25
Gouropore P.	30	25	20-20*	100	22/25	22/25	25/00	Sitabdi P.	25	1	Nil-20*	100	149/00	149/00	165/00
Hastings P.	6	6	6-6*	100	128/00	128/00	128/00	Union P.	5	Nil	10	10	41/00	41/00	41/00
Hoshiy P.	10	20	7 1/2-10*	100	16/00	16/00	20/00	Victoria P.	5	5	5	10	10/50	10/50	10/50
Howrah P.	12 1/2	10	Nil-10*	100	18/50	17/87	18/31	Waverley P.	30	30	30	1	8/19	8/19	5/94

* 1963

COAL COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		5-2-64	29-1-64	A year ago		1960	1961	1962		5-2-64	29-1-64	A year ago
Amalgamated	10	12 1/2	15	10	24/75	24/75	24/25	Mundulpur	..	..	..	10	2/69	2/69	2/69
Bengal P.	25	21	..	100	253/00	253/00	290/00	Nazira	7 1/2	Nil	Nil	10	6/25	6/25	5/75
Bengal Blastee	..	..	..	10	3/48	3/48	3/48	New Beerbhoom P.	16	10	..	10	16/12	16/19	20/12
Bengal Nagpur	..	..	..	10	22/00	22/00	22/00	New Manbhoom	7 1/2	9	12	10	15/25	15/25	13/75
Bengal P.	..	..	..	10	4/25	4/31	5/00								
Bharat Collieries P.	..	..	..	10	3/44	3/44	3/53								
Bhusanbarre	..	..	..	10	10/00	10/00	12/00								
Bokaro & Ramgarh	..	..	..	10	11/19	11/19	11/19								
Borosa P.	15	15	..	10	21/00	21/00	23/87	North West	30	20	..	7 1/2	19/75	19/75	19/75
Burra P.	12 1/2	12 1/2	12 1/2	10	16/06	16/06	15/06	Ondal P.	5	7 1/2	..	10	13/50	13/50	13/00
Central India	5	10	10	10	9/37	9/12	9/69	Parusa P.	13 1/2	13 1/2	..	10	14/00	14/00	16/00
Central Kurkend P.	5	5	..	10	3/44	3/44	3/00	Pench Valley	10	10	10	10	18/31	18/31	19/08
Churulia	Nil	Nil	..	10	3/06	3/06	8/00	Pure Sitapur	..	..	..	10	8/00	8/00	8/00
Chemt Main	7 1/2	15	20 1/2	21	4/50	4/50	5/94	Raneegunge	15	17	17	10	13/56	13/56	15/00
East Indian	15	15	..	10	29/50	29/50	46/25	Rewa	30	20	..	10	28/50	28/50	29/15
East India P.	15	15	..	10	22/75	22/75	25/87								
East India P.	15	15	..	10	13/00	11/00	15/00	Samia	10	10	..	10	8/00	8/06	10/00
East India P.	15	15	..	10	2/47	2/47	2/03	Searsale	Nil	Nil	..	5 1/2	1/25	1/25	1/25
East India P.	15	15	..	10	5/44	5/50	8/12	Seepore P.	42 6/7	42 6/7	..	10	34/75	34/75	45/00
								Sendra	..	..	..	10	5/00	5/00	5/00
Karanpura Development	5	5	..	100	11/25	11/25	11/75	South Karanpura	24	Nil	..	10	8/50	8/50	7/00
Karanpura Collieries P.	7 1/2	10	10	10	16/00	16/00	18/00	Standard	15	10	..	10	11/87	11/87	16/00
Latras Jheriab	95	40	25	10	33/75	33/75	48/75	Union	..	..	..	10	10/12	10/12	10/37
Latras Kalora P.	..	..	..	10	17/62	17/62	18/70	Western Bengal	..	..	..	10	8/81	8/89	8/75
								West Jamuria	..	..	..	10	4/00	4/56	9/37

CAPITAL, 6th February, 1964.

COTTON MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		5-2-64	29-1-64	A year ago		1960	1961	1962		5-2-64	29-1-64	A year ago
Basanti P.	..	..	..	10	13/37	13/37	13/75	Elgin P.	11 1/2	17 1/2	17 1/2	10	21/62	21/87	19/94
Bengal Luxmi	..	..	..	40	30/00	30/00	28/00	J. & L. Cotton (Rayon) P.	12 1/2	..	..	10	12/44	12/31	13/25
Bengal Nagpur P.	Nil	..	..	10	2/44	2/44	3/25	Jay Shree	10	10	..	10	15/81	15/94	13/87
Bharat Commerce	..	15	15	10	22/06	23/37	24/50	Muir P.	..	..	..	100	74/50	74/50	100/00
Birla Cotton	10	20	20	10	27/00	27/00	22/75	New Victoria P.	Nil	..	..	24	1/47	1/53	1/25
Bowrah P.	10	20	15	10	27/44	23/75	24/00	Orissa Textiles P.	Nil	Nil	..	10	4/75	6/25	9/00
								Rampur Cotton	..	..	..	1	3/00	3/00	2/00
Cawnpore Textiles	7-1/5	10	10	5	6/50	6/50	6/56	Swadesh (Kanpur) P.	5 1/2	..	..	100	12/00	12/00	11/50
Delhi Cloth & Genl. P.	12	13	13	25	45/31	45/37	45/00								
Dunbar	20	20	15	10	29/37	29/37	26/50								

BOMBAY COTTON MILLS

NAMES OF MILLS	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		4-2-64	28-1-64	A year ago		1960	1961	1962		4-2-64	28-1-64	A year ago
				Rs	Rs	Rs	Rs					Rs	Rs	Rs	
Ahmedabad Advance P.	16	12	..	100	137/00	143/00	170/00	Indian	23 1/5	25	..	250	860/00	860/00	890/00
Apollis	Nil	Nil	..	7	1/80	1/84	2/00	Indore Malwa United	14	10	7 1/2	100	205/00	201/00	196/00
Benarasia Ramcharan	Nil	Nil	..	100	125/00	125/00	82/50	Kanabai Wakani P.	32	16	..	100	201/25	202/50	373 7/8
Bombay Dyeing, etc.	14	14	14	25	61/00	61/80	61/00	Kanoria	15	18	..	100	333/50	333/00	277/00
Bradbury P.	10	25	..	100	157/00	157/00	155/00	Lakshmi Vishnu P.	6 1/2	6	Nil	100	101/00	102/00	110/00
Century	30	30	..	100	688/00	678/00	562/50	Moraries Gaudar P.	21 1/2	24	24-20 1/2	100	370/00	360/00	468/00
Central India P.	Nil	Nil	Nil	100	96/00	97/50	98/00	Moraries Sps & Mfg P.	14	14	..	50	45/00	45/00	54/00
Coorla	11	11	..	100	161/25	160/00	150/00	New City of Bombay	Nil	Nil	..	100	180/00	180/00	142/50
Dawn	30	30	..	100	151/00	152/00	140/00	New Great Eastern P.	Nil	12	..	100	178/00	178/00	270/00
Edward Textiles	4	9	6	200	285/00	285/00	325/00	Phoenix	15	20	..	100	229/00	230/00	203/50
Eloninstone P.	18	27	18	50	98/00	98/00	94/00	Sassoon & Alliance	Nil	Nil	..	10	11/00	11/00	14/00
Finlay	23	23	..	100	316/00	315/00	297/00	Sassoon Spinning	10	10	..	10	40/25	40/25	48/00
Gokak	14	18	..	100	171/00	172/00	175/50	Simplax	15	Nil	22-10 1/2	50	128/00	126/00	152/00
Hindonstan	50	50	..	250	950/00	950/00	965/00	Three Rivers P.	14	14	..	100	270/00	270/00	236/00
								Wardeshi P.	17	19	17	100	246/00	245/25	263/00
								Wardeshi P.	36	21 3/5	..	100	265/00	265/00	250/00
								Wardeshi P.	12	22	20	25	56/50	56/00	55/00
India United	8	14	..	10	21/56	21/60	25/60	Western India	46 2/5	25	..	250	875/00	875/00	835/00
	13 1/2	37 1/2	..	100	2/52	2/54	3/12								

TEA COMPANIES - Contd.

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		Rs.	5-2-64	29-1-64		A year ago	Rs.	5-2-64		29-1-64	A year ago	
Grob	6	6	6	5	6/94	7/15	8/06	Singell	Nil	Nil	Nil	100	36/75	36/75	36/75
Hoograjuli (Assam)	20	20	17	10	27/62	27/62	27/12	Singtom	2	Nil	2	10	3/50	3/50	3/50
Hoolungoree	10	7 1/2	20	100	200/00	200/00	190/00	Sour	50	40	40	10	40/00	40/00	31/00
Jutlibari	30	30	20	10	31/50	31/50	32/00	Sunams	15	15	20	10	14/19	14/21	12/75
Kingsley Golaghat P.	35	35	..	100	125/00	125/00	212/00	Teesta Valley	Nil	..	84/7-10*	10	15/87	15/87	12/25
Kotamulla P.	Nil	Nil	Nil	5	9/75	9/75	10/31	Tutkar	Nil	Nil	..	10	6/00	6/00	6/00
Krishnabehari	15	8	10	10	11/80	11/80	10/50	DOOARS							
Kyang Tea	Nil	..	..	10	8/06	8/06	8/06	Banarbat P.	22 1/2	21	21	100	231/00	231/00	255/00
Ledo	Nil	Nil	Nil	10	13/75	13/75	17/25	Baradighi	30	25	25	10	23/69	23/69	23/87
Maud Tea & Seed	10	7 1/2	7 1/2	10	12/00	12/00	14/81	Bhatkawa	15	15	20	10	17/25	17/25	17/37
Methoni	14	5	20	10	15/25	15/25	18/50	Birpara P.	17 1/2	12 1/2	17 1/2	100	162/00	162/00	151/00
Moheema	Nil	Nil	..	10	11/50	11/50	11/50	Carron	20	5	7 1/2	100	161/00	161/00	145/00
Mothola	30	30	35	100	507/00	507/00	507/00	Choonabhati P.	32 1/2	20	20	100	211/00	210/00	262/00
Murphulani (Assam)	10.63	20.63	30.63	10	26/50	26/50	26/50	Ellenbarrie	5	5	10	100	184/00	184/00	184/00
					26/87	26/87	28/75	Ena	40	30	40	100	136/00	136/00	136/00
Naga Hills	10	10	10	10	21/25	21/25	22/69	Ethelbari	5	5	7 1/2	10	11/87	11/87	13/12
Namburnadi	12	12	..	10	12/87	12/87	14/56	Gairkhata	25	20	11	10	21/50	21/50	21/50
New Chinnatollah	Nil	Nil	Nil	100	455/00	455/00	450/00	Gopai	12	2	10	25	20/00	20/00	20/00
Rangbar	40	13 1/2	17 1/2	10	18/50	18/50	21/37	Hantapara P.	15	5	10	100	107/00	107/00	102/00
Sapoi	22 1/2	20	10	10	18/25	18/25	19/87	Hasmara P.	17	..	18-15*	10	12/62	12/69	14/00
Seanuli	22 1/2	15	30	10	25/12	25/12	20/75	Huidibari	22 1/2	..	192/7-11*	10	12/37	12/37	14/00
Telonian	25	25	25	10	22/12	22/12	27/75	Jayoirpara	10	Nil	Nil	10	9/50	10/00	11/06
Tengpani	30	30	22 1/2	10	35/75	35/75	35/00	Killeot	25	15	15	10	15/50	15/37	17/35
Tezpor P.	20	12 1/2	..	10	14/75	14/75	15/50	Manabarrie	10	6	10	10	59/50	59/50	59/50
Tongani	Nil	Nil	..	10	5/31	5/31	6/30	Nazasuree	25	15	15	100	140/00	140/00	168/50
Tycoon	10	15	25	10	27/73	27/73	34/37	New Doonars P.	35	20	14 1/2	100	230/00	230/00	258/00
CACHAR								Oodiani	12 1/2	7 1/2	..	100	13/37	13/37	14/25
Arcuttipore	Nil	5	6	10	7/00	7/00	7/00	Phaskowa	Nil	Nil	Nil	100	125/00	125/00	127/00
Baitukhal	2 1/2	2 1/2	..	10	7/75	7/75	6/59	Rajabhat	Nil	Nil	6	10	12/00	12/00	12/12
Central Cachar	5	7 1/2	5	100	75/00	75/00	73/00	Ranicherra	15	15	7 1/2	10	12/75	12/75	16/75
Eastern Cachar	Nil	Nil	..	10	4/56	4/56	4/12	Rvdar	25	20	25	10	25/75	25/75	27/31
Kallitugger Khoreel	6	2	..	100	87/00	87/00	87/00	Sarugson	40	40	40	10	36/31	36/31	36/25
Hattikbira	Nil	5	Nil	10	8/00	8/00	9/41	TERAI							
Kuncanpore	Nil	Nil	..	10	6/00	6/00	8/00	Atal	5	..	..	10	8/34	6/34	6/75
Loobah	Nil	Nil	Nil	10	4/69	4/69	5/00	Beigachi	20	20	..	10	20/25	20/25	20/50
North Western	30	20	10	100	175/00	175/00	114/00	Gunaram	20	12 1/2	..	100	131/00	131/00	158/00
Pathemara	Nil	Nil	Nil	10	7/50	7/50	7/50	Hansqua	20	15	17 1/2	10	20/00	20/00	20/00
Roopacherra	Nil	10	Nil	10	9/94	9/94	13/62	New humta	15	..	12/67-20*	10	20/37	20/37	33/50
Rungamattae	5	5	5	50	50/00	50/00	50/00	New Terai	22 1/2	10	15	10	23/00	23/00	36/00
Sonal River	Nil	Nil	..	10	5/06	5/06	9/12	Panaromiah	20	20	2 1/2	10	14/37	14/37	31/12
DARJEELING								Phunbarer	14	14	..	10	45/00	45/00	45/00
Bloomfield	Nil	..	..	10	3/19	3/19	3/23	Tirichannah P.	60	60	60	10	49/00	49/00	49/00
Chamong	Nil	10	10	10	9/00	9/00	10/25	CHITTAGONG							
Darjeeling Tea & Chin	30	20	30	100	197/00	197/00	195/00	Kodala	Nil	Nil	..	10	9/25	9/25	9/25
Dilaram	8	4	..	100	102/50	102/50	102/50	Kornathuli	Nil	Nil	..	10	9/31	9/31	13/06
Ghelle	Nil	..	84/7-15*	10	15/94	14/56	11/69	Oodaleah	Nil	Nil	..	10	8/00	8/00	8/00
Lingia P.	15	10	17 1/2	10	14/00	14/00	14/56	SYLHET							
Longview	12 1/2	10	..	10	10/00	10/00	11/00	Chundeecherra	Nil	Nil	Nil	10	26/00	26/00	23/00
Margaret Hope	15	15	15	10	12/09	12/09	11/62	Dauracherra	22 1/2	22 1/2	20	10	11/87	11/87	7/31
Mim	22 1/2	27 1/2	27 1/2	100	191/50	191/50	191/50	Kalin	Nil	Nil	..	10	10/00	10/00	10/00
Nagri Farm	30	25	35	10	29/62	29/62	27/00	New Samanbagh P.	25	Nil	Nil	10	18/37	18/37	18/37
Okavti	25	25	25	100	600/00	600/00	595/00	Patrakola	32 1/2	40	15	100	136/00	135/00	148/00
Pashok	10	Nil	..	10	20/00	20/00	20/00	Rainazar	Nil	Nil	Nil	10	9/56	9/56	9/56
Poobong	Nil	Nil	5	10	7/87	7/87	8/87	Teliapara	22 1/2	22 1/2	10	100	94/50	94/50	99/00
Punimong P.	Nil	Nil	Nil	10	7/62	7/62	8/87	MISCELLANEOUS							
Rumlee Rungliot	35	20	7 1/2	100	386/00	386/00	386/00	A Firpo (Restaurateur)	7 1/2	10 1/2	5	10	5/00	5/00	5/00
Seevok	15	Nil	..	10	8/60	8/60	8/50	Aluminium Corporation P.	12	12	12-5*	10	12/31	12/31	12/31

MISCELLANEOUS COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		5-2-64	29-1-64	A year ago		1960	1961	1962		5-2-64	29-1-64	A year ago
MININGS															
Burma Mines	23/5	Nil	Nil	31S	0/44	0/44	0/44	Alkali & Chemical Corp of (I)	12	15	15	10	31/31	31/30	36/33
Chrestien Mica Industries P.	15	12 1/2	..	100	9/75	9/75	11/12	Bathgate & Co. Ltd. P.	Nil	Nil	..	10	9/84	9/84	0/84
Indian Copper Corporation	25	20	..	51Dc	6/87	6/87	8/85	Chemical & Pharm P.	7	10	..	100	98/00	98/00	101/00
Metal Corporation P	27	27	..	25	3/32	3/31	4/19	Calcutta Chemical P.	18	18	18	10	16/69	16/69	18/00
Orissa Mineral Development	36	28	20	100	7/72	7/87	8/12	Frank Ross P.	..	..	..	6	3/19	3/19	3/25
					23/12	23/12	36/50	Smith Stanistreet P.	25	25	25-22 1/2*	5	13/50	13/44	15/50
CHEMICAL INDUSTRIES															

SOUTH INDIA PLANTATION COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		4-2-64	28-1-64	A year ago		1959	1960	1961		4-2-64	28-1-64	A year ago
Amakamated P.	7½	10	..	10	10/01	10/01	10/36	Malankara	16	13	..	10	16/50	15/37	15/
Anandam P.	15	13	..	10	14/19	14/19	15/24	Midland Rub & Prod. P.	10	12½	..	10	11/10	11/40	10/
Athammattam	Nil	Nil	..	10	1/20	1/23	0/80	Nilgiri P.	5	8	..	10	8/90	8/90	8/
Baanor P.	15	15	12	10	13/25	13/25	12/91	Nonsuch	20	20	20	10	22/75	23/57	21/
Balmadies P.	7½	7½	..	2	1/80	1/80	1/90	Osoor	15	15	..	2	2/35	2/35	2/
Be Be P.	5	Nil	..	5	2/40	2/40	2/15	Ouchterlony	15	13	13	2	4/20	4/20	3/
Blue Mountain	12½	12½	10-10	2	2/33	2/33	2/50	Parkside Neilgherry	27½	27½	22½	10	26/33	26/33	22/
Chembra Peak	15	20	20-20	2	4/55	4/55	3/50	Peermade P.	22½	22½	25	10	20/50	20/50	21/
Cochin Malabar P.	15	17½	20-20	3	6/40	6/40	6/27	Peninsular	20	20	..	10	21/25	21/25	22/
Coffee Lands P.	25	6	..	10	15/75	15/70	14/70	Perakaramalai	12½	13½	29	2	3/43	3/40	2/
Consolidated Coffee P.	25	20	..	10	19/45	19/45	16/15	Rajagiri Rub. & Prod. P.	20	20	20	10	20/50	20/50	19/
Coonor P.	20	17½	..	10	18/37	18/37	22/47	Rajendra P.	50	25	..	5	10/42	10/42	9/
								Swinton	7½	..	..	2	2/68	2/68	2/
Coorg P.	20	20	..	2	4/85	4/85	3/90								
Cottanad Plantation P.	15	10	..	10	9/00	9/00	9/31	Teekoy P.	6	Nil	..	10	6/60	6/60	5/
Devashola (Nilgiri)	25	20	..	10	24/60	24/60	25/50	Thirumbadi	7	7	12	1	1/90	2/03	1/
Devon P.	15	15	12	10	11/95	11/96	12/66	Travancore Rubber	10	13	..	10	12/00	11/25	10/
Emerald Valley	8	..	..	5	6/12	6/12	5/34	Travancore Rub & Tea P.	7½	9	10	10	9/80	9/80	9/
Gokul	9	10	..	10	2/03	2/23	1/90	Tropical Plantations	8	8	..	25	21/00	21/00	18/
Halleyburia P.	12½	15	..	10	12/70	12/70	12/85	Twyfords	10	10	..	10	8/55	8/55	9/
Kallias	20	22½	..	2	5/83	6/35	5/10	United Nilgiri	13½	21	22	10	23/75	23/75	19/
Kalasa Tea Produce	15	20	25	2	4/10	4/10	3/30	Vakundam	25	30	..	10	33/75	33/75	30/
Kil Kotagiri P.	35	25	25	2	4/90	4/90	4/83	Waterfall Estates P.	12½	12½	..	2	2/27	2/26	2/
Lucky Valley	10	10	10	10	12/00	12/00	10/25	Woodland P.	5	10	..	10	6/90	6/90	7/

† Kgs.

* 1962

SOUTH INDIA COTTON MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		4-2-64	28-1-64	A year ago		1959	1960	1961		4-2-64	28-1-64	A year ago
Bangalore W. C. Silk P.	10	10	18	100	236/00	236/00	242/80	Lakshmi	12	20	30	50	132/00	132/00	138/
Buckingham & Carnatic P.	10	10	18	100	294/00	294/00	281/00								
Cambodia P.	Nil	9	..	10	9/85	9/85	13/00	Madura	12½	15	15	15	35/50	33/40	33/
Coimbatore Cotton	6	12	16	100	167/00	167/00	178/00	Mettur Industries	25	30	30-22½	100	286/00	286/00	342/
Coimbatore Spg. & Wvg.	..	..	..	50	117/85	121/00	67/50	Palani Andavar P.	..	..	..	100	202/75	202/75	215/
Kothari Textiles P.	10	10	8	10	9/35	9/35	10/55	Vasanta P.	16	20	..	100	255/00	255/00	260/

* 1962

SOUTH INDIA SUGAR MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		4-2-64	28-1-64	A year ago		1959	1960	1961		4-2-64	28-1-64	A year ago
Andhra P.	20	6	..	10	17/36	17/36	18/20	K. C. P.	15	..	..	10	23/90	23/90	22/
Cauvery P.	Nil	6	..	100	110/30	110/30	114/50	Kothari	..	Nil	Nil	10	7/10	7/10	7/
Deccan Sugar	25½	25½	12-18*	5	11/75	11/80	9/58	Mysore	30	30	30-30*	10	44/65	46/65	53/
E.I.D.—Parry	28 4/7	21 3/7	21 3/7*	21	37/75	38/15	40/00	Travancore P.	10	10	..	10	7/45	7/40	6/
Indian Sugar P.	12½	14	10	10	10/00	10/00	10/25	United Breweries	60	60	60-25*	10	33/25	33/25	97/
Jeypore P.	10	8	..	10	14/68	16/00	17/25								

* 1962

SOUTH INDIA MISCELLANEOUS COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		4-2-64	28-1-64	A year ago		1959	1960	1961		4-2-64	28-1-64	A year ago
Aluminium Industries	12½	18	..	10	18/40	18/30	23/30	Mysore Chemical Mfgs. P.	20	20	..	10	16/70	16/70	18
Andhra Cement P.	10	..	..	10	9/95	9/95	10/05	Mysore Lamp P.	16	20	..	10	30/00	30/00	34
Ashok Leyland	8	8	..	5	7/15	7/03	7/85	Mysore Paper	12½	15	15	10	12/60	12/60	13
Binnu	10	12½	..	100	282/00	282/00	329/40	Mysore Tobacco	12½	10	..	10	12/00	12/00	7
Brunton & Co.	Nil	..	..	10	5/00	5/00	5/30	Parrys Cont.	20	30	..	1	3/03	3/00	3
Enfield P.	5	5	..	10	10/13	9/25	9/50	Spencer (Provisions)	18	18	18-18*	10	21/50	21/50	24
India Cement P.	9	11	9-12*	5	5/50	5/48	6/25	Standard Motors P.	9	9	..	10	10/33	10/33	16
Indian Steel Rolling P.	7	..	..	10	9/75	9/75	11/31	T. Stanes P.	27½	32½	..	10	27/40	27/40	29
Mettur Chemical Industrial P.	8½	12½	12½-13½*	10	12/40	12/25	14/25	Textool	15	15	..	100	145/00	145/00	155
Mysore Chem. & Fert.	5	10	10	10	7/95	7/95	10/10	Tube Investments	10	10	10	100	215/00	215/00	269

* 1962

LIGHT RAILWAY AND ROPEWAY COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		5-2-64	28-1-64	A year ago		1959	1960	1961		5-2-64	28-1-64	A year ago
Ahmedpur Katwa	1.90	1.90	1.75	100	26/00	26/00	29/00	Darjeeling Ropeway	..	..	..	10	8/50	8/50	6
Anah Sasaram	5	5	5	100	29/50	29/50	30/50	Dehri Rohtas	17	20	15	10	11/87	12/25	17
Bankura Damoodar	1.90	1.90	1.75	100	30/00	25/87	29/50	Putwan Islampur	1.90	1.90	1.90	100	28/7	28/7	28
Burdwan Cutwa	1.90	1.90	1.75	100	29/00	25/87	29/50	Howrah Amta (P)	6	5	4½	100	40/00	40/00	46
Chaparmukh-Silghat	2.90	2.90	2.80	100	40/00	40/00	35/00	Howrah Sheakhala	6	5	4½	100	45/00	45/00	45
Cherra Chhatrak Ropeway	9	12	12	5	4/62	4/62	5/75	Katakhal Lala Bazar	3.50	3.10	1.90	100	41/00	41/00	41
								Shahdara (Delhi)	9	3	..	100	52/00	52/00	50

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CAPITAL

A Weekly Journal of Commerce, Industry and Finance

THE INDIAN FINANCIAL REVIEW

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66th YEAR OF ISSUE

CALCUTTA, 13th FEBRUARY, 1964.

Vol. CLII 3797

CONTENTS

Editorials	
Railways: "Social Justice" through Exploitation	221
Developing Oil Capacity	222
Expansion of Shipping	222
Current News and Comment	223-25
Stimulating the Economy	
Fuller Use of Industrial Capacity	
Stainless Steel Goods Exports	
Suffer	
Need to Simplify Sales Tax Laws	
Time Bar to Sales Tax Re-assessment	
Growth of Private Limited Companies	
Inami Tenure, Octroi Duty Bills	
Consumer Price Index Revised	
A Ditcher's Diary	227
Guide for Investors	229-32
Alliance Jute	
Bhaskar Textile	
Century Spinning and Weaving	
Coromandel Fertilisers	
Deoria Sugar	
Electric Construction	
Empire Jute	
English Electric	
Fort Gloster Industries	
Ganesh Flour	
Indian Vegetable Products	
Kumardhubi Engineering	
Nellimaria Jute	
Paper Products	
Presidency Jute	
Reliance Jute	
South Karanpura Coal	
Volta	
New Capital Issues	
The Stock Markets	233
Chairman's Statement	
Volta	238
Newsletters	
New Delhi	239
London	243
Special Article	
Corporate Taxes Hampering Foreign Investment	226
Sections	
Money	237
Jute	245
Commodity Markets	247

RAILWAYS: "SOCIAL JUSTICE" THROUGH EXPLOITATION

THE Railway Budget for 1964-65, presented by the Railway Minister, Mr. H. C. Dasappa, to Parliament on Tuesday follows the dreary pattern of recent years. It shows that the gross traffic receipts of the Government's biggest quasi-monopoly are increasing rapidly—partly because the traffic itself is growing and partly because freight rates have been steadily raised. At the same time, ordinary revenue working expenses are increasing pretty rapidly too—partly because more traffic has to be handled, partly because the cost of the things the railways use is rising, but largely because railway staff are getting big new bounties each year. So freight rates for most users are going to be raised once again, while passenger fares are to remain untouched since the Railway Ministry cannot find the courage to increase them after the bad dreams it has been having about the political uproar the move might inspire. The extra money thus raised is to go almost entirely to the lucky souls the railways are good enough to employ. A little is to go to the Central Government, the sole and nearly-as-lucky shareholder which is now making another limited move towards squeezing bigger guaranteed dividends out of its semi-monopoly. Virtually none of the extra money from the freight increase is to be used for the only purpose for which it might have been justified—for the railways' expansion plans. The appropriation to depreciation reserve fund, for example, remains grossly inadequate for what is supposed to be a rapidly expanding enterprise with total assets now exceeding Rs. 2,100 crores.

The total increase in revenue from the freight increases and adjustments just proposed by Mr. Dasappa is expected to be Rs. 11 crores in 1964-65. Out of this, Rs. 7.5 crores will come by raising the present supplementary surcharge of 10 percent on freight rates to 12 percent. The 2-percent increase in the surcharge will not apply to ore due for export; nor will it apply to defence, postal, telegraphic and the railways' own traffic. The remaining Rs. 3.5 crores will come from an increase in the basic freight rates for coal moving over long distances—this being offset to some extent by the downward re-classification of certain commodities which at present bear the highest rates (such as nitric acid, safety matches, rectified spirit, furniture and confectionery).

The scheme of changes seems to be designed with three main purposes in mind. First, the downward re-classification of certain high-rated commodities suggests that the railways are trying to recapture some of the high-rated traffic they may have lost to road and other competitive forms of transport. The inclination may have been increased by the growth of spare railway capacity in certain sectors and by the railways' eagerness to buttress their revenues with an adequate proportion of high-rated traffic. Secondly, the changes in the basic freight rates for coal moving over long distances seem to be intended to make the rates less telescopic, thus reversing the trend of recent years. The railways apparently take the view that such traffic is often carried at a loss which they should not be expected to suffer, so there should be a move from the principle of "charging

what the traffic will bear" to the "cost of service" principle. The right principle to adopt in railway freight rate policies may be a matter of controversy; but, in general, the decision to reduce the "telescoping" in coal freight rates seems justified to the extent that it may promote the more economic location of coal-using industries. The upsets which such periodic shifts in railway rating policy are apt to cause cannot, however, be dismissed as negligible.

The third and most important change—the increase in the supplementary surcharge on most freight rates from 10 percent to 12 percent—is indefensible. To begin with, the idea of increasing freight rates through flat supplementary surcharges is, in principle, wrong. It is the indolent alternative to making selective adjustments in response to the traffic conditions governing the movement of different commodities. Such indolence was the fashion of the Railway Ministry before it brought its elephantine self to consider the report of the Railway Freight Structure Enquiry Committee some years ago. The Committee had recommended changes which would have raised the average level of freight rates by 13 percent. The Railway Ministry, on the pretence of wanting to be generous, made extensive mutilations in those recommendations and finally ordained an average increase of 4 percent. Over the years, the generosity has vanished while the indolence has returned. After the whole structure of freight rates had been revised in October 1958, a supplementary surcharge of 5 percent was imposed in April 1960. Freight rates were increased in July 1962; then the surcharge was raised to 10 percent in April 1963, and it is to go up to 12 percent now. The result is that the rationalisation of freight rates suggested by the Mudaliar Committee—to the extent that its recommendations were accepted—has by now been flung out of the window; the whole structure of rates cannot be much more rational today than it was eight years ago.

The strongest objection to the increase in the supplementary surcharge now proposed is that it is wasteful, expensive and unnecessary. Mr. Dasappa has followed the deplorable practice of earlier Railway Ministers by

cannot by any means be dismissed as "too insignificant".

The purpose for which the Rs. 7.5 crores is to be used, along with the Rs. 3.5 crores coming from the other adjustments in freight rates and classifications, does not justify the Railway Budget proposals either. Mr. Dasappa has explained that certain additional commitments during 1964-65 will cost the railways Rs. 22 crores. Out of this, Rs. 1.5 crores will be because the railways will be paying the general exchequer a higher dividend of 5.75 percent on the fresh capital they take during the next financial year (the dividend will remain at 4.5 percent on the capital taken already). The remaining Rs. 20.5 crores will be required for providing additional benefits to staff (including a pension fund which is to start off with an initial contribution of Rs. 19 crores from revenue, and to which as much as Rs. 30 crores may have to be paid subsequently each year). The extra revenue of Rs. 11 crores from freight rate increases and adjustments will cover only half the additional commitments of Rs. 22 crores; on this basis, Mr. Dasappa has ventured to suggest that the railways are being jolly nice to their customers by not milking them for much more. The unfortunate fact, however, is that not an iota of justification has been offered for giving railway employees such expensive new benefits. Sardar Swaran Singh made the confession last year that the *per capita* expenditure on employees had gone up by the astonishing proportion of over 30 percent since 1957. The question must, therefore, be asked: how long are the railways going to continue exploiting their semi-monopoly to squeeze customers, neglect development, and run instead as a *sevak sangh* for their staff?

The astonishing process by which this exploitation continues deserves closer examination. The sharp and steady increase in freight rates is one aspect of the process. The other and no less deplorable aspect is the shameless under-estimation of revenues which might make even the Finance Ministry turn green with envy. The under-estimation is seen from the fact that the Railway Budget last year expected gross traffic receipts to total Rs. 599.69 crores during 1963-64. The revised estimate for the year now is Rs. 622.22 crores. A Rs. 22-crore increase is not chicken-feed; it should be secured not by the deliberate under-estimation of revenue, but by the formal and open process of Parliamentary sanction. An increase of this order might have been understandable if the economy had suddenly started booming and the railways, in consequence, had found themselves rushing round carrying vastly larger quantities of traffic than they had expected. In fact, the growth of traffic has been slow—so slow that the railways are able to claim that they have surplus capacity on several sectors. As Mr. Dasappa himself admits, freight traffic has increased by only 15 million tonnes (to 194 million tonnes) in 1963-64, as against an increase of 17 million tonnes forecast in the Railway Budget last year. A large shortfall in the relatively low-rated traffic in coal, export ore and steel plant requirements, may have been partially compensated for by a substantial increase in higher-rated general goods traffic. But it is hard to believe that these changes alone have been so

DEVELOPING OIL CAPACITY

THERE are several indications that New Delhi may be making a new approach to the problems connected with the raising, refining and processing of petroleum. The Central Finance Minister, Mr. T. T. Krishnamachari's speech to the Indian Economic Association in Bombay at the end of December foreshadowed a wider welcome to private foreign capital in the "vital areas" in which the public sector had already established its "vigilant presence". Many observers think that the Finance Minister might have had the oil industry particularly in mind while making a plea for casting off past "inhibitions" about foreign capital. Whereas all oil refining was in the private sector until a few months ago, the refinery in Nummati now in operation and the two others being set up in Koyali in Gujarat and Barauni in north Bihar will together take State-owned capacity to 7.25 million tons in the early years of the fourth plan. When the 2.5 million tons expected from the Cochin refinery

sharp as to make nonsense of the earlier Budget estimates.

The statistics Mr. Dasappa has produced show that the railways do not want more money for development—certainly no more than they are raising already through the under-estimation of traffic receipts. Part of these receipts are being salted away in the form of welfare and social security schemes intended to make railway employees a privileged minority. The whole process is then sought to be nourished by substantial sums of extra revenue gained through increases in freight rates. The World Bank, no less than the Government of India, might well reconsider whether this is the right way to implement the much-advertised idea of putting Government enterprises on a "commercial footing". The railways need to be reminded that whatever surpluses of capacity may have developed for the time being, they are due purely to the stagnation of the economy. When the stagnation is ended, the shortage of rail transport is not likely to be much less than it has been in recent years. A more energetic effort to complete plans for expansion and modernisation is necessary. For that and that alone should money be honestly raised and carefully used.

RAILWAY BUDGET AT A GLANCE

	(Rupees in crores)			
	Actuals 1962-63	Budget 1963-64	Revised Estimate 1963-64	Budget 1964-65
Gross traffic receipts	566.79	599.69	622.22	638.07*
Ordinary revenue	—	—	—	—
Working expenses net, i.e., after taking credits or recoveries	362.52	379.18	393.48	414.82
Appropriation to depreciation reserve fund from revenue	67.00	80.00	80.00	83.00
Appropriation to pension fund	—	—	—	19.00 @
Net miscellaneous expenditure (including cost of works charged to revenue)	13.95	16.40	15.96	17.08
Total	443.47	475.58	489.44	533.90
Net railway revenue	123.32	124.11	132.78	134.10
Payments to general revenues:				
(a) Dividend on railway capital at 4.25 percent for 1962- 63, at 4.5 percent for 1963-64 and at 5.75 percent on fresh capital for 1964-65	68.76	80.61	82.53	90.73 *
(b) In lieu of passenger fare tax	12.50	12.50	12.50	12.50
Net surplus	42.06	31.00	37.75	30.87

@ Represents contribution from revenue to the railway pension fund to be created from 1st April, 1964.

* This includes the effect of the adjustments in freight rates including levy of a 2 percent supplementary charge on all basic freight rates, other than export ore, proposed in the Railway Budget for 1964-65. (Total estimated increase Rs. 11 crores in 1964-65).

* Includes about Rs. 1.5 crores due to increase in rate of dividend (interest) from 4.5 percent to 5.75 percent on the fresh capital outlay for 1964-65.

—which is 51 percent Government-owned—are added, the total capacity controlled by the State will be seen to have exceeded the private sector's 8 million tons by a comfortable margin. In other words, the State having established a lead—not merely a "vigilant" presence—there is little reason now for the fears which Mr. K. D. Malaviya, the former Central Minister for Mines and Fuel, so effectively played upon to persuade his Cabinet colleagues against any expansion in the private sector. His departure from the scene having presumably facilitated a reconsideration of the policy issues, it is hardly surprising that a more realistic assessment should now be made of where the country's true interests lie.

Apart from anything else that may be germane, there are two aspects which need to be borne in mind in judging the issues. In the first place, private capital is far more readily available for

investment in oil than in any other industry—a fact not unconnected with the present worldwide surplus of crude. This explains the feverish search by the oil companies for market outlets secured through captive refineries, and their readiness to offer the host country attractive terms tailored to its particular needs. The only point on which the companies cannot afford to be flexible is the freedom to import crude from sources of their own choice because any compromise on this would defeat their very purpose in seeking refinery outlets. Once this limitation is allowed for, countries like India, which offer a large and growing market for crude imports, are particularly well-placed to strike advantageous bargains fully consistent with their national interests. India cannot afford to miss the opportunity because her dependence on imported crude is likely to increase in the coming years. Secondly, any suggestion that she is cold towards attractive offers of private capital cannot but create an unfavourable impression among Western aid-givers, who will soon be meeting to consider Indian requests for the next fiscal year. The danger has already been brought to New Delhi's notice by the World Bank, which, while sympathising with India's desire to introduce greater competition in oil refining and supply, has been urging that both statesmanship and material advantages warrant a fresh bid to come to terms with the oil companies.

Another factor to take into account is India's growing demand, the latest estimate accepted by New Delhi's policy-makers being 30 million tons by 1970-71. This means that refinery capacity will have to be expanded over the five years of the fourth plan by over 12 million tons, requiring the setting up of one optimum-sized unit each year. These units may mostly have to be coast-based, unless they are to be linked by pipelines to ports where imported crude can be landed. The Oil Ministry's estimates indicate that the domestic crude output will rise from 7 million tons to 14 million tons a year over the fourth plan period, but this projection is obviously subject to many uncertainties at this early stage of oilfield development. The limited reserves so far proved make one wonder whether it will be possible to take extractions to the 14-million-ton level because such a high rate of withdrawal would lead to the rapid exhaustion of the proved wells. It seems imprudent, therefore, to plan additional refining capacity on any substantial scale on domestic crude unless of course, further discoveries alter the situation. The point to note is that the oil exploration programme, which had the benefit of unusual luck to begin with, has run into a stalemate. After Ankle shwar in 1966 and Rudrasagar in 1961, drilling operations in the west and the east have not tapped any new deposits. The Central Minister of State for Petroleum and Chemicals, Mr. O. V. Alagesan, has recently said that the discoveries made so far have touched only the "fringe", but his optimistic assessment of future possibilities is based on nothing more than the geological finding of oil-bearing rock structures in several areas. Some of these may yield oil, but no one can be sure until a well is sunk and oil gushes forth from it. None of this is intended to suggest that India should rule out hopes in this direction; she will, indeed have to go on looking for oil as extensively as her resources permit. Yet practical decisions for tomorrow cannot be based on hunches; hence the need to base further expansion largely on imported crude.

Given the context, the logic of choosing Madras and Haldia as the sites for the next two refineries is indisputable. Planned on the basis of imported crude, their siting is equally convenient should further discoveries be made either in Assam or in the Cauvery delta. The double-ended crude and product pipeline already sanctioned from Calcutta to Barauni (which in turn is connected with the Assam fields) will take care of the first eventuality, while new links will be needed in the latter case. Both sites, especially Haldia, have the advantage of being well-situated in relation to the market for petroleum products, a consideration which would need to be borne in mind even if the units were to be based on crude from inland sources. This view gains added weight if the refinery is considered, as it should be, the starting point of a complex of industries rather than an end in itself. The effective use of by-products is important not only to improve refinery economics but also to facilitate industrial diversification. The possibilities are

indicated by the scheme formulated by the Oil and Natural Gas Commission for a Rs. 70-crore petrochemical complex near the Koyali refinery, which is already committed to supplying waste gases for power generation.

Once this integrated view is taken of refinery development, a clearer picture should emerge of the total resources required for each complex. It will be seen that the outlay on the refinery itself is a comparatively small part of the total. If so,

EXPANSION OF SHIPPING

THE Fifth Shipping and Shipbuilding Conference held this week in Calcutta has provided a valuable opportunity for exchanging ideas concerning an important branch of transport. At the Conference a fair cross-section of shipping and shipbuilding interests, both in India and abroad, was represented; furthermore, both wings of shipping—naval and mercantile—have taken part. In his presidential speech on Monday, Sir A. Ramaswami Mudaliar suggested that the Government should encourage Indians to attend international conferences so that the country could get the benefit of the latest developments in shipbuilding. He also suggested the creation of research facilities in shipping, and favoured a research association on the British model for the purpose. Several major developments have taken place in shipbuilding in recent years, as the instances mentioned by Mr. Raj Bahadur, Central Minister for Transport, in his inaugural address, showed. He referred to the introduction of electric welding in place of rivetting, which had brought about revolutionary changes in the construction of the hull and a big saving in the use of steel. Similarly, the improvements in several other parts of a vessel have been revolutionising the shipbuilding industry.

Mr. Raj Bahadur took the opportunity to outline the progress India has made in expanding her mercantile fleet. Its growth during the third plan period has been more than thrice as fast as in the previous two plans. From 391,000 G.R.T. at the beginning of the first plan, Indian shipping expanded to 857,000 G.R.T. at the end of the second plan, and during the first three years of the third plan a further 542,800 G.R.T. has been added. The third plan target of 1.1 million G.R.T. has been exceeded already and the present tonnage is 1.3 million, even after scrapping about 114,000 G.R.T. Furthermore, firm orders have been placed for constructing 328,000 G.R.T. (83,000 G.R.T. in India and 245,100 G.R.T. in foreign shipyards). Mr. Raj Bahadur hoped that the operating tonnage at the end of the plan would be more than 1.5 million. He said that if the firm orders then outstanding were also taken into account, the total tonnage would be about 2 million, a target accepted by the Government as far back as 1947.

While the expansion of tonnage is encouraging in the context of the plan target, the capacity is still inadequate in relation to the country's needs. At present, barely 10 percent or 12 percent of India's seaborne trade is carried in Indian bottoms. In 1947 the Reconstruction Policy Sub-committee suggested a target of 2 million tons by 1954 in order to enable Indian vessels to carry 50 percent of the country's overseas trade and 100 percent of the coastal trade. Shipping needs have increased considerably since then and will continue to do so. But the tonnage will be only about 1.5 million by 1965-66. Inadequacy apart, the growth of the shipping fleet has been uneven. In tramp and tanker tonnage, development has been very slow, so the share of Indian vessels in overseas trade has been hardly 3 percent.

In the transport of bulk cargo too, the Indian share is very small, being about 3 percent or 4 percent. An official expert committee headed by Mr. C. P. Srivastava recently suggested the acquisition of 58 bulk carriers totalling 1.1 million G.R.T. The Committee based its recommendation on the prospect of carrying 40 percent of the bulk cargo by 1970-71, when India would be exporting 20 million tons of iron ore to Japan and Europe and importing 2 million tons of foodgrains from the U.S.A. Apart from giving liberal loan facilities to shipowners for acquiring ships, the Committee has suggested that the vessels be bought on a

deferred payment basis—15 percent down payment at the time of purchase and the balance to be paid out of the ship's earnings. In fact, as Mr. Raj Bahadur stated, the majority of ships have been acquired in recent years on a deferred payment basis. Several ships have been bought "even on seemingly impossible credit terms" such as payment of the price in an indefinite number of instalments, depending on the net foreign exchange earnings of the ships. But such liberal terms could be obtained largely because of the depression in the international ship markets. With the recent jump in freight rates, the prices of ships have now risen considerably, and it remains to be seen whether liberal terms can be arranged so long as the boom lasts.

There is some difficulty in expanding the coastal tonnage. As Mr. Raj Bahadur said, coastal vessels have been difficult to buy because they do not earn foreign exchange. The present coastal fleet

Current News and Comment

Stimulating the Economy

In his presidential address at the quarterly general meeting of the Indian Chamber of Commerce last Friday, Mr. K. K. Birla emphasised the need for readjusting the tax system so as to promote economic growth. The present fiscal policy has seriously hampered investment and industrial production. The Central tax effort, according to the mid-term appraisal of the plan, will yield as much as Rs. 1,900 crores, against a total target of only Rs. 1,100 crores. The bigger revenue is being raised at a time when the economy is stagnant, and when even the little progress it has made has been more than neutralised by the expansion of population. A tax system which takes away 87 percent or more of personal incomes and 60 percent to 75 percent of corporate earnings, according to Mr. Birla, is not consistent with the requirements of an economy which needs progressively larger investment for rapid economic growth. The Central Finance Minister, Mr. T. T. Krishnamachari, has recently taken some steps to stimulate economic activity, like liberalising bank credit, lifting price controls on some basic goods and raising the exemption limit for industrial licensing and capital issues. His arguments against nationalising banks and certain other radical measures indicate that he is on the side of moderation. But the forthcoming Budget alone will show to what extent he is able to recast the fiscal structure to promote growth.

The private sector has made substantial progress during the past decade in spite of various disincentives like heavy taxation, rigid controls, foreign exchange difficulties, and shortages of raw materials, transport and power. Mr. Birla stated that the private organised sector had almost doubled its output during the period, employment had risen by about 40 percent, and the field of manufacture had been extended to several heavy and light engineering items. On the other hand, the public sector, in spite of the prestige and authority carried by it, has made relatively poor progress, although it has acquired monopolistic positions in the economy. Mr. Birla sounded a note of warning that the use of the monopolistic power in the public sector in future would depend more on the complexion of the Party in power

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Among the other speakers on the opening day of the Conference, Sir Hugh Mackay Tallack dealt with the importance of inland water transport, particularly in the north-eastern region. About 50 percent of the total traffic in Assam, Cachar and Tripura, or a little less than a million tonnes a year, is carried by the waterways. Since large sums of money for improving waterways are simply not available, efforts have to be made to develop crafts suitable for the existing waterways. Sir Hugh referred to the building of new craft embodying techniques such as "push towing". In the feeder service of the Kusiara and Barak rivers, pusher tugs of 500 B.H.P. had been introduced to push four barges carrying 50 tons each. Mr. B. B. Ghosh, chairman of Calcutta Port Commissioners, referred to the improvements being made in the port of Calcutta, which handles about 50 percent of the country's sea-borne dry cargo traffic. The development of Haldia as a subsidiary port will greatly add to the facilities. He stressed the need for constructing a third shipyard and said that Geonkhali, near Haldia, would be an ideal site. It would have the advantages of being near a modern dock, an industrial city and a large steelworks, and thus enjoy all the facilities needed for a shipyard.

than on anything else. The common man is concerned with improving his lot, and this can be accomplished only when production and employment opportunities increase. This underlines the need to give the private sector full scope for maximising production.

Referring to the reports on the Bonus Commission's recommendations, Mr. Birla said that they would affect the capacity of industry to rehabilitate itself and go in for modernisation. The Bonus Commission, it is stated, has suggested that in calculating bonus no deduction should be made from profits to provide for rehabilitation of plant and machinery. It has also recommended that the return on capital should be taken as 7 percent. In the present state of the capital market, when the rate of interest on debentures is about 9 percent, it is difficult to see how a return of 7 percent on risk capital can be considered fair.

Fuller Use of Industrial Capacity

An important reason for the slow pace of industrial progress in India is the existence of idle capacity in many established and new industries. A recent study by the Central Statistical Organisation revealed that only in the case of 110 industries was the installed capacity used more than 75 percent. Among another 105 industries, the proportion of use ranged from 65 percent to 75 percent. In 35 industries it varied between 35 percent and 65 percent, and in the remaining industries it was below 35 percent. Much of the idle capacity at present is due to shortages of imported raw materials, spare parts and components, power and transport. Transport is said to be responsible for at least a fifth of the idle capacity. Frequent shortfalls in agriculture are responsible for the idle capacity in industries having agricultural products as raw materials. Time-lags and teething troubles are the other contributory factors. Procedural and administrative delays have also affected the working of industries.

The partial use of capacity leads to a setback in production and raises unit costs. Shortfall in one field often affects production elsewhere. The existence of idle capacity has, therefore, wide-

cannot by any means be dismissed as "too insignificant".

The purpose for which the Rs. 7.5 crores is to be used, along with the Rs. 3.5 crores coming from the other adjustments in freight rates and classifications, does not justify the Railway Budget proposals either. Mr. Dasappa has explained that certain additional commitments during 1964-65 will cost the railways Rs. 22 crores. Out of this, Rs. 1.5 crores will be because the railways will be paying the general exchequer a higher dividend of 5.75 percent on the fresh capital they take during the next financial year (the dividend will remain at 4.5 percent on the capital taken already). The remaining Rs. 20.5 crores will be required for providing additional benefits to staff (including a pension fund which is to start off with an initial contribution of Rs. 19 crores from revenue, and to which as much as Rs. 30 crores may have to be paid subsequently each year). The extra revenue of Rs. 11 crores from freight rate increases and adjustments will cover only half the additional commitments of Rs. 22 crores; on this basis, Mr. Dasappa has ventured to suggest that the railways are being jolly nice to their customers by not milking them for much more. The unfortunate fact, however, is that not an iota of justification has been offered for giving railway employees such expensive new benefits. Sardar Swaran Singh made the confession last year that the *per capita* expenditure on employees had gone up by the astonishing proportion of over 30 percent since 1957. The question must, therefore, be asked: how long are the railways going to continue exploiting their semi-monopoly to squeeze customers, neglect development, and run instead as a *sevak saugh* for their staff?

The astonishing process by which this exploitation continues deserves closer examination. The sharp and steady increase in freight rates is one aspect of the process. The other and no less deplorable aspect is the shameless under-estimation of revenues which might make even the Finance Ministry turn green with envy. The under-estimation is seen from the fact that the Railway Budget last year expected gross traffic receipts to total Rs. 599.69 crores during 1963-64. The revised estimate for the year now is Rs. 622.22 crores. A Rs. 22-crore increase is not chicken-feed; it should be secured not by the deliberate under-estimation of revenue, but by the formal and open process of Parliamentary sanction. An increase of this order might have been understandable if the economy had suddenly started booming and the railways, in consequence, had found themselves rushing round carrying vastly larger quantities of traffic than they had expected. In fact, the growth of traffic has been slow—so slow that the railways are able to claim that they have surplus capacity on several sectors. As Mr. Dasappa himself admits, freight traffic has increased by only 15 million tonnes (to 194 million tonnes) in 1963-64, as against an increase of 17 million tonnes forecast in the Railway Budget last year. A large shortfall in the relatively low-rated traffic in coal, export ore and steel plant requirements, may have been partially compensated for by a substantial increase in higher-rated general goods traffic. But it is hard to believe that these changes alone have been so

DEVELOPING OIL CAPACITY

THERE are several indications that New Delhi may be making a new approach to the problems connected with the raising, refining and processing of petroleum. The Central Finance Minister, Mr. T. T. Krishnamachari's speech to the Indian Economic Association in Bombay at the end of December foreshadowed a wider welcome to private foreign capital in the "vital areas" in which the public sector had already established its "vigilant presence". Many observers think that the Finance Minister might have had the oil industry particularly in mind while making a plea for casting off past "inhibitions" about foreign capital. Whereas all oil refining was in the private sector until a few months ago, the refinery in Nummati now in operation and the two others being set up in Koyali in Gujarat and Barauni in north Bihar will together take State-owned capacity to 7.25 million tons in the early years of the fourth plan. When the 2.5 million tons expected from the Cochin refinery

sharp as to make nonsense of the earlier Budget estimates.

The statistics Mr. Dasappa has produced show that the railways do not want more money for development—certainly no more than they are raising already through the under-estimation of traffic receipts. Part of these receipts are being salted away in the form of welfare and social security schemes intended to make railway employees a privileged minority. The whole process is then sought to be nourished by substantial sums of extra revenue gained through increases in freight rates. The World Bank, no less than the Government of India, might well reconsider whether this is the right way to implement the much-advertised idea of putting Government enterprises on a "commercial footing". The railways need to be reminded that whatever surpluses of capacity may have developed for the time being, they are due purely to the stagnation of the economy. When the stagnation is ended, the shortage of rail transport is not likely to be much less than it has been in recent years. A more energetic effort to complete plans for expansion and modernisation is necessary. For that and that alone should money be honestly raised and carefully used.

RAILWAY BUDGET AT A GLANCE

	(Rupees in crores)			
	Actuals 1962-63	Budget 1963-64	Revised Estimate 1963-64	Budget 1964-65
Gross traffic receipts	566.79	599.69	622.22	698.01*
Ordinary revenue working expenses net, i.e., after taking credits or recoveries	362.52	379.18	393.48	414.82
Appropriation to depreciation reserve fund from revenue	67.00	80.00	80.00	83.00
Appropriation to pension fund	—	—	—	19.00 @
Net miscellaneous expenditure (including cost of works charged to revenue)	13.95	16.40	15.96	17.08
Total	443.47	475.58	489.44	533.90
Net railway revenue	123.32	124.11	132.78	134.10
Payments to general revenues:				
(a) Dividend on railway capital at charge (at 4.25 percent for 1962-63, at 4.5 percent for 1963-64 and at 5.75 percent on fresh capital for 1964-65)	68.76	80.61	82.53	90.73 *
(b) In lieu of passenger fare tax	12.50	12.50	12.50	12.50
Net surplus	42.06	31.00	37.75	30.87

@ Represents contribution from revenue to the railway pension fund to be created from 1st April, 1964.

* This includes the effect of the adjustments in freight rates including levy of a 2 percent supplementary charge on all basic freight rates, other than export ore, proposed in the Railway Budget for 1964-65. (Total estimated increase Rs. 11 crores in 1964-65).

* Includes about Rs. 1.5 crores due to increase in rate of dividend (interest) from 4.5 percent to 5.75 percent on the fresh capital outlay for 1964-65.

—which is 51 percent Government-owned—are added, the total capacity controlled by the State will be seen to have exceeded the private sector's 8 million tons by a comfortable margin. In other words, the State having established a lead—not merely a "vigilant" presence—there is little reason now for the fears which Mr. K. D. Malaviya, the former Central Minister for Mines and Fuel, so effectively played upon to persuade his Cabinet colleagues against any expansion in the private sector. His departure from the scene having presumably facilitated a reconsideration of the policy issues, it is hardly surprising that a more realistic assessment should now be made of where the country's true interests lie.

Apart from anything else that may be germane, there are two aspects which need to be borne in mind in judging the issues. In the first place, private capital is far more readily available for

investment in oil than in any other industry—a fact not unconnected with the present worldwide surplus of crude. This explains the feverish search by the oil companies for market outlets secured through captive refineries, and their readiness to offer the host country attractive terms tailored to its particular needs. The only point on which the companies cannot afford to be flexible is the freedom to import crude from sources of their own choice because any compromise on this would defeat their very purpose in seeking refinery outlets. Once this limitation is allowed for, countries like India, which offer a large and growing market for crude imports, are particularly well-placed to strike advantageous bargains fully consistent with their national interests. India cannot afford to miss the opportunity because her dependence on imported crude is likely to increase in the coming years. Secondly, any suggestion that she is cold towards attractive offers of private capital cannot but create an unfavourable impression among Western aid-givers, who will soon be meeting to consider Indian requests for the next fiscal year. The danger has already been brought to New Delhi's notice by the World Bank, which, while sympathising with India's desire to introduce greater competition in oil refining and supply, has been urging that both statesmanship and material advantages warrant a fresh bid to come to terms with the oil companies.

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The private sector has made substantial progress during the past decade in spite of various disincentives like heavy taxation, rigid controls, foreign exchange difficulties, and shortages of raw materials, transport and power. Mr. Birla stated that the private organised sector had almost doubled its output during the period, employment had risen by about 40 percent, and the field of manufacture had been extended to several heavy and light engineering items. On the other hand, the public sector, in spite of the prestige and authority carried by it, has made relatively poor progress, although it has acquired monopolistic positions in the economy. Mr. Birla sounded a note of warning that the use of the monopolistic power in the public sector in future would depend more on the complexion of the Party in power

than on anything else. The common man is concerned with improving his lot, and this can be accomplished only when production and employment opportunities increase. This underlines the need to give the private sector full scope for maximising production.

Referring to the reports on the Bonus Commission's recommendations, Mr. Birla said that they would affect the capacity of industry to rehabilitate itself and go in for modernisation. The Bonus Commission, it is stated, has suggested that in calculating bonus no deduction should be made from profits to provide for rehabilitation of plant and machinery. It has also recommended that the return on capital should be taken as 7 percent. In the present state of the capital market, when the rate of interest on debentures is about 9 percent, it is difficult to see how a return of 7 percent on risk capital can be considered fair.

Fuller Use of Industrial Capacity

An important reason for the slow pace of industrial progress in India is the existence of idle capacity in many established and new industries. A recent study by the Central Statistical Organisation revealed that only in the case of 110 industries was the installed capacity used more than 75 percent. Among another 105 industries, the proportion of use ranged from 65 percent to 75 percent. In 35 industries it varied between 35 percent and 65 percent, and in the remaining industries it was below 35 percent. Much of the idle capacity at present is due to shortages of imported raw materials, spare parts and components, power and transport. Transport is said to be responsible for at least a fifth of the idle capacity. Frequent shortfalls in agriculture are responsible for the idle capacity in industries having agricultural products as raw materials. Time-lags and teething troubles are the other contributory factors. Procedural and administrative delays have also affected the working of industries.

The partial use of capacity leads to a setback in production and raises unit costs. Shortfall in one field often affects production elsewhere. The existence of idle capacity has, therefore, wide-

spread repercussions on the economy and inflationary pressures are aggravated. Full utilisation of capacity is, therefore, of utmost importance. It is in this context that the plea made by Mr. G. L. Mehta, chairman of the Industrial Credit and Investment Corporation of India, in his inaugural address at the third quarterly meeting of the All-India Manufacturers Organisation, for launching a new *swadeshi* movement to secure preferential treatment for indigenous raw materials and components, gains significance. He urged industrialists to shed their prejudices against indigenous products and impressed upon them to maintain high production standards. Proper attention must also be paid to the price factor. Mr. Mehta said that in developing indigenous production, it was no use imitating techniques employed in foreign countries. What was good for them need not necessarily be good for India. He also emphasised the need for co-operative research in order to encourage the use of indigenous products. Mr. Mehta suggested that the A.I.M.O. and other organisations of industries should carry out surveys of idle capacity in different industries and suggest how the capacity could be more effectively used by taking to indigenous materials.

Stainless Steel Goods Exports Suffer

Although the Indian Government wishes to encourage the export of non-traditional items, and although raw material imports are freely allowed against export performance, the stainless steel industry is suffering even though it contributes something to the country's export earnings. The Government's inability to take an early decision in the industry's case is responsible for this. In November 1963, the granting of licences for importing stainless steel sheets against stainless steel product export was suspended. It was due to the Government's belief that exports were being over-invoiced while the prices of stainless steel products for export purposes had been artificially raised. As the All-India Stainless Steel Industries Association has pointed out, it does not make sense to penalise the entire industry for the fault of a few, who may have over-invoiced their exports. But the rise in the prices of stainless steel goods has been due partly to the scarcity of raw materials created by wrong Government policies and partly to an increase in production costs.

The Association some time ago submitted to the Government proposals setting down minimum and maximum prices for the complex variety of export products manufactured by the industry. The variety of demand from different countries including the U.S.A., the U.K., West Germany, Canada, Australia, Sweden and some in Asia and Africa is wide, and it is not always possible to standardise the product. If sufficient raw material is available locally, there would be no difficulty in increasing exports and in supplying the huge orders which the Indian industry has already received. The Metals and Mineral Trading Corporation of India, it is reported, is making some efforts to import stainless steel sheets, but that would take time. The ban on the imports of raw material which was imposed in November 1963, should, therefore, be lifted and the industry allowed to import it against the stainless steel goods exports.

It is true that the stainless steel industry is a small one, but it promises to develop and to earn more foreign exchange in the near future. But if things are allowed to drift, the industry's exports, which declined from Rs. 7.67 lakhs in November 1963 to Rs. 1.50 lakhs in December 1963, might fall further. In 1963, India's stainless steel exports totalled only Rs. 6½ lakhs, but the industry feels that a target of Rs. 1½ crores a year could be reached in the near future.

Need to Simplify Sales Tax Laws

Whatever may be the virtues of this country's system of indirect taxes, convenience and simplicity of collection are not among them. The States have added to the complexity by their sales tax laws. Not only do their policies and procedures concerning this tax differ sharply from one another, but the procedures themselves are too intricate and hamper trade. Dealing with this subject in his address to the regional conference of the Fed-

eration of the Indian Chambers of Commerce and Industry's constituents in Gujarat, Madhya Pradesh and Maharashtra, held in Bombay last week, the president, Mr. Bharat Ram, said that often the incidence of the sales tax laws of one State affected dealers in another. There was, therefore, a clear need for better co-ordination of the State's sales tax policies; some uniform principles of administration were also needed. Mr. Bharat Ram suggested that the Centre's policy of amalgamating sales tax with excise duty should be widened to include as many commodities as possible. This is important for two reasons. First, trade and commerce would be enabled to function better; secondly, the effect of the divergent sales tax laws on the export trade would be less adverse. The F.I.C.C.I. president pointed out that under the present rules, only the last export sale was free from sales tax. But sales to dealers or merchant-exporters, even though meant for subsequent export, are not exempt from the tax. Again, the incidence of the burden borne by the exported commodity falls on its inputs, that is, raw materials, intermediate goods, etcetera. Only two States—Gujarat and Maharashtra—have given some concessions for exported commodities, but the rest have refused even to consider the representations of the trade. Mr. Bharat Ram hoped that the Saraiya Committee, which has been appointed to go into all aspects of the problem, would suggest ways to make the task of the exporter easier.

A large part of Mr. Bharat Ram's address, in keeping with the occasion, described the economic features of the region, and spelt out the prospects before the three States. Maharashtra is industrially advanced, but highly developed industrial centres coexist with vast areas of agricultural backwardness. For example, regions such as Konkan, Marathwada and Vidarbha remain relatively undeveloped. In Mr. Bharat Ram's view, one of the main drawbacks is the lack of transport facilities. The road network in the State would have to be extended to these areas, and efficient marketing arrangements introduced to stimulate their economy. Simultaneously, irrigation facilities should be improved and larger quantities of fertilisers applied to step up farm productivity. Gujarat is fortunate in having a go-ahead entrepreneurial class, but the main obstacle is the shortage of power. The recent discovery of oil, and to a certain extent, of coal, would open a wide range of opportunities for developing petro-chemical industries in the State. (The Oil and Natural Gas Commission is already negotiating with foreign parties to start a petro-chemical complex in Gujarat.) This State, however, has sufficient power potential—the Narmada river alone can make a significant contribution. But differences between Gujarat and Madhya Pradesh have been holding up the progress of the latter's power project. Mr. Bharat Ram hoped that these differences would be resolved soon and the implementation of Gujarat's power projects would be expedited. Madhya Pradesh is economically the poorest of the three, but it has vast mineral resources. Iron ore, coal, manganese, bauxite, limestone and even diamonds are among the minerals found in the State. Yet except for the Bhilai steel plant and the Bhopal heavy electrical undertaking, there has been little new industrial development in recent years. Madhya Pradesh, Mr. Bharat Ram said, could provide important industrial commodities like steel, aluminium, calcium carbide, fertilisers, cement and refractories, but the State's industrial potentialities cannot be realised as long as there is no integrated administrative apparatus and the technical personnel are not available.

Time Bar to Sales Tax Reassessment

In an interesting case arising from the sales tax assessment of a Bareilly firm, namely, Messrs Banwari Lal Madan Mohan, a division bench of the Allahabad High Court consisting of Mr. Justice V. G. Oak and Mr. Justice Satish Chandra, has held two assessment orders issued four years after the assessment period invalid under the U.P. Sales Tax Act. The writ petition of the firm under Article 226 of the Constitution was allowed. The facts of the case are that the firm was assessed to sales tax for the year 1953-54 on a turnover of Rs. 73,000 by an order dated 11th January, 1954.

CAPITAL, 13th February, 1964.

But on 18th March, 1958, another order amending the previous one was passed under Section 21 of the U.P. Act assessing the firm on a turnover of Rs. 5,65,700 for 1953-54.

The firm filed an appeal against this order before the Judge (Revisions) on the plea that before making reassessment and issuing the order dated 18th March, 1958, no notice was issued to it. The Judge (Revisions) allowed the appeal by his order dated 5th August, 1958, setting aside the order of the sales tax officer (dated 18th March, 1958) making the reassessment without giving due notice to the appellant firm, but at the same time, ordered that the case should be remanded for fresh assessment after issuing proper notice. Consequently, the sales tax officer, Bareilly range, issued a notice to the petitioner on 10th January, 1960, under Section 21 of the U.P. Sales Tax Act. The petitioner raised an objection that the notice was invalid as no assessment for the year 1953-54 could be made after the expiry of four years. But the objection was rejected. The petitioner went on appeal to the Judge (Revisions) in Lucknow, who also rejected the appeal by his order dated 25th May, 1962. The petitioner then moved a writ application under Article 226 of the Constitution against the order of the sales tax officer dated 15th January, 1960, and the order of Judge (Revisions) dated 25th May, 1962. The division bench of the Allahabad High Court has quashed both these orders and allowed costs to the petitioner.

Both Section 34 of the Income Tax Act and Section 21 of the U.P. Sales Tax Act relate to reassessment. Under the income tax law, if an income tax officer believes that a person's income has escaped assessment to tax, he should first issue a notice to the assessee, and then proceed to make the assessment. The same is the position under Section 21 of the U.P. Sales Tax Act. Their lordships of the Allahabad High Court have pointed out that the Judge (Revisions) was hearing an appeal under Section 9 of the Act. Under clause (b) of sub-section (3) of Section 9, he could set aside the assessment and direct the assessing authority to pass a further order after such enquiry as he may direct. But the Judge (Revisions) had no power to order reassessment proceedings at a time when such proceedings were barred by limitation. There was good authority for holding that the order of assessment without notice was without jurisdiction. If no notice had been issued under Section 21 of the Act before 31st March, 1958, and the order of the sales tax officer dated 18th March, 1958 was without jurisdiction, the conclusion emerged that there was no valid proceeding under Section 21 of the U.P. Sales Tax Act before 31st March, 1958. Under the existing law, it is not permissible to make an order of reassessment after the expiry of four years from the end of an assessment year.

Growth of Private Limited Companies

A study of the financial results of 501 private limited companies in 1961, the results of which have been published in the January 1964 issue of the *Reserve Bank of India Bulletin*, shows the impact of a slackened rate of industrial expansion. Although the average rate of dividends issued by these companies for 1961 increased to 13.7 percent from 12 percent in the previous year, they made slower progress. The value of production and sales of these 501 companies in 1961 increased by less than 5 percent compared with an increase of over 18 percent in 1960 in the case of 333 companies which were studied for that year.

Since the expenditure in the case of the 501 companies in 1961 did not increase as much as income, the "margin of profit" as measured by the ratio of gross profits to sales, improved from 6.5 percent in 1960 to 7.3 percent in 1961. At the same time, the "profitability of capital" also improved with the ratio of gross profits to total capital employed having increased from 10.2 percent in 1960 to 11.2 percent in 1961. But in spite of this improvement in the financial condition the rate of industrial growth, particularly in the case of these companies, slowed down. Besides, the rate of gross assets formation in the case of these 501 companies at 7.6 percent for 1961 was lower than 11.1 percent for 333 companies during 1960. The rate of capital formation in the case of these companies at 11.12 percent was, however, somewhat

CAPITAL, 13th February, 1964.

higher than 10.11 percent for 333 companies in 1960.

Tax provision absorbed a larger share of pre-tax profits in 1961 at 52.7 percent in 1960 compared with 47.9 percent. As a result, the net profits of the 501 companies increased only moderately and the proportion of retained profits to after-tax profits declined to 29.1 percent from 35.8 percent in 1960. There are clear indications that the position for 1962 and 1963 will show further deterioration.

Inami Tenure, Octroi Duty Bills

Industry and trade circles in Bombay are very much agitated over the Maharashtra Government's decision to go ahead with the Bill to abolish Inami tenure and certain other special land tenures and the Bombay Municipal Corporation (Second Amendment) Bill for the levy of octroi duty. Both these bills are scheduled to be taken up at the current session of the State legislature. These Bills have been before the public for quite some time and the business community is known to have made several representations to the Government pointing out that, if implemented, they would seriously affect the economic structure of Bombay city. At a meeting convened by the Indian Merchants' Chamber on 5th February, all the industrial and trade associations affiliated to it unanimously adopted a resolution urging the Government to set up an expert committee of independent members to study the implications and repercussions of the Bill to abolish Inami and certain other special tenures and to stay the consideration of the Bill until such time as the findings of the expert committee are available. The resolution has also protested against the proposed levy of octroi.

While the aim of land tenure reforms can be appreciated, it is difficult to understand how the general policy underlying the land tenure reforms could have any application to lands in the city of Bombay where no agricultural operations are carried on. There is little doubt that the heavy assessments proposed under the Bill would adversely affect small industries, owners of small properties, charitable trusts and co-operative societies. The Bill is, in effect, a financial measure rather than a measure in pursuance of the land reform policy. The Bill, as it stands, will cover about 80 percent of the existing tenures in the city. The other Bill which seeks to authorise the Bombay Municipal Corporation to levy octroi duty on a large number of articles including items of daily consumption, raw materials, components, machinery required for industries as also items essential to building construction, is no less disturbing.

The harmful effects associated with the levy of octroi are bound to manifest themselves in an accentuated form in a city like Bombay, which is a great centre of trade, commerce and industry and is one of the most important distributing centres through which a considerable portion of the country's import and export trade is serviced. In the course of business and industrial activity, there are bound to be frequent movements of goods—both raw materials and finished goods—from and to Bombay and such goods are likely to attract the levy of octroi even more than once in some cases. It is to be hoped that the Government of Maharashtra would give dispassionate consideration to the views and suggestions made by industry and trade before pushing through the proposed Bills.

Consumer Price Index Revised

With the Maharashtra Government's acceptance of the Lakdawala Committee's recommendations for a readjustment of the consumer price index for Bombay, about 400,000 industrial workers in the city whose dearness allowance is linked to the price index will be getting an increase of about 7 percent in their dearness allowance from January 1964. The industry in Bombay will be saddled with an estimated annual expenditure of about Rs. 5 crores, of which the cotton textile industry alone will have to bear well over Rs. 2 crores. While accepting the Committee's recommendation concerning the readjustment of the current consumer price index, the Maharashtra Government has deferred the introduction of the new series linking it with the current series for the time

being, pending further clarification of certain points.

The revised index has touched off serious controversy because of the conflicting interests of workers and employers. Industrial employers and their organisations have strongly protested against the increase in the dearness allowance necessitated by the "readjusted" price index, while labour organisations have declared their determination to fight any move to upset the "corrected" index. Labour organisations, on the other hand, are sore that the enhanced dearness allowance has not been given retrospective effect. The inflated wage bill, contend employers, conflicts fundamentally with the Government's exhortation for holding the price line. The Government, it is said, has acted too hastily in accepting the Lakdawala Committee's recommendations because the Committee has still to report back on the points raised by the employers and the workers' organisations. The employers have also drawn attention to Mr. Gulzarilal Nanda's suggestion at the December meeting of the Standing Labour Committee that the question of dearness allowance should be settled through negotiation between employers and labour and if this could not be done amicably, it would be desirable to settle it by arbitration. The employers had made an offer to the State Minister that the issue of the index number and dearness allowance be referred to the arbitration of a High Court judge, but the State Government took no steps to bring the parties together for negotiation, nor did it accept the employers' suggestion for referring the issue to arbitration. The Millowners Association, Bombay, has announced that textile mills will apply to the Industrial Court for a modification of the award governing payment of dearness allowance.

PROTECTING INDUSTRIES

IN his admirable minute on our fiscal system, Sir Edward Law very truly observes that Russia has collapsed industrially and commercially under a system of protection, and that in his opinion that collapse is due to protection having been given in a most unreasonable manner to encourage the establishment of industries for which local conditions were absolutely unfavourable and to the exaggeration of protection to accelerate the growth of other industries which might in due time have prospered, but have been forced into an unhealthy hot-house growth, leading to premature decay. Now nothing can be more harmful than to encourage the establishment of industries, which are exotic in their nature, and which cannot be acclimatised with advantage. Nearly every manufacturing country has some speciality, which it can manufacture better and cheaper and its neighbours. Great Britain, according to Mr. Chamberlain, would like a monopoly of everything—to do the whole of the world's trade. The aspiration is grand; the realisation is the difficulty. So far as regards India, her manufactures, such as cotton, jute, wool and paper, have succeeded not only without protection, but in the face of competition. They are consequently on a more or less secure basis. The Government of India would be however doing no more than their duty if they admitted all raw material free, and under the head of raw material should be included, all furnishings, stores, spare parts of machinery for use in mills, all chemicals, etc., for the manufacture of paper and the like. This would be not a measure of protection but encouragement.

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CORPORATE TAXES HAMPERING FOREIGN INVESTMENT

By K. C. Khanna

The flow of foreign investment to India is being retarded by an irrational structure of corporate taxation. The Congress of the International Fiscal Association held in Paris last September suggested some ways to promote foreign investment through tax adjustments and incentives.

THE International Fiscal Association, which is a non-official organisation, was founded in The Hague in February 1938, with the object of studying international and comparative law in the field of public finance and, more particularly, fiscal law, as well as connected financial and economic questions. Because of the interest raised by such studies, members coming from the most varied lines of activity have joined the Association. They include prominent people occupying high posts in the Ministry of Finance or in the Ministry of Economic Affairs of different countries, as well as other high officials, university professors, counsels, legal and fiscal experts, chartered accountants, and also important persons belonging to industrial and business circles which take a special interest in fiscal problems and in the impact of fiscal policy on the economy. The Association is represented at all meetings of the U.N. Economic and Social Council and regularly receives information concerning the Council. It has national branches in most countries (it is hoped to have a branch in India shortly). Annually, in one of the countries adhering to the Association, the I.F.A. holds a congress during which a number of subjects selected two years in advance are discussed.

Each subject is studied in national reports and in a general report and gives rise to the vote of a resolution. The last congress was held in September 1963 at the impressive U.N.E.S.C.O. buildings in Paris and was addressed by the Minister for Finance and Economic Affairs of the French Republic. The proceedings were conducted in three languages—English, French and German—with facilities for simultaneous translation. One of the subjects discussed at the Congress related to "fiscal measures to be taken by capital-exporting countries for encouraging investment in countries in process of development". (The author was one of the *General Rapporteurs* for the subject.) The discussion inevitably led to a consideration also of the fiscal measures taken by capital-importing countries, including India, to attract foreign investment. It is interesting and instructive to review briefly in this article the relevant Indian tax provisions relating to corporate taxation in the light of the comments made during the discussion which took place at the Congress in Paris.

Important Factors

It must be stated at the outset that although tax measures play an important part in attracting foreign investment, other circumstances like the political and economic stability of a country, facilities for the repatriation of capital, freedom of remittance of profits, guarantees against nationalisation, and payment of adequate compensation in the event of nationalisation also rank high in the list of factors influencing foreign investment. Apart from some irritating procedural delays, India has an excellent record as far as these factors are concerned. But unfortunately grave misapprehensions prevail in certain foreign quarters and it was distressing to hear ignorant foreign

investors equating India's industrial policy with the policies recently followed by countries like Indonesia, Burma and Ceylon leading to the expression of undue fears of confiscation and expropriation of foreign investment. It is imperative that effective steps be taken to remove such ill-formed impressions, and it is regrettable that adequate information is not readily available abroad to counter unwarranted criticism.

One of the much-publicised concessions in the Indian taxation laws is the tax holiday for a period of five years for profits of a company up to 6 percent of the capital employed. The immediate reaction to this tax concession was that it was of no practical value. "Five years is too short a period in the life of an industrial undertaking, and, in any case, who makes adequate profits in this short period to be able to get the full tax exemption?" remarked a foreign investor. The factual record of the concession proves that the benefit is mainly illusory. Few companies have been able to avail of this concession and it is common knowledge that, after deduction of depreciation and initial allowances, there remains hardly any taxable income in the early period of an industry to entitle it to the tax exemption. Since there is no provision for the carry-forward of the unavailed tax benefit, the concession fails to create a favourable impression. If it is really intended to attract foreign investment, the length of the tax holiday needs to be increased to at least a period of ten years without any restriction on quantitative relief. Several other countries have recently encouraged an absolute tax holiday for a specified period for industries in economically backward areas.

Inter-corporate Dividends

Another tax concession which is widely advertised is the exemption from Indian super tax of inter-corporate dividends granted to companies in scheduled industries. This concession too does not carry conviction because the unparalleled system of taxation of inter-corporate dividends prevailing in India appears to most foreign investors as "fantastic and frustrating". To them, the taxation of dividends received by a parent company from its subsidiary seems indefensible, particularly when the subsidiary company itself pays 50-percent tax on its profits. Most foreign investments are now made by companies and while many parent companies abroad do not object strongly to a tax of 50 percent being charged on the Indian subsidiary's profits, they find that the tax imposed on dividends raises the total burden well beyond their domestic rate. "The reduction of the rate of tax on dividends payable to foreign parent companies should have high priority in India's tax reform," observed a tax expert from the United Kingdom. He added that any tax on dividends should be deferred until the parent company passes on the income to its shareholders.

The grant of development rebate is a welcome concession, but the rate of 20 percent is considered wholly inadequate, particularly in view of the inflationary tendencies in a deve-

loping economy and the continuing rise in the costs of replacement of machinery and plant. A representative from Germany commented that even in developed countries, investment allowances were given at possibly a higher rate for encouraging industries in the backward areas of the country. The recent reduction of the development rebate in India from 25 percent to 20 percent was viewed as a most "unrealistic and retrograde" step.

The taxation of royalties at the rate of 50 percent was also considered excessive, and an investor remarked that "the high taxation on royalties in India only results in the royalties charged being increased in order to maintain the net returns!" He argued that the normal practice in double taxation avoidance agreements was to allocate taxation rights on royalties to the country of the recipient and that India would undoubtedly find patent-owners far more ready to license their rights at reasonable royalty rates if this rule were adopted unilaterally.

Avoiding Double Taxation

The necessity of a double taxation avoidance agreement between the capital-exporting country and the capital-importing country was stressed by several speakers. The great advantage of such an agreement lies in the removal of uncertainty as to the exact tax position of particular sources of income. This is most important to potential investors since an incorrect assumption on tax matters can have very serious consequences. While India has recently concluded a large number of double taxation avoidance agreements with different countries, it has not been possible so far to reach such an agreement with the United Kingdom. A suggestion was made that full double taxation avoidance agreement on the lines of the O.E.E.C. Fiscal Committee's model would do a great deal to improve India's chances of securing a reasonable share of the supplies of capital available for export from the U.K.

Linked with the question of double taxation avoidance agreements is the notorious provision, popularly called "the business connection assessment", which still finds place in the Indian tax laws. A representative from Italy expressed grave concern at the likely enforcement of this provision and his fears could not be allayed by reference to numerous executive instructions issued by the Central Board of Revenue in India. He argued that it would be a great improvement if the provision was scrapped altogether and internationally-accepted tests determining the source of income, such as the permanent establishment test, were adopted in its place. While it appears that the provision is administered reasonably, considerable apprehension remains that a particular transaction may be attacked at any time. This apprehension is increased in many cases by the knowledge that after the tax is paid in India on income which is deemed to arise there, no credit for foreign tax paid on the income will be allowed in India, and the other country concerned may not be prepared to grant credit for the Indian tax on the ground

that under its law the income is regarded as arising within its territory.

The provisions of Sections 104 to 109 of the Income Tax Act, 1963 (corresponding to Section 23A of the 1922 Act) still remain an enigma to many foreign investors and fiscal experts. An American representative, who is an authority on taxation in his own country, remarked: "It is incomprehensible that, on the one hand, India complains about the paucity of foreign exchange and, on the other, Indian taxation laws compel a company to distribute dividends which it is entitled to remit to its parent overseas". According to him, the normal trend among American investors was not to expect any distribution of profits during the first five or ten years of an industry's existence. "During this period, we look to growth prospects and would discourage distribution of profits. A dividend would be welcome after an initial period of development of the business during which period an investor would prefer bonus shares to cash dividends".

Taxation of Bonus Issues

The ploughing back of profits, he contended, was very necessary and, in this connection, the taxation of bonus issues in India and the provisions relating to the compulsory distribution of dividends contained in the Indian fiscal statutes seemed most unrealistic. In both the United Kingdom and the United States, capitalisation issues do not give rise to a tax charge. This position, he argued, should be accepted in India also because a mere transfer of reserves into the form of share capital creates nothing in the way of income in a shareholder's hands and does not increase his taxable capacity. The tax on bonus issues should, therefore, be repealed. As for the provisions relating to dividend distribution, it should meet the requirements of the Indian Government if the operation of the relevant provisions were restricted either by limiting their application to cases where the avoidance of tax is a real danger or by adopting the recommendation that the declaration of a dividend or a larger dividend should not be insisted upon if it would be unreasonable considering the current business requirements of the company.

Happily, the recently-imposed super profits tax had not yet been brought to the notice of most foreign investors to initiate a discussion on it but it goes without saying that a tax which is charged by reference to the ratio of profits to capital must cause hardship and inequity, since such ratios vary widely from one trade to another and from one company to another.

The general reaction to the tax concessions offered was candidly summed up in the following words of another representative: "Give me a uniformly reasonable rate of taxation spread over the entire period of the life of my business. A tax holiday for a period of five years or so is of no material consequence if that holiday is to be followed by confiscatory levels of taxation in the remaining years". The conclusion which emerged from a most useful discussion was that just as a customer is drawn more by a standard low price than by a possibly lower price based on a high catalogue price less conditional discounts, so is an investor attracted more by the charge of tax at a reasonable standard rate than by the promise of an uncertain lower rate calculated with reference to a high standard rate subject to reliefs and concessions contingent upon the fulfilment of numerous rules and regulations. In addition, stability and certainty of fiscal legislation and its compatibility with internationally accepted principles of taxation are as vital for a healthy investment climate in a country as a sound political and economic background.

A Ditcher's Diary

THERE HAS BEEN CRITICISM IN WEST BENGAL THAT while in his Address to Parliament the Vice-President spoke strongly against Pakistan, in Calcutta the Governor's Address on the same day was phrased rather tamely. I almost welcome the difference in tone. While restraint is what Calcutta needs, in New Delhi the need is of a greater emotional awareness of the crisis confronting Bengal. If the two Addresses reflected these two moods, there is reason to be happy. At the same time, I do not believe that Mr. Nanda quite realises the size of the problem on his hands. When the captain of a ship sights an iceberg on the surface of the sea, he knows that he is seeing less than what he is not. I present the metaphor to Mr. Nanda, for his task will not be completed with finding room and employment for thirty thousand or even a million refugees. The nine million Hindus still said to be in East Pakistan will periodically be subjected to all sorts of uncertainties (which is a very mild term for all that has happened, with more to follow) as it suits Pakistan's political purposes which, for Pakistan, are inextricably linked with the question of Kashmir which Pakistan will not allow to be closed. That the nine million Hindus are citizens of Pakistan is rarely remembered in Rawalpindi; and the same fact does not make the slightest difference to India's feelings and concern for them. Then there is the matter of India's past promises to these people. It is true that the promises were made on the assumption that, once Pakistan is conceded, the minorities will be secure in both countries, an assumption made utterly hollow by Pakistan in the last sixteen years. I suggest, therefore, that New Delhi re-think the question, for India, at the moment, seems capable only of reacting to happenings in Pakistan instead of acting on her own initiative. I can think of no solution which will be painless. Yet the amount of pain involved in any of the possible answers—if there is one—may be less than the instalments of agony and helplessness this country is presented with every few months or years. Quibbling over phrases like "easing"—not liberalising—migration procedures indicates too petty an approach.

WITH HIS ADMIRABLE DESPATCH FROM SRINAGAR in the *Sunday Statesman* of 9th February, the newspaper's Political Correspondent has done something that needed to be done. Bakshi Ghulam Mohammed has blackmailed New Delhi for ten years too long; and the country should know it. One point struck me as important. The Political Correspondent writes: "But there has been a strange mystique in Delhi that nothing unsavoury

about the internal affairs of Kashmir should be brought to light lest Pakistan should make unscrupulous use of the disclosure". Here is a real dilemma for all journalists working in India and most other countries which allow a more or less free Press. Before the war there was considerable pressure on Fleet Street not to say anything nasty about Adolf Hitler; at least one great newspaper suppressed most despatches from its correspondent in Berlin. I know two other instances which are mildly amusing. A popular crooner who used to sing for the Forces from All India Radio, Calcutta, was later heard from Radio Tokyo which recorded the songs for re-broadcast. How could anybody stop that sort of thing? My other story relates to this journal. The monitors in Delhi were really worried when they heard *Capital* quoted from Radio Moscow and Radio Berlin; this was before Hitler decided to scrap his non-aggression pact with Joe Stalin. How in heaven's name did *Capital* get there? An earlier Ditcher had to deal with anxious enquiries from Delhi—until the discovery was made that the Soviet Embassy in Kabul was buying an unusually large number of copies of *Capital*! We in India are right to remember that we should not write anything which may be used by unfriendly countries, especially in these abnormal times. Yet, where do you draw the line between not helping the enemy and not doing your duty by the Indian public? The question has agonised me for long; and I wish I could say I have found a complete answer. Every item or comment has, I am afraid, to be considered on its merits, the decision eventually depending on the discernment and wisdom of the writer concerned. It must never be forgotten that suppression of the truth, in the name of security or patriotism, can conceal a multitude of official sins, inefficiency and worse—as it did in Kashmir.

IT WAS WISE OF THE TRADES UNION CONGRESS to unload its interest in the *Daily Herald*. After the principle of selling out had been accepted, it was just not worth condemning the paper to eventual extinction for the sake of £25,000. Because that is probably what would have happened if the T.U.C. had stuck to its original demand for £100,000 instead of accepting the International Publishing Corporation's last-ditch offer. At least this way there is a chance of survival under the proposed new name of the *Sun*. But what has fascinated me about all this is that it should now be accepted in Britain that any newspaper known to be connected with the trades union movement is automatically doomed; the image it presents is the disastrous one of cloth caps, old-fashioned ideas

and constipated spending habits. All of which goes to show that the country is now well on the road to being completely "de-proletarianised". It is interesting, for example, that Mr. Harold Wilson is angling his election manifesto not at the so-called working man, but at the educated middle classes. No doubt this is based on the shrewd assumption that he can count on the working-class vote anyway; but it also shows that the "middle sorts" are now in such number in Britain that their political power is something to be reckoned with. If this is in fact so, the pattern of British life as we know it is in for some pretty drastic changes. Already there are signs that the trade unions no longer attract the public sympathy they used to as the self-styled guardians of the workers' legitimate interests. And this could have repercussions abroad because the British concept of the paternalistic union is much commoner in this world than, say, the American one of big-business unionism. Sentimentality has played too great a part in formulating public policy towards organised labour, often with unfortunate consequences, as in this country. It may be some time before the T.U.C. is squeezed out of politics altogether and reconciled to its rightful rôle of a straightforward industrial pressure group. But my guess is that quite a few of Britain's present economic problems will be solved when it is.

SOMETHING MUST REALLY BE DONE ABOUT PERMITTING resumption of free, public and informed discussion on the country's biggest and most dangerous problem of all: the Sino-Indian dispute. Even before the emergency and the Defence of India Rules, legislation went through Parliament making it an offence to discuss, or question, the frontiers of the country as defined by the not exactly infallible Indian bureaucracy. Mr. Rajagopalachari, I am glad, has already protested against the silly ban on George Patterson's *Peking versus Delhi*. This is only one of a bunch of books on the question reviewed at length in the *Times Literary Supplement* of 2nd January which has just reached my desk; another is *The Sino-Indian Dispute* by N. J. Nanporia, Editor of the *Times of India*, who received deserved praise for being "no blind apologist for Indian policy". I commend this issue of the *T.L.S.* to the Historical Division of the Ministry of External Affairs, which may be too busy reading Sanskrit texts of centuries ago to prove that everything India claims is, because of those *slokas*, India's. I am no expert on maps; but the assertion sometimes made that Indian claims in Ladakh are unreservedly accepted everywhere except in wicked Peking is not true. New Delhi should note, and if necessary and possible contradict, some very categorical statements made in the review. It refers to an 1899 Note, and indicates that the British Government was at one period far from definite in opposing China's claim to part of Aksai Chin. The anonymous reviewer

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may be utterly wrong and the Government of India entirely right; what I want is discussion, for I agree with the reviewer's conclusion which is: "The need for a solution is beyond question. One thing is sure: the Indian people have very little to gain from the present state of tension on their northern border". In *The Flying Troika*, Mr. K. P. S. Menon is in one place almost as outspoken. Shut up are only journalists in India. Or am I only inviting a ban on the T.L.S. and Mr. Menon's book?

LIKE MOST PEOPLE IN INDIA AND BRITAIN, I THINK cricket is a game which should be played for the fun of it, even where international contests such as Test matches are concerned. And, like most people, I am disappointed that after the unexciting performances in the first three of the current Test series between India and England, the fourth one now being played in New Delhi does not look like offering a change from the dreary pattern. Both teams, it appears, are too afraid to lose because they look at cricket in terms of personal or international prestige, regardless of the disservice they may be doing the game. One had hoped for better things after the first Test in Madras got off to a promising start, with Kunderan hitting almost a double century. There have been brilliant individual performances—Titmus's in Bombay, Jaisimha's fiery knock and Colin Cowdrey's confident innings in Calcutta, and now a splendid century by Hanuman Singh in his very first appearance in a Test match at Ferozeshah Kotla—but the overall impression remains that the current Tests have been an outstanding demonstration of how cricket should not be played. The two sides will have to be a little more enterprising if they are to make the series into something of a genuine Test. The M.C.C. may have suffered because of the absence of an outstanding cricketer like Ken Barrington, but Cowdrey has now filled the gap well. India has rightly dropped Manjrekar, who played the rôle of a "passenger" at the Calcutta match, doing practically nothing until the bowler got his wicket. His replacement by Hanuman Singh has indeed been a marked improvement, and I hope his spirit will prove infectious for other members of the two teams. Drawn matches have long been the bane of cricket; while personal and national honour is carefully protected, spectators are entitled to some interest and excitement too.

IT IS STILL A PUZZLE TO ME WHY THE FRENCH medical authorities should be so adamant about M. Naessens not using his anti-leukaemia serum while they are testing it. If the patients are going to die anyway, then surely anything is worth trying, even quackery. Nor do I find the argument that use of the serum only raises false hopes to be at all convincing. A little hope never did anybody any harm; and is not its presence even in apparently hopeless cases one of the medical profession's chief justifications for rejecting the doctrine of euthanasia? No, the whole business smacks of professional jealousy: the French medical authorities are simply unwilling to accept that just possibly a reliable treatment for leukaemia might have been discovered by an outsider. If this is correct, it is a very cruel trick indeed they are playing on M. Naessens' patients. I can understand the wish to test the serum thoroughly; although it only adds to one's suspicions when it is first stated that a verdict on the tests will take years and then a medical spokesman condemns the serum as useless after only a few days. The best way of testing anything is to try it out in practice, and that is precisely what M. Naessens appears to have been doing. His patients are all in a sense volunteers and I gather he is not seeking to make money out of them. So why not permit him to carry on, under appropriate medical supervision, and find out whether the serum really does work by observing its effects in use? That would seem to be the obvious way of handling the affair; or am I being too naive? Whether I am or not, I cannot help but feel the deepest sympathy for the parents of the unfortunate children M. Naessens will now no longer be treating. It is bad enough to know there is no hope. It is infinitely worse to be deprived of what small hope there might be for reasons which no layman can be expected to understand and which are highly suspect anyway.

THE DITCHER

Guide for Investors

KUMARDHUBI TO ISSUE BONUS AND RIGHTS

THE ordinary shares of Kumardhubi Engineering Works Ltd are quoted around Rs. 8.62 due to prospects of bonus and rights share issues. The directors have convened a general meeting of the Company to be held on 10th March, 1964, to consider increasing the authorised share capital and issuing bonus and rights ordinary shares, subject to the consent of the Controller of Capital Issues. It is proposed to issue ordinary bonus shares in the proportion of one bonus share for every five held. After the bonus shares have been issued it is proposed to issue rights ordinary shares in the proportion of two new shares for every three held, including the bonus shares, at a premium of 60p a share. The letter of rights will be issued to existing shareholders on 10th March, 1964. The register of members will be closed for the purpose from 20th February, 1964, until the conclusion of the general meeting on 10th March, 1964.

The existing subscribed and paid-up ordinary share capital of the Company amounts to Rs. 27.65 lakhs, divided into shares of Rs. 3 each. Bonus shares will raise the capital by Rs. 5.52 lakhs and rights shares by Rs. 22.11 lakhs. When the new shares are issued the total ordinary share capital of the Company will increase to Rs. 55.28 lakhs. The ex-bonus and ex-rights price of the shares works out to Rs. 6.05 a share. To judge the prospect it is necessary to return to the balance-sheet of the Company for the year ended November 1962, the latest available. For 1961-62, the taxable ordinary dividend of 15 percent absorbed a sum of Rs. 4.15 lakhs out of a total profit of Rs. 22 lakhs. There is no doubt that the adequate dividend cover is encouraging. But in view of heavier taxation on the corporate sector, the shareholders cannot be certain whether the dividend will be repeated unless the profit meanwhile improves. Since the funds which are to be raised will be largely used to finance modernisation and expansion, it is reasonable to hope that the profit should improve steadily in years ahead. Kumardhubi is engaged in producing engineering goods which have met with rising demand. In view of the provision of a large capital outlay for various industrial projects during the third five-year plan, it is expected that the engineering industry in general will do well in the future.

Voltas Goes Ahead with Expansion Plans

THE preliminary report on the working of Voltas Ltd for the year ended August 1963 showed that the Company had done extremely well with both sales and profit setting new records. Sales and service receipts including business handled on a consignment basis recorded an impressive increase from Rs. 28.66 crores to Rs. 35.98 crores and the gross profit rose from Rs. 146.56 lakhs to Rs. 189.25 lakhs. During 1962-63, the Company attained a growth rate of 25.5 percent, compared with only 7 percent in the preceding year. Unlike in 1961-62, the working in 1962-63 benefited from somewhat shorter delivery periods and, therefore, showed a substantially larger volume of business. The director's

report and the chairman, Mr. J. D. Choksi's statement to the shareholders held out the promise of brighter years ahead. The chairman says that the Company which is a pioneer in the field of air-conditioning proposes to carry forward its manufacturing plans in this field to a further stage of self-sufficiency. (Details are published on a later page in this issue of Capital). Once it is able to manufacture the compressors required by this industry, the Company will have gone a long way towards meeting the backlog of demand created by import restrictions and the additional requirements of the defence forces, of Government and industrial undertakings and offices, to say nothing of the growing requirements for "comfort cooling". After air conditioning, the Company's manufacturing activities will be largely concentrated on materials handling and mining equipment and in other joint venture projects in which the Company is interested and will participate as promoters, shareholders and selling agents.

In the context of growing restrictions on imports, it is encouraging to note from the director's report that the distribution of indigenous manufactured goods has reached Rs. 20.18 crores, which is 56 percent of the Company's total business and compares favourably with Rs. 12.40 crores in 1961-62 and Rs. 9.65 crores in 1960-61. Apart from various chemicals and consumer products, particularly noteworthy additions during 1962-63 were Tata P and H excavators manufactured by T.E.L.C.O. and Ruti automatic 100 m.s. manufactured by National Machinery Manufacturers.

The directors state that the construction of the new factory in Thana has already commenced and the apprentice school, given first priority, is expected to be completed in February. Construction of the main factory buildings has made satisfactory progress and erection of the manufacturing units 1 and 2 is about to begin. While the Thana factory is taking shape, further progress has been made in the manufacturing activities made in the Chinchpokli Works. In all sectors of production, except air conditioners of production units, which suffer from cuts in allocation of foreign exchange for imported components, the output increased steadily throughout the year. In the case of core drills and throw pumps, production was 50 percent more than last year and the indigenous content in both the cases rose to 88 percent. The component requirements for 1963-64 in these two items have been fully covered and the entire output scheduled for this period has already been sold. Production of electric motor starters increased by 60 percent and tooling for the manufacture of another model of motor starter is nearing completion. Satisfactory progress has been made in the manufacture of diamond drill bits and mining accessories.

In October 1962, the Carrier Corporation withdrew as collaborators from the joint air conditioning and refrigeration project. Subsequently, however, the Company was licensed by the Carrier Corporation to manufacture air conditioning equipment on the same conditions as the licence granted to the joint venture. The scheme has been approved by the Government. This will enable the Company to undertake on its own the manufacture of a complete range

of air conditioning equipment. Negotiations for a foreign exchange loan to cover the cost of imported plant and machinery for this project are expected to be concluded shortly and preparatory work for the manufacture of compressors and air conditioning equipment at the Thana Works is well in hand. The Company has made preparations for manufacturing small domestic refrigerators and production is expected to start soon. As for the power factor correction capacitor project, a foreign exchange loan has been obtained from the I.C.I.C.I. and capital equipment has been ordered. Certain other manufacturing schemes at present under negotiation are expected to mature in the near future. Much work is said to have been done during 1962-63 to bring various collaboration projects to fruition. The joint venture with Scottish Machine Tool Corporation has reached a stage where all formalities in connection with the formation and registration of the new Indian company are expected to be completed shortly. A manufacturing collaboration agreement has been arrived at with Merlin and Gerin, internationally known manufacturers of switchgears, whose sale franchise the Company has secured in part replacement of the Brown Boveri representation.

In the last four years, the Company's sales have increased by 100 percent whereas the capital of the Company has remained unchanged at Rs. 2.55 crores since 1956. With the beginning of construction of the Thana factory, the demand for more funds has become inevitable. The total cost of the project in Thana is estimated at Rs. 3.3 crores and the amounts required during 1963-64 and 1964-65 are to be raised by the January debenture issue of Rs. 1 crore, the proposed rights issue for Rs. 1.27 crores and the balance from internal resources and additional cash credit facilities from banks.

Bonus Issue by Century Mills

THE directors of the Century Spinning and Weaving Company have decided to skip the final dividend for 1963; instead, they propose to issue bonus shares in the ratio of one share for every five held. The bonus issue is, of course, subject to the sanction of the Controller of Capital Issues and the shareholders. The bonus issue will mean a capitalisation of Rs. 50.98 lakhs from the reserves,

which stood at Rs. 4.32 crores on 31st December, 1962. The final dividend, if maintained at Rs. 18 a share, would have involved a distribution of Rs. 45.88 lakhs. Apparently, the final dividend is being skipped in order to conserve the Company's resources for financing its various expansion plans. The bonus issue will help to rectify the imbalance between the capital structure and block account. As against its net block of Rs. 10.69 crores (as on 31st December, 1962), the Company's paid-up capital is Rs. 3.80 crores, of which equity capital accounts for Rs. 2.55 crores. The issue of bonus shares will mean a tax liability of Rs. 6.38 lakhs by way of bonus tax. Century Mill shares spurred from Rs. 690 to Rs. 710 on 7th February following the announcement of bonus issue, indicating that the market is pleased with the directors' decision, the skipping of final dividend notwithstanding. Reliable reports indicate that the Company has fared much better in 1963 than in the preceding year.

The Government of India, it is understood, has approved Century Mill's application for increasing the capacity of its tyre cord plant from 10 million lbs to 15 million lbs a year. The Company is already taking effective steps for expanding the capacity from 5 million lbs to 10 million lbs, which had been sanctioned earlier. Its yarn is known to be of very good quality though there have been complaints of high prices. The Company is reported to have indicated to the Government that subsequent to the expansion of capacity from 10 million to 15 million lbs, the cost of production is likely to go down by about 27nP a kilogram. It might be noted here that the licensed capacity of viscose tyre cord at present consists of 15 million lbs for National Rayon, 10 million lbs for Century Rayon and 8 million lbs for Delhi Cloth Mills. Out of this, National Rayon has already installed 4 million lbs capacity and Century Rayon 3 million lbs capacity. The Delhi Cloth Mills' 8 million lbs capacity is under installation. The requirements of viscose tyre cord are estimated to rise to about 43 million lbs by the end of the fourth plan. This is in addition to the capacity of 19 million lbs visualised for nylon tyre cord.

Working of McLeod Group Jute Mills

THE results of the McLeod group of jute mills for the year ended July 1963 have been published. The directors take a cautious view of their working during the current year because of the decline in the demand and price of jute goods. Meantime, the wages of workers have risen considerably. The Empire Jute Co. Ltd has increased the taxable ordinary dividend from 12.5 percent to 15 percent. The yield amounts to 8.5 percent at the present price of

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Rs. 17.75 a share of Rs. 10 each. The profit has increased from Rs. 7.64 lakhs for 1961-62 to Rs. 15.14 lakhs for 1962-63, after providing Rs. 3.87 lakhs (against Rs. 3.55 lakhs) for depreciation. Taxation absorbs Rs. 9.40 lakhs, of which super profits tax amounts to Rs. 1.06 lakhs. The tax provision amounted to Rs. 4.40 lakhs for 1962-63. Sales rose from Rs. 1.61 crores to Rs. 1.78 crores. Modernisation of the mill machinery continued in full swing and one finisher drawing and five sacking weft sliver spinning frames were installed.

The Nellimarla Jute Mills Co. Ltd has made a profit of Rs. 4.40 lakhs, against Rs. 14.02 lakhs, after transferring Rs. 4.36 lakhs (against Rs. 4.20 lakhs) to depreciation. Taxation is allocated Rs. 2.37 lakhs (against Rs. 7.10 lakhs). Out of the tax provision, Rs. 70,000 has been set apart for arrears of S.P.T. for 1961-62. Sales declined from Rs. 1.96 crores to Rs. 1.53 crores. The taxable ordinary dividend has been reduced from 15 percent to 5 percent to absorb Rs. 1.31 lakhs. The yield works out to 4.3 percent at the present price of Rs. 11.62 a share of Rs. 10 each. Modernisation of the preparing and spinning departments has continued. The directors mention that production was hindered by power cuts and a short strike.

The profit of the Presidency Jute Mills Co. Ltd amounts to Rs. 7.60

lakhs, against Rs. 7.55 lakhs, after providing Rs. 2.73 lakhs (against Rs. 2.77 lakhs) for depreciation. A taxable ordinary dividend of 10 percent has been repeated to absorb Rs. 2.50 lakhs. The yield amounts to 9.4 percent at the present price of Rs. 5.31 a share of Rs. 5 each. Taxation is allocated Rs. 4.30 lakhs (against Rs. 3.55 lakhs). Reserves absorb Rs. 1.17 lakhs (against Rs. 1.37 lakhs). Modernisation of mill machinery has continued. Only one sacking weft sliver spinning machinery was installed in 1962-63. Orders for further three sacking weft drawing frames and five sacking weft spinning frames have been placed.

Alliance Jute Raises Dividend

WHILE commenting on the satisfactory results achieved by Alliance Jute Mills Co. Ltd for the year ended May 1963, the directors point out that there has been a substantial decline in overseas demand for jute goods and their prices have dropped during the current financial year. They, therefore, think that the profit for 1963-64 will not be as satisfactory as that for 1962-63. The implementation of the recommendations of the Wage Board may also hold the profit down. The profit of Alliance Jute has improved

from Rs. 11.44 lakhs for 1961-62 to Rs. 18.39 lakhs for 1962-63, after increasing depreciation from Rs. 4.48 lakhs to Rs. 5.97 lakhs. The taxable ordinary dividend has been raised from 10 percent to 12.5 percent to absorb Rs. 3.75 lakhs. The yield amounts to 9.3 percent at the present price of Rs. 135 a share of Rs. 100 each. Provision for taxation has been estimated at Rs. 9.50 lakhs, including a sum of Rs. 1.12 lakhs for taxation relating to previous years. Development rebate reserve is allocated Rs. 2 lakhs (against Rs. 1.93 lakhs) and contingency reserve Rs. 16 lakhs, leaving a carry-forward of Rs. 1.05 lakhs, against Rs. 58,837 brought in. The proposed dividends will be paid out of the contingency reserve. Gunny sales rose from Rs. 3.09 crores to Rs. 3.34 crores and stocks of jute goods went up from Rs. 15.60 lakhs to Rs. 19.18 lakhs. Further modernisation of the preparing and spinning departments has been carried out.

Reliance Jute Makes Profit

JARDINE Henderson Ltd has submitted its resignation from the office of managing agents of The Reliance Jute Mills Co. Ltd with effect from 31st October, 1963. The

accounts of the Company for the seven months ended October 1963 have just been published. The net profit amounts to Rs. 10.48 lakhs, against a profit of Rs. 17.65 lakhs for the year ended March 1963. Taxation absorbs Rs. 3.67 lakhs, leaving a carry-forward of Rs. 7.28 lakhs. The main sources of income during the period from 1st April to 31st October, 1963, were the sale of loom hours, the leasing of the mill godowns to the Regional Director (Food) and from the production of those looms, which it had been possible to bring into use having regard to the limited electric power supply. An additional 123 looms were put into use during the period covered by the accounts and as on 31st October, 1963, 317 hessian looms and 105 sacking looms were employed in manufacture. Although vigorous steps were taken to obtain additional supplies of electric power there was little success up to the date of the accounts.

South Karannura Resumes Dividend

THE profit of the South Karannura Coal Co. Ltd has improved to Rs. 1.89 lakhs for the year ended August 1963, compared with a profit of Rs. 1.77 lakhs for 1961-62, after providing Rs. 1.80 lakhs (against Rs. 1.87 lakhs) for depreciation and Rs. 1.33 lakhs (against Rs. 89,000) for statutory development rebate reserve. A taxable ordinary dividend of 2.5 percent has been declared, which absorbs Rs. 43,750. The yield amounts to 2.9 percent at the present price of Rs. 8.50 a share of Rs. 10 each. The dividend was passed for 1961-62. Taxation is allocated Rs. 1.05 lakhs (against Rs. 20,323) and general reserve Rs. 40,000. The carry-forward is Rs. 3,001, against Rs. 2,926 brought in. Raisings increased from 208,133 tons to 218,160 tons and despatches from 206,787 tons to 220,693 tons. The directors have stated that due to improvement in the transport situation, pithead stocks considerably declined. About 90 percent of the equipment ordered from foreign countries against the World Bank loan has been received. The remaining machinery is expected to arrive during the next two or three months. Sales improved from Rs. 42.54 lakhs to Rs. 48.27 lakhs.

Electric Construction Diversifies

THE satisfactory results of Electric Construction and Equipment Co. Ltd for the year ended October 1963, have largely been due to its expansion and diversification. During 1962-63 a sum of Rs. 40.33 lakhs was spent on expansion. During the current year more money is likely to be spent for the purpose. The production of transformers at the Cossipore and Vishakhapatnam factories has increased substantially. A programme for increasing the range and variety of electric motors is being vigorously pursued. It is proposed to manufacture a wide range of motors at a site near Calcutta. The unit in Budge Budge, near Calcutta, for producing switchgears and lifts has made considerable progress. The Government has approved the collaboration agreement with a reputable French firm for the manufacture of switchgears. The construction work of the factory in Hyderabad to produce house service meters has been completed and the output of single phase meters has started. It is intended to take up the manufacture of poly phase meters towards the close of 1964. The factory should produce 60,000 single phase meters and 18,000 poly phase meters a year. An industrial licence has been obtained to set up a factory

in Punjab for producing transformers and switchgears. The contract division has secured good orders from the Railway Electrification unit. The Company has been appointed the sole representative of reputed American and East German firms.

The profit has improved from Rs. 19.35 lakhs for 1961-62 to Rs. 29.36 lakhs for 1962-63, after transferring Rs. 8.97 lakhs (against Rs. 5.71 lakhs) to depreciation. The taxable ordinary dividend of 10 percent has been repeated to absorb Rs. 6.09 lakhs. The yield works out to 7.7 percent at the present price of Rs. 13.06 a share of Rs. 10 each. Development rebate reserve is allocated Rs. 2.50 lakhs (against Rs. 2.25 lakhs), taxation Rs. 15.25 lakhs (against Rs. 8.80 lakhs), general reserve Rs. 5.50 lakhs (against Rs. 6.09 lakhs) and dividend reserve Rs. 6.25 lakhs. The proposed dividends will be paid out of the latter reserve. The carry-forward is Rs. 21,399, against Rs. 12,311 brought in. Sales rose from Rs. 2.1 crores to Rs. 2.9 crores. The directors mention that during the current year 15,500 new preference shares and 155,000 ordinary shares have been issued. Before the issue of these shares the subscribed preference capital amounted to Rs. 3 lakhs and the ordinary share capital Rs. 60.93 lakhs.

I.F.C. Loan to Fort Gloster Industries

THE International Finance Corporation, an affiliate of the World Bank, has agreed to provide loan and share capital amounting to approximately \$1.2 million (the equivalent of Rs. 57 lakhs) to Fort Gloster Industries Ltd to help finance a Rs. 4-crore programme for enlarging and diversifying the Company's electric cable manufacturing facilities. The Continental International Finance Corporation, a subsidiary of the Continental Illinois National Bank and Trust Company of Chicago, is participating with I.F.C. in this transaction. The Industrial Credit and Investment Corporation of India is also lending the Company about Rs. 60 lakhs. The Company will offer rights shares worth Rs. 60 lakhs to its existing shareholders.

Fort Gloster Industries was established in 1890, and is a leading jute manufacturer in Calcutta. The Company at present has a share capital of Rs. 84 lakhs. As part of its diversification programme, the Company began the manufacture of electric cables in 1960 under a technical assistance agreement with British Insulated Callender's Cables Ltd. Its cable factory in Calcutta is at present producing various types of high quality, vulcanised rubber-insulated cables. The Company now proposes to enlarge these facilities and extend its production to include the manufacture of paper-insulated, lead-covered power cables, railway signalling cables, mining cables and various types of cables insulated with plastic and vulcanised rubber.

The new manufacturing facilities are expected to be in operation by 1965. Concurrently, the Company is engaged in modernizing its jute manufacturing facilities and installing new equipment for the production of wide hessian to meet the rising demand for carpet-making cloth in the United States.

The I.F.C.'s investment will consist of a loan of \$812,000 repayable in 14 semi-annual instalments, beginning from April 1967, and the purchase of 10,000 equity shares of the Company at the rights offering price of Rs. 190 each, for a total subscription equivalent to approximately \$400,000. The shares subscribed to by I.F.C. will form part of the Company's new stock issue consisting of 41,500 equity

shares, the remainder of which is being offered to the Company's existing shareholders. The I.C.I.C.I.'s contribution to the Company is in the form of two long-term loans amounting to Rs. 59.5 lakhs. Of this total, \$788,000 (the equivalent of Rs. 37 lakhs) will be in foreign exchange from resources that have already been made available by the World Bank to the I.C.I.C.I.

Deoria Sugar Passes Dividend

DEORIA Sugar Mills Ltd has made a profit of Rs. 2.02 lakhs for the year ended August 1963, after providing Rs. 1.25 lakhs (against Rs. 1.34 lakhs) for depreciation. The loss amounted to Rs. 6.52 lakhs for 1961-62. Development rebate reserve is allocated Rs. 11,300 (against Rs. 8,282), and the previous debit balance has been set off against the profit earned. The dividend has again been passed.

The output of sugar declined from 108,922 quintals to 73,729 quintals, but recovery improved from 9.15 percent to 10.55 percent. There was an acute shortage of cane supply. The outlook for 1963-64 is not considered encouraging by the directors. Since the State Government concerned has taken no measure to restrict the production of gur, the diversion of cane from sugar factories has continued. The Company produced only raw sugar during 1962-63 and all of it has been exported. The Company has applied to the Government for expanding its capacity. It has also asked for financial help from the Government for rehabilitation, expansion and modernisation of the factory.

Indian Vegetable Products Sales, Profit Up

INDIAN Vegetable Products Ltd reports satisfactory results for the year ended September 1963 with sales up by about 6 percent from Rs. 3.67 crores to Rs. 3.90 crores and the gross profit recording a rise of about 9 percent from Rs. 14.13 lakhs to Rs. 15.39 lakhs. The dividend has been reduced from 17 percent to 15 percent, but it is payable on the increased capital following the one-for-seven bonus issue; so the total distribution is slightly higher at Rs. 3.63 lakhs, against Rs. 3.60 lakhs in the preceding year. The excise duty on the Company's products amounted to Rs. 40.89 lakhs, compared with Rs. 24.99 lakhs in the previous year. With effect from 1st March, 1963, the excise duty on *vanaspati* was increased from Rs. 200 a ton to Rs. 384 a ton. The excise duty of Rs. 110.25 was levied on refined oil. The Company started production of epoxy plasticisers on a commercial basis during the year and the quality is said to have been well-received by plastic manufacturers.

After providing Rs. 1.68 lakhs (against Rs. 1.44 lakhs) for managing agents' commission, Rs. 79,000 (against Rs. 71,000) for depreciation, Rs. 31,764 (against Rs. 8,204) for development rebate and Rs. 9.46 lakhs (against 6.90 lakhs) for taxation, the net profit amounts to Rs. 3.14 lakhs, against Rs. 5.10 lakhs in 1961-62. With Rs. 3.94 lakhs (being excess provisions and refund of sales tax) written back and Rs. 6,327 brought in, the disposable surplus amounts to Rs. 7.14 lakhs. The directors have set aside Rs. 1.74 lakhs (including Rs. 1.51 lakhs for super profits tax) for taxation for the previous year and a sum of Rs. 1.77 lakhs (against Rs. 1.78 lakhs) for general reserve. No provision has been made for staff gratuity reserve which received Rs. 50,000 in the previous year. A sum of Rs. 3.63 lakhs has been transferred to

the dividend equalisation fund out of which will be paid the proposed dividend. After making various appropriations, there remains a modest sum of Rs. 572 to be carried forward.

Ganesh Flour to Issue Rights Shares

GANESH Flour Mills Ltd may soon issue rights ordinary and preference shares to raise about Rs. 25 lakhs for expansion. In view of these issues, the Company is unlikely to issue the remaining debentures for Rs. 14 lakhs, for which the sanction of the Controller of Capital Issues has already been obtained.

Paper Products Earns Less

DESPITE a slight improvement in the sales from Rs. 1.56 crores to Rs. 1.58 crores, the gross profit of the Paper Products Ltd for the year ended July 1963 is substantially lower at Rs. 18.01 lakhs, against Rs. 21.84 lakhs in the preceding year. The profit margin is reported to have been squeezed by the increase in the cost of raw materials, delay in procuring imported as well as indigenous raw materials and the enhanced wage bill. After providing Rs. 4.32 (against Rs. 3.91 lakhs) for depreciation, Rs. 65,141 (against Rs. 89,713) for development rebate reserve and Rs. 8.17 lakhs (against Rs. 9 lakhs), including Rs. 1.27 lakhs for super profits tax for 1961-62, for taxation, the net profit amounts to Rs. 4.87 lakhs, against Rs. 8.03 lakhs in 1961-62. The heavy fall in the net profit has obliged the directors to reduce the dividend from 18 percent to 10 percent, which, however, is payable on the increased capital following the public issue of Rs. 16 lakhs in May 1962.

The new equity shares are entitled to a proportionate dividend (Rs. 9.38 a share) for 11 months. The Company issued 10,000 equity shares in August 1963 by way of rights, but these shares are not entitled to the dividend for 1962-63. No provision has been made for the reserve fund which had received Rs. 2.80 lakhs in the preceding year. A sum of Rs. 4.90 lakhs (against Rs. 5.21 lakhs) has been transferred to the dividend reserve. The proposed dividend which is to be paid out of the dividend reserve, will absorb Rs. 4.90 lakhs (against Rs. 5.21 lakhs), leaving Rs. 96 to be carried forward, against Rs. 2,951 brought in.

The Company's paper mill in Roha has gone into regular production and quality paper both from imported and indigenous pulp is being produced. Production has already reached a satisfactory level and the full rated capacity is likely to be reached shortly. The Company has received permission, in principle, for effecting a substantial expansion of the paper mill in Roha by including the manufacture of grease-proof and glassine papers. It has also received a licence for printing and conversion of cellulose and plastic films, waxed papers and laminates. Capital expenditure incurred during 1962-63 for the Thana plant amounted to Rs. 5.34 lakhs. The Company is trying to establish an export market for its products. The Rs. 100-paid share of Paper Products is currently quoted around Rs. 120, offering a gross return of about 8.9 percent.

Coromandel Fertilisers to Enter Market

COROMANDEL Fertilisers Ltd, which has been jointly promoted by E.I.D.-Parry Ltd, Madras, Inter-

national Mineral and Chemical Corporation, U.S.A., and California Chemicals Corporation, San Francisco, is likely to enter the market some time in March or April to raise Rs. 4.01 crores through public subscription. The American holding in the Company will be 47 percent. The Company has been licensed to manufacture annually 365,000 tonnes of ammonium sulphate and 16,500 tonnes of urea prills fertiliser materials. The factory is proposed to be located in Vishakhapatnam. Of the three main raw materials, phosphate rock and sulphur will be imported, while naphtha will be available indigenously from the Caltex Refinery in Vishakhapatnam.

The project is estimated to cost Rs. 33 crores and the foreign exchange component is estimated around Rs. 15.75 crores. This is proposed to be met by the share capital of the American firms which are collaborating in the venture and by a loan of \$27.5 million from the Export-Import Bank. The Agency for International Development will lend Rs. 7.5 crores. The balance of the cost will be met from contributions of the three promoters to the share capital, the public issue and bank borrowings. The Company has received Government sanction for the equity capital issue of Rs. 8.49 crores.

The vice-president of International Mineral Corporation, Mr. Charles S. Denison, told the Press in Bombay on 7th February that the construction work on the project would begin immediately after the financing arrangements were finalised and the public issue made and that the plant would go into production about 30 months later. When in full production, the Company will have an annual turnover of Rs. 15 crores to Rs. 20 crores. It will help save annually about Rs. 10 crores by way of foreign exchange by minimising the need for imports of fertilisers. The association of the two American firms with the project will make available to the country modern technology and most economic methods in the manufacture of chemical fertilisers. With a view to familiarising Indian cultivators with the type of fertilisers that the Company will manufacture, already 47,000 tons of similar fertilisers have been imported under an A.I.D. non-project loan and are being sold in Andhra Pradesh by Parry. These imports are likely to increase to 100,000 tons in the course of another year.

Bhaskar Textile to Raise Capital

BHASKAR Textile Mills Ltd has begun to construct a cotton spinning mill with 15,000 spindles in Jharsuguda, Orissa State. The necessary import licences have been obtained and orders for foreign and domestic equipment have been placed. The total cost of the project may amount to Rs. 1.09 crores. Production is expected to begin before the end of 1964.

The Company will soon issue ordinary shares for Rs. 14 lakhs and preference shares for Rs. 7 lakhs for public subscription at par. The preference shares will carry a fixed dividend of 9.5 percent and will be redeemed after 12 years. The entire issue has been underwritten. The directors and their friends have already subscribed for Rs. 10 lakhs out of the issue.

English Electric Company of India

IT is regretted that the value of the ordinary share of the English Electric Company of India Ltd was

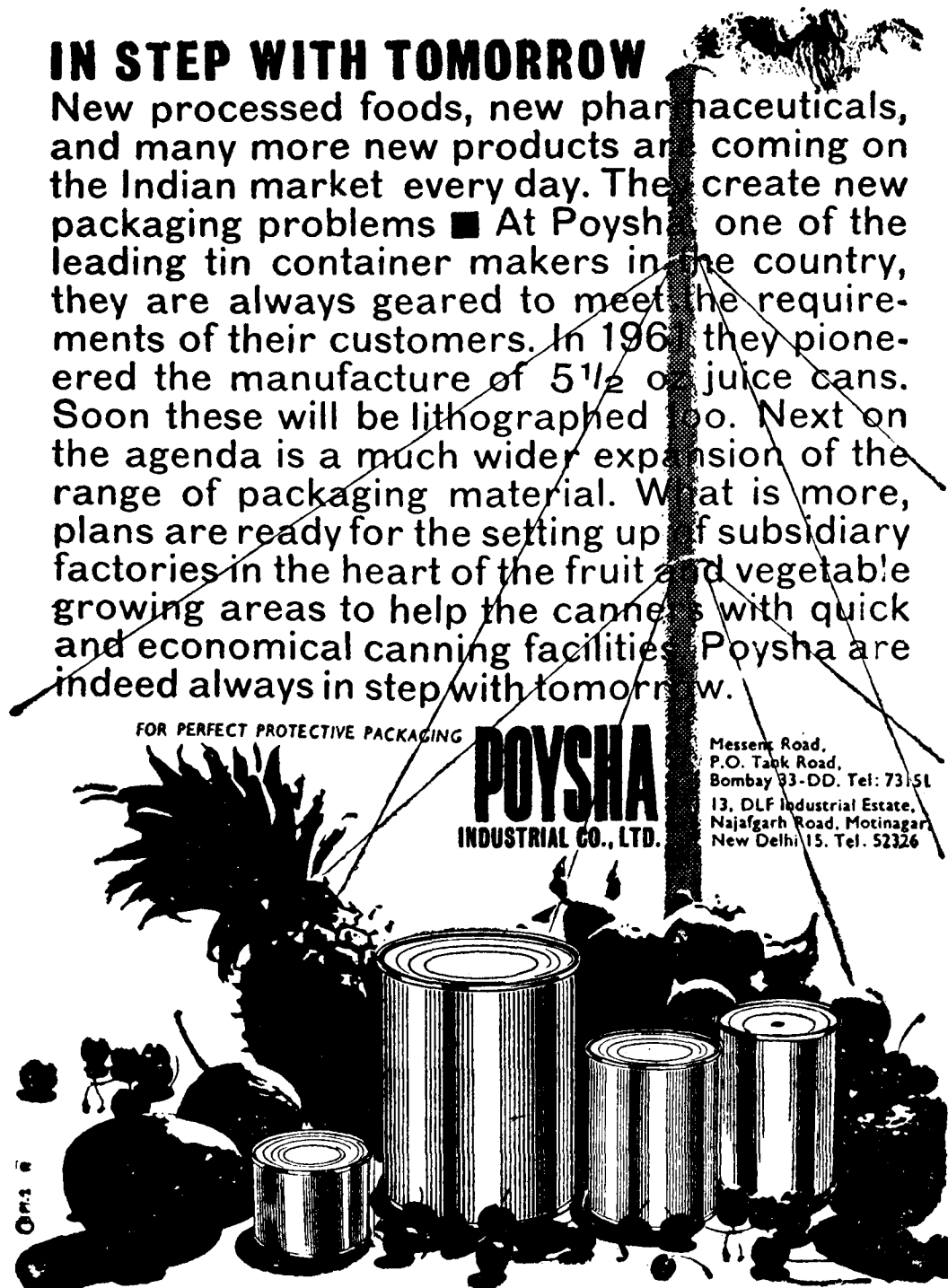
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given as Rs. 70 in our issue of 6th February, 1963, due to oversight. The value of each share is actually Rs. 10.

New Capital Issues

SEVEN companies have been authorised to raise capital totalling Rs. 3.17 crores. One of them, which is a new company, is offering part of its capital to its foreign collaborator. Two are State Government undertakings. One is offering bonus shares, three preference shares and the rest equities. The consent of the Controller of Capital Issues is valid for 12 months. The following are the details:

Kumardhubi Engineering Works Ltd., Calcutta, is to issue (1) 737,280 equity shares of Rs. 3 each to be

issued at a premium of 20 percent to the existing shareholders, (2) 184,320 bonus shares of Rs. 3 each on capitalisation of share premium and (3) Rs. 40 lakhs in 7 percent debentures. The capital is required for the modernisation and expansion of the Company's works in Kumardhubi which is estimated to cost Rs. 1.5 crores.

Special Steel Ltd., Bombay, is to issue capital of Rs. 46 lakhs. Of this, Rs. 26 lakhs will be in equity shares of Rs. 100 each and Rs. 20 lakhs in 20,000 9.30 percent cumulative redeemable preference shares of Rs. 100 each for cash at par. The money will be used for the manufacture of prestressed concrete wire, card clothing wires, ball bearing wire and other spring steel wire.

Universal Road Service (Private) Ltd., incorporated in Maharashtra State, is issuing further capital of Rs. 40,34,500 divided into 40,345 equity

shares of Rs. 100 each for cash at par. The money is required for acquiring trucks and buses for the business of goods transport and for functioning as clearing and forwarding agents in respect of goods and luggage freight parcels.

Southern Switchgear Ltd., a new company incorporated in Madras State, has been given consent to issue capital of Rs. 30 lakhs. The total is divided into 300,000 equity shares of Rs. 10 each privately, for cash at par. Of the issue, shares of the value of Rs. 10 lakhs will be offered, at par, to the Company's U.K. collaborators, Brush Electrical Engineering Company Ltd. The new industrial undertaking will manufacture low voltage switchgear.

Assam Cement Ltd., Shillong, a State Government undertaking, will issue capital of Rs. 65,74,900 divided

into 157,490 equity shares of Rs. 10 each and 50,000 6 percent cumulative redeemable preference shares of Rs. 100 each to be issued for cash at par. The money will be used for meeting a part of the capital cost of a cement factory to be set up in Cherrapunji.

Assam Gas Company Ltd., Shillong, a State Government undertaking, will issue further capital of Rs. 27 lakhs divided into 27,000 equity shares of Rs. 100 each to be issued privately for cash at par. The proceeds will be used in financing the Nahorkatiya-Kamrup gas pipeline and for meeting other expenditure.

Nestler Boilers Private Ltd., Bombay, is raising fresh capital of Rs. 40 lakhs divided into equity shares of the value of Rs. 30 lakhs and preference shares of the value of Rs. 10 lakhs. The capital is required for the manufacture of industrial boilers.

CAPITAL, 13th February, 1964.

CAPITAL, 13th February, 1964.

The Stock Markets

BUDGET DOUBTS RESTRAIN TRADING

Wednesday Evening.

THE Calcutta stock market is slightly steadier towards the close of the week. The improvement in the technical position has largely contributed to the steadiness. Weak holders have sold their shares during the past fortnight or so, but all offerings have been absorbed without much difficulty. Business has centred on clearing shares, which have improved due to replacement buying, combined with short-covering. The clearing on Wednesday passed off smoothly and the carry-forward charges were slightly higher than the previous settlement.

Turnover has declined appreciably, since operators are reluctant to extend their commitments either way due to the uncertainties of the Budget, which will be presented on the last day of this month. Although the Central Finance Minister is keen to stimulate economic activity, it is doubtful whether he will give any substantial relief in taxation. The best that can be expected under the circumstances is that he will modify the fiscal system in such a way that the tax burden on the corporate sector is made lighter. There is no doubt that expansion and modernisation have been hindered by the growing shortage of funds. Unless companies are permitted to plough back adequate funds out of profits, they are not likely to go in for expansion plans vigorously.

Interest in cash shares has been negligible, although selling pressure has been conspicuous by its absence. Investors have for the time being concentrated their attention on new issues, which have mopped up considerable funds during recent weeks. This apart, investors have been discouraged by the present pricing policy of the Government. Prices of commodities like steel, cement, paper and coal have been fixed at unrealistic levels. Companies engaged in manufacturing these commodities have found it difficult to pay good dividends and conserve enough funds for expansion and modernisation.

Indian Iron have improved slightly towards the close due to replacement buying. Among engineering shares, attention has centred on Guest, Keen, Williams, Texmaco, Burn and Indian Standard Wagon. The prospect of getting bonus and rights ordinary shares has caused a mild flutter in Kumardhubi Engineering. Dalmia Iron and J. K. Steel have improved on good working reports. Jay Engineering have recovered on the prospect that the strike may end soon.

In the miscellaneous section, attention has been concentrated on clearing scrip. Hindustan Motors, Dunlop Rubber, Indian Cable, Rohtas, Kesoram Industries and Indian Copper have been active. Alkali and Chemical have been steady at a lower level. Union Carbide, Good-year India and Associated Battery have reacted on profit-taking. National Insulated Cable, National Pipes and Tubes, Hindustan Aluminium, India Carbon and Angelo Brothers have gained.

Electric company shares have been sluggish and small business in Calcutta Electric has passed. Managing agency shares like Martin Burn and Jardine Henderson have been neglected. In banks, United Bank have been steady. Prospects of a bonus issue have evoked interest in United

Commercial. Paper shares have been sluggish. Stray business has been done in Orient, Titaghar, Sirpur, Bengal, and Seshasayee. S.K.G. have improved among sugar shares, which have been freely offered without attracting support.

Turnover in jute shares has dropped due to uncertainties caused by the abolition of the working time agreement. Birla, Anglo-India, Champdany, Union, Ganges and Megna have been about steady. Coal shares are dull. Small business has passed in Burrakur, Bengal and Equitable. Cotton mill shares have generally been easier, although scattered support has been extended to Bharat Commerce, Jay Shree Textiles, Elgin and J. K. Cotton. Stray business has been done in tea shares. Only selected Assam and Dooars gardens have been dealt in.

Government securities have been dull and quiet. The 3 percent Conversion loan 1986 has dropped to Rs. 63.30. Prices of short- and medium-dated stocks have nevertheless been maintained, although sellers have been fewer. Selected State Government loans have met with scattered support.

Tata Steel Output

Messrs Tata Industries Private Limited, managing agents for the Tata Iron and Steel Company Limited, report that the approximate production of iron and steel at the

steel works in Jamshedpur during January 1964 was: Iron 164,400 metric tons; steel ingots 171,300 metric tons and salable steel 133,100 metric tons.

Bombay

MARKET REMAINS DULL BUT STEADY

SELECTED CLEARING SHARES HARDEN

Wednesday Evening.

THE Bombay stock market has been dull but steady during the past week. Share prices have been maintained around previous week's levels in limited turnover, since bulls and bears have been inclined to keep their commitments light until the Budget is presented. Selected clearing shares have hardened towards the close due to replacement purchases following good corporate news. Turnover in cash shares has declined considerably, although selected scrip like Colour-Chem and S.L.M.-Maneklal have met with scattered support. Except for Century which have improved on prospects of an issue of bonus shares in the proportion of one for every five shares held, cotton mill shares have been dealt in cautiously due to the uncertain outlook for cloth prices.

Tata Steel ordinary have closed at Rs. 146.50 since the production figures

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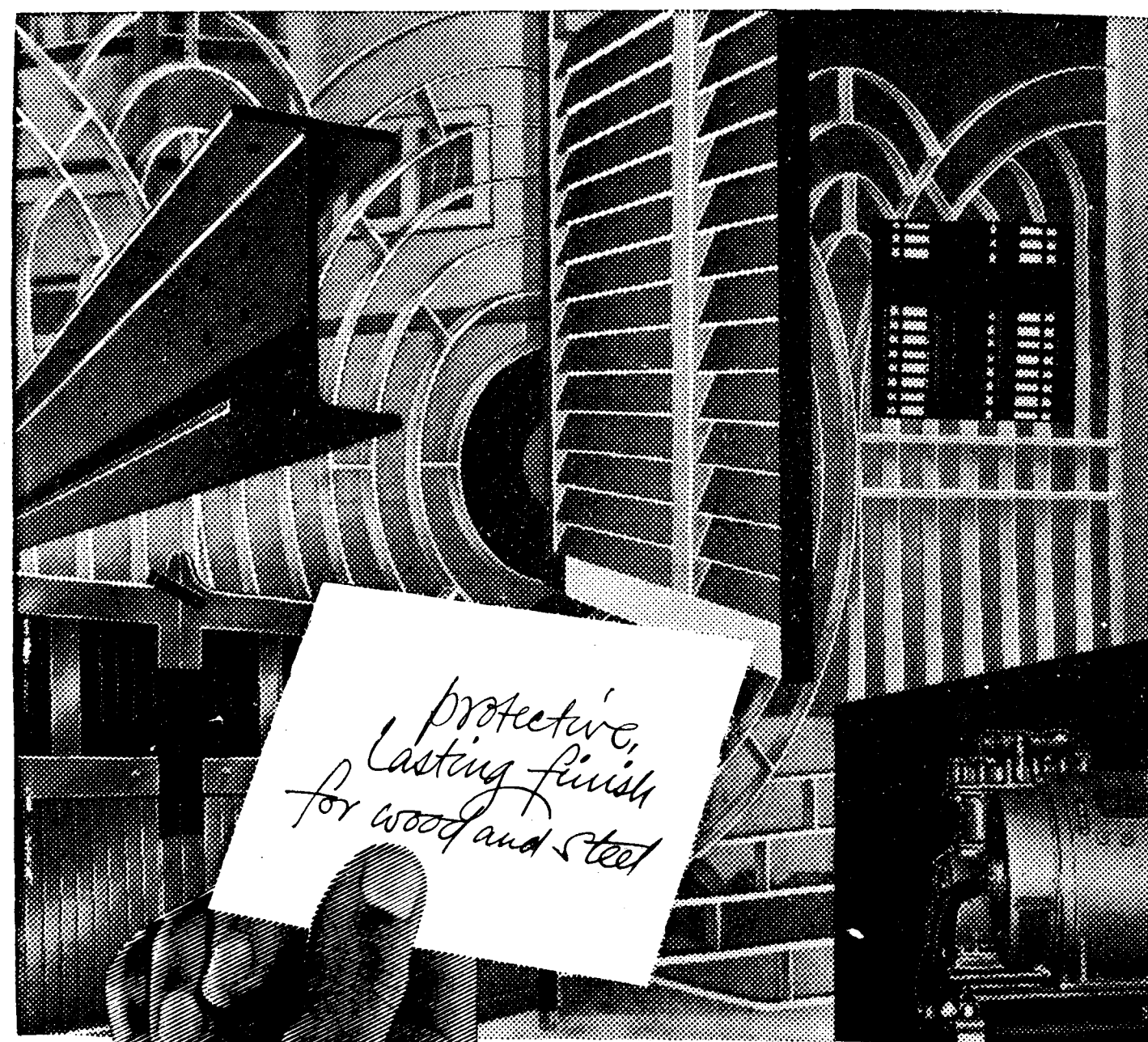
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of the Company for January have not been particularly impressive. Among engineering shares, Tata Locomotive have been steady on hopes of expansion. Mukand Iron and Premier Construction have met with influential support. Motor-vehicle shares have been sluggish. Premier Automobiles have not responded to the prospect of an increase in production. Hindustan Motors have been maintained.

Among cotton mills, Century have been a bright feature, although they have reacted towards the close on profit-taking. Scattered interest has been shown in Bombay Dyeing, Kohinoor, Morarjee, Gokak, Svadeshi and India United ordinary. Standard have dropped on profit-taking. Simplex have been offered freely.

Business in miscellaneous shares has declined considerably. Cement shares have shown little variation, and business has largely been confined to Associated Cement. Scindia Steam have been a smart feature among steamship company shares due to reports of improved working. Mining shares have been subdued, and Shivrajpur Syndicate have been sold freely. Sugar shares have been quietly steady, and interest has largely been confined to Belapur, Phalton and Walchandnagar Industries. Among rayon shares, National Rayon have been active due to hopes of expansion and diversification. Chemical shares have been quiet. Tata Chemical and Indian Dyestuff have been sold at lower prices. Voltas

have been a steady feature due to prospects of expansion and diversification of activities.

Bank shares have been sluggish, and stray business has been transacted in Central Bank and Bank of India. In electric company shares, Ahmedabad and Tata Hydro have changed hands.

Madras

BOMBAY ADVICES HELP SENTIMENT

SMALL TURNOVER IN CASH SHARES

Tuesday Evening.

THE undertone of the Madras stock market has improved during the past week due mainly to firmer advices from Dalal Street. Selected clearing shares have hardened slightly on scattered support from outside sources. Turnover in cash shares has been small and investors have been unwilling to extend commitments until the Budget is presented. Government securities have been quietly steady, and small business has been transacted in selected State Government loans.

Bank shares have lacked interest. Andhra have been transacted at

Rs. 94.40 since the scheme for amalgamation of Bharata Lakshmi Bank Ltd with Andhra Bank will be considered at an extraordinary general meeting of the latter due to be held on 9th March, 1964. Among electric companies, Negapatnam and Ellore have met with support around previous rates. Sugar shares have been weaker. E.I.D. have been sold at Rs. 37.60 and Deccan at Rs. 11.90. Mysore have been available at Rs. 44.65 and India at Rs. 10.00. K.C.P. have reacted to Rs. 22.35 and Cauvery to Rs. 105.

Interest in planting shares has declined considerably, and only scattered support has been extended to selected tea and coffee shares following good corporate reports. Blue Mountain have been available at Rs. 2.35 and Cochin Malabar at Rs. 6.37. Consolidated Coffee have changed hands at Rs. 19.45 and Ouchterlony at Rs. 4.20. Business has passed in Periakaramalai at Rs. 3.43 and in Thamarapally at Rs. 16.40. Peermade have been steady at Rs. 20.50 and United Nilgiri at Rs. 23.75. Amalgamated have been taken at Rs. 10.01 and Mysore Coffee at Rs. 5.20.

In textile shares, South India Viscose have recovered to Rs. 141.50 and Travancore Rayon to Rs. 24.50. Madura have been a smart feature and have risen to Rs. 35.50 on paying a higher dividend. Lakshmi have been steady at Rs. 132. Interest has been taken in Bangalore Woollen at Rs. 236 and in Buckingham at Rs. 292. Anglo-French have been active up to Rs. 150 and Cambodia have changed hands at Rs. 9.85. Mettur have been bought up to Rs. 286 and Ramakrishna have been dealt in at Rs. 217.80. Premier have been sold at Rs. 280 and Ramnarayan at Rs. 93.

Among miscellaneous shares, Aluminium Industries have been steady at Rs. 18.87 and Ashok Leyland at Rs. 7.15. In cement shares, Dalmia have been taken at Rs. 12.62 and India Cement at Rs. 5.53. Mettur Chemical have been maintained at Rs. 12.80 on declaring a taxable interim ordinary dividend of 6.25 percent on old shares. South India Steel have been sold down to Rs. 8.85, but Seshasayee Paper have been taken at Rs. 7.70. Standard Motors have been steady at Rs. 10.33 and Tube Investment at Rs. 215. Business in Andhra Scientific has passed at Rs. 14.20, while Madras Rubber have been offered freely at Rs. 13.90. Parry's Confectionery have come to hand at Rs. 3.03 and Spencer have been bought up to Rs. 21.50. Textool have quoted Rs. 144 and Mysore Lamp Rs. 30.

THE WEEK'S TRANSACTIONS

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

CLEARED SECURITIES

Birla Jute—Rs. 33/75—34/25—33/69—34/25—(29/69).
Burrakur—Rs. 16/25—16/31—16/25—16/31.
Dunlop Rubber—Rs. 37/00—37/00—36/75—37/00—(35/00).
Guest, Keen, Williams—Rs. 26/69—26/87—26/56—26/87—(33/00).
Hindustan Motors—Rs. 18/69—19/09—18/59—19/09—(17/25).
Indian Aluminium—Rs. 29/31—29/75—29/19—29/75—(31/75).
Do. (New)—Rs. 19/25—19/31—19/25—19/31.
Indian Cable—Rs. 36/31—36/87—36/25—36/81—(33/00).
Indian Copper—Rs. 3/31—3/40—3/30—3/37—(4/38).

Indian Iron—Rs. 24/68—25/08—24/60—25/08—(21/12).
J. K. Cotton—Rs. 12/44—12/50—12/37—12/50—(13/75).
Jaipur Udyog—Rs. 11/81—12/00—11/69—11/94—(11/25).
Kesoram Industries—Rs. 27/44—27/81—27/31—27/75—(21/12).
Orient Paper—Rs. 37/80—37/85—37/55—37/70—(35/00).
Rohtas Industries—Rs. 11/91—12/19—11/80 s.t.—12/09—(11/56).
Shree Gopal Paper—Rs. 25/50—25/62—25/50—25/62—(22/50).
Textile Machinery—Rs. 27/50—27/75—27/39—27/70—(20/25).

GOVERNMENT SECURITIES

3 % Loan (1986)—Rs. 64/25—64/75—63/20—63/30.
3 % " (1970-75)—Rs. 90/25—90/27—90/25—90/25.
3½% " (1967)—Rs. 99/35—99/35—99/35—99/35.
3½% " (1969)—Rs. 97/15—97/15—97/15—97/15.

4 % " (1969)—Rs. 99/50—99/50—99/45—99/45.
4 % " (1972)—Rs. 99/30—99/35—99/30—99/35.
4½% " (1973)—Rs. 100/00—100/03—99/95—99/95.
4½% Madras (1974)—Rs. 99/20—99/20—99/15—99/15.
4½% Orissa (1974)—Rs. 99/10—99/10—99/10—99/10.
4½% Bihar (1974)—Rs. 99/05—99/05—99/05—99/05.
4½% U.P. (1972)—Rs. 98/30—98/30—98/10—98/10.
4½% Madras (1972)—Rs. 98/10—98/10—98/10—98/10.

RAILWAYS

Dehri Rohtas—Rs. 12/06—12/06—12/06—12/06—(13/50).
Howrah-Amta—Rs. 34/00—34/00—34/00—34/00—(34/00).

BANKS

Allahabad—Rs. 249/00—250/00—249/00—250/00.
Punjab National—Rs. 19/06—19/06—19/06—19/06—(19/00).

United Bank of India (Rs. 10 Paid)—Rs. 8/34—8/41—8/25—8/37—(7/25).
Do (Conty Rs. 20) (Rs. 10 paid)—Rs. 7/69—8/12—7/62—8/12.

COTTONS

Bharat Commerce—Rs. 22/50—22/75—22/50—22/75—(22/50).
Cawnpore—Rs. 6/56—6/56—6/56—6/56—(6/50).
Dunbar—Rs. 28/87—28/87—28/87—28/87—(26/87).
Elgin—Rs. 21/81—21/87—21/75—21/75—(19/87).
Jay Shree—Rs. 15/75—16/06—15/75—16/06—(14/44).
New Victoria—Rs. 1/50—1/50—1/41—1/50—(1/44).
Shree Madhusudan (Pref.)—Rs. 57/50—57/50—57/50—57/50—(57/50).

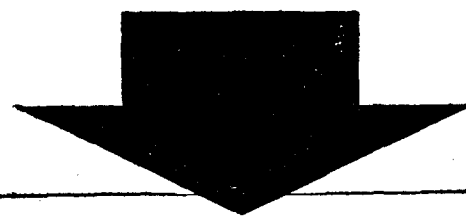
COALS

Bengal—Rs. 255/00—255/00—255/00—255/00—(290/00).
Bharat—Rs. 3/19—3/44—3/19—3/44—(3/53).
Central India—Rs. 9/47—9/56—9/44—9/56—(9/81).

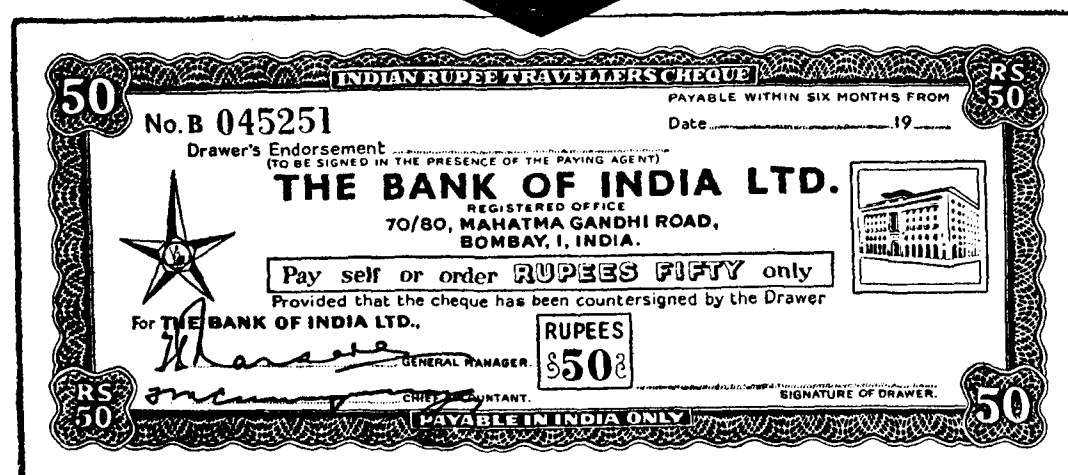
East Indian—Rs. 28/50—28/75—28/50—28/75—(37/00).
Hurriadih—Rs. 5/75—5/75—5/75—5/75—(8/12).
New Beerboom—Rs. 16/19—16/31—16/19—16/31—(19/94).
South Karanpura—Rs. 8/00—8/06—8/00—8/06—(10/37).
Union—Rs. 10/12—10/12—10/12—10/12—(8/75).
Western Bengal—Rs. 8/81—8/81—8/75—8/75—(8/75).

JUTES

Birla (1st Pref.)—Rs. 78/50—78/50—78/50—78/50—(78/50).
Fort William—Rs. 24/94—24/94—24/75—24/75—(26/12).
Fort Gloster (2nd Pref.)—Rs. 67/50—67/50—67/50—67/50—(67/50).
Ganges—Rs. 13/12—13/12—13/12—13/12—(13/44).
Gourepore (Pref.)—Rs. 89/50—89/50—89/50—89/50—(89/50).
Hukumchand (Pref.)—Rs. 93/00—93/00—93/00—93/00—(93/00).



B/C/162



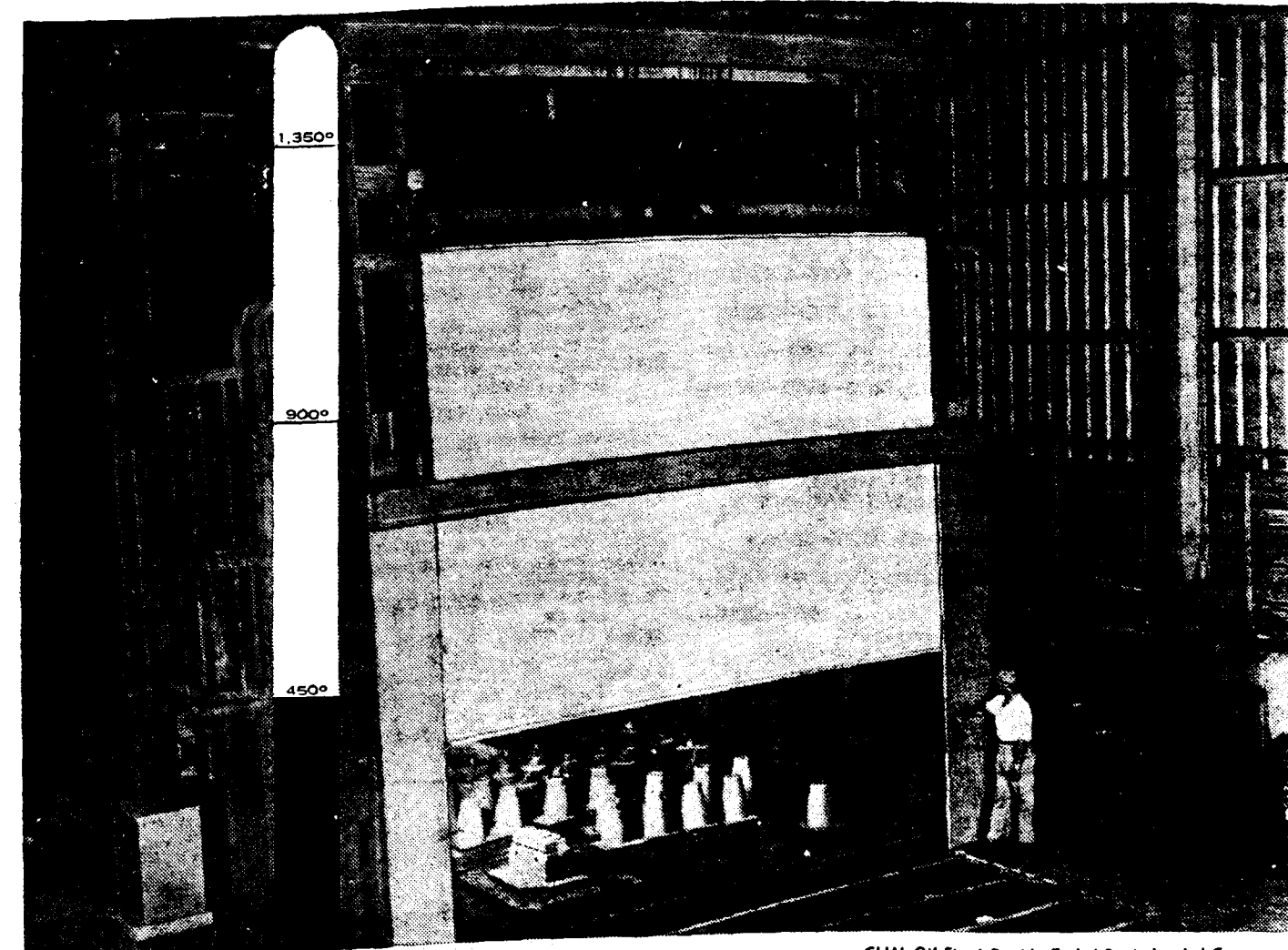
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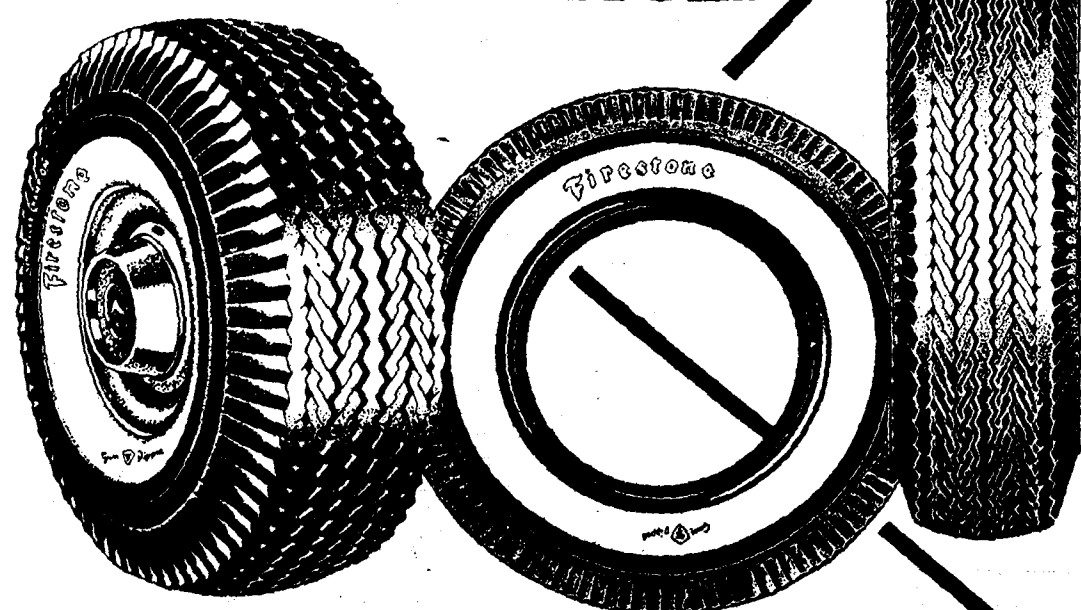
	1961	1962	1963	1964	1965	1966	1967
Assets	...	...	...	...	...	...	...
Notes	...	...	...	...	...	...	...
Rupee Coin	...	...	...	...	...	...	...
Small Coin	...	...	...	...	...	...	...
National Agricultural Credit (Long Term Operations) Fund	...	...	...	...	...	...	...
(a) Loans and Advances to :-	...	...	...	...	...	...	...
(i) State Govts.	...	...	...	...	...	...	...
(ii) State Co-operative Banks	...	...	...	...	...	...	...
(iii) Central Land Mortgage Banks	...	...	...	...	...	...	...
(b) Investment in Central Land Mortgage Bank	...	...	...	...	...	...	...
Deposures	...	...	...	...	...	...	...
National Agricultural Credit (Stabilisation) Fund	...	...	...	...	...	...	...
Loans and Advances to State Co-operative Banks	...	...	...	...	...	...	...
Bills Purchased and Discounted :-	...	...	...	...	...	...	...
(a) External	...	...	...	...	...	...	...
(b) Internal	...	...	...	...	...	...	...
(c) Govt. Treasury Bills	...	...	...	...	...	...	...
Balance Held abroad	...	...	...	...	...	...	...
Loans and Advances to Govt.	...	...	...	...	...	...	...
Loans and Advances to :-	...	...	...	...	...	...	...
(i) Scheduled Banks	...	...	...	...	...	...	...
(ii) State Co-operative Banks	...	...	...	...	...	...	...
(iii) Others	...	...	...	...	...	...	...
Investments	...	...	...	...	...	...	...
Other Assets	...	...	...	...	...	...	...
Total	...	...	...	...	...	...	...

		(In 000's of Rupees)			Week Ended		
		31-1-64			24-1-64		
(I) Demand Liabilities—							
(a) Demand Deposits							1-5-6
(1) From Banks ...		₹	₹	₹	59,59.48	59,01.96	47,70.26
(2) From others ...		₹	₹	₹	10,32,06.64	10,32,05.64	8,18,82.46
(b) Borrowing from Banks		₹	₹	₹	35,44.26	35,12.26	20,05.78
(c) Others ...		₹	₹	₹	69,53.07	69,76.69	69,96.64
(II) Time Liabilities—							
(a) Time Deposits		₹	₹	₹			
(1) From Banks ...		₹	₹	₹	23,33.63	24,16.04	22,64.41
(2) From others ...		₹	₹	₹	12,46,18.14	12,41,12.59	12,18,44.18
(b) Borrowing from Banks		₹	₹	₹	15,45.14	14,53.23	19,67.89
(c) Others ...		₹	₹	₹	10,73.14	10,16.32	11,23.55
(III) Borrowing from State Bank—							
(a) Demand Liabilities		₹	₹	₹	6,48.36	8,39.70	5,44.99
(b) Time Liabilities		₹	₹	₹	10,91.59	11,77.09	9,98.55
(iv) Borrowing from Reserve Bank		₹	₹	₹	35,84.85	28,74.55	35,39.33
(v) ...		₹	₹	₹	58,17.93	48,22.56	47,72.02
(vi) Balances with the Reserve Bank		₹	₹	₹	79,33.69	76,54.46	85,50.99
(vii) Balances with other banks in current account		₹	₹	₹	25,80.71	23,48.69	19,93.38
(viii) Money in call ...		₹	₹	₹	47,92.21	49,92.70	42,97.51
(ix) Investments in Central and State Govt. Securities		₹	₹	₹	6,83,54.58	6,97,02.91	6,83,54.58
(x) ...		₹	₹	₹	14,12,48.78	14,02,32.26	12,65,84.24
(xi) Due from Banks		₹	₹	₹	8,97.26	9,70.53	10,96.06
(xii) ...		₹	₹	₹	2,15,96.05	2,07,99.05	1,70,79.18
(xiii) Foreign Bills purchased and discounted		₹	₹	₹	50,49.36	52,14.65	52,14.65
Total of X, XI and XII		₹	₹	₹	16,97,77.05	17,09,60.67	15,92,243.93

Issue Date	Maturity Date	Amount ('000's Rs.)	Average Acceptance Rate
14-2-64	17-5-64	2,00.00	Rs. 2.340%
7-2-64	10-5-64	2,00.00	Rs. 2.325%
31-1-64	3-5-64	2,00.00	Rs. 2.325%
24-1-64	27-4-64	2,00.00	Rs. 2.325%
17-1-64	20-4-64	2,00.00	Rs. 2.315%
10-1-64	13-4-64	2,00.00	Rs. 2.315%
27-12-63	30-3-64	2,00.00	Rs. 2.315%
20-12-63	23-3-64	1,00.00	Rs. 2.315%
13-12-63	16-3-64	2,00.00	Rs. 2.315%
6-12-63	9-3-64	2,00.00	Rs. 2.320%
29-11-63	3-3-64	2,00.00	Rs. 2.320%
22-11-63	25-2-64	2,00.00	Rs. 2.318%
14-11-63	17-2-64	2,00.00	Rs. 2.300%

	000's omitted)
February, 1964	4.00.00
March 1964	10.00.00
April, 1964	6.00.00
May, 1964	6.00.00
Total	<u>26.00.00</u>

Week	Calcutta Rs. (Lakhs)	Bombay
7-2-64	1,13.39	1.34.75
31-1-64	95.72.16	1.13.45
24-1-64	1,01.54	1.16.98



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London
SELECTIVE RISE IN
INDUSTRIALS
POLITICAL PROSPECTS
RESTRICT BUSINESS

London, 12th February.

SOMEWHAT steadier conditions developed in the stock market during the past week, and for the first time since the early days of the year, industrialists managed to show gains on balance. The improvement reflected a fall in selling orders and a certain amount of selective buying. The overall volume of business contracted, however, and the market as a whole was very much quieter than it had been since the turn of the year. Politics and early general election fears, coupled with Mr. Wilson's views on taxation, continued as the dominant factor.

SILVER WAS QUIET IN CALCUTTA DUE to the drop in seasonal demand. The price fell from the previous week's level of Rs. 264.50 to Rs. 264.25 a kilogram. The London and New York prices amounted to 111½d and 129.3 cents.

Gold was also quiet in sympathy with the white metal. The price of 14-carat gold dropped from Rs. 70 to Rs. 69.25.

DURING THE WEEK ENDED 7TH FEBRU-
ary, Government of India Treasury
bills for Rs. 37,73,75,000 were sold in
favour of the Reserve Bank.

TENDERS FOR RS. 2 CRORES OF 91-DAY
Government of India Treasury bills
were opened on 11th February. The
total amount offered was Rs. 2 crores.
Tenders at Rs. 99.415 percent were
accepted in full. The total amount
accepted was Rs. 2 crores, the average
rate of acceptance being Rs. 2,340 per
cent a year. Tenders for Rs. 2 crores
of 91-day Government of India Treas-
ury bills will be received at all cen-
tres up to the close of business on
17th February.

It is stated that 91-day intermediate Treasury bills will be sold from 12th February to 14th February at Rs. 99.431 percent. Sales can be stopped at any time without notice if the Government thinks it necessary. These bills sold from 5th February to 8th February amounted to Rs. 71 lakhs.

Rises of Rs. 50.19 crores to Rs. 2,441.90 crores in active notes and of Rs. 40.76 crores to Rs. 2,455.00 crores in the total note issue, were notable features of the return of the Reserve Bank of India for the week ended 7th February, 1964. The currency expansion was covered by raising rupee securities by Rs. 44.9 crores to Rs. 2,124.69 crores in the paper currency reserve. This was done by transferring securities from the Banking Department in which investments dropped by Rs. 45.1 crores to Rs. 199.20 crores. Deposits of the Government of India fell by Rs. 5.68 crores to Rs. 54.52 crores and those of State Governments by Rs. 6.02 crores to Rs. 9.81 crores. Balances of commercial banks at Rs. 83.5 crores showed a rise of Rs. 3.65 crores and balances held abroad gained by Rs.

VOLTAS LIMITED

CHAIRMAN'S STATEMENT

The following is the Statement by Mr. J. D. Choksi, Chairman, Voltas Limited, circulated to the Members of the Company, with the Annual Report for the year 1962-63.

"It gives me great pleasure to report excellent results for this ninth year of our operations. We have now reached, I think, a stage from which there is no going back. Our problems have increased, but so have our achievements. The shareholders can claim a fair share of our success for they have given us,

through the years, much encouragement and support. We shall need both these at the present moment.

As you know a proposal for a rights issue will be placed before the annual general meeting for approval. The capital structure has remained unchanged since 1956 when it was increased to Rs. 255 lacs. This latter sum, along with profits retained in the business have supplemented our cash credit facilities from banks and have sufficed so far to provide the company with the funds needed for its expanding volume of trade. Our sales have increased by 100% in the last four years, and as the expansion in our manufacturing activities has taken concrete shape with the start of construction of our new factory at Thana, the demand for fresh funds has become inevitable. Pioneers, as we are, in the field of air conditioning, we propose to carry forward our manufacturing plans in this field to a further stage of self-sufficiency. Once we are able to manufacture the compressors required by this industry, the company will have gone a long way towards meeting the backlog of demand created by import restrictions and the additional requirements of the defence forces, of Government and industrial undertakings and offices, to say nothing of growing requirements for 'comfort cooling'. After air conditioning, our manufacturing activities will be largely concentrated on materials handling and mining equipment and in other joint venture projects in which your company is interested and will participate as promoters, shareholders and selling agents.

Rights Issue

Finance has, accordingly, to be provided for the manufacturing unit, and for shares in the joint ventures and finally for working funds. The Directors' Report indicates steps taken for procurement of the additional funds which include a rights issue to shareholders. I think shareholders will agree with me that the terms of issue (which require the approval of the Controller of Capital Issues) are reasonably attractive.

The tax demand on last year's profits, in spite of the additional reserves provided to meet it in the company's accounts, proved to be substantially higher than anticipated. On the same scales this year's taxes work out to approximately 65% of the profits. A tax system, so devised as to leave to the shareholders of a company, rich and poor alike, 35% of the profits for dividends (on which again taxes will be payable at rates applicable to individuals rising to 87%), rehabilitation and expansion plus contingencies can only lead ultimately to a negation of democracy in which private enterprise can play a worthwhile role. The only justification for such measures would be when the nation is in a state of dire peril. We can only hope, that notwithstanding the heavy burdens on the national exchequer, the impact of these self-defeating tax measures will be substantially curtailed in the Finance Bill of 1964, bringing some relief to trade and industry and placing them in a better position to develop and ex-

pand and so meet the challenge of the Plans.

After-sales Service

Let me now carry a stage further the main theme of my statement last year. In any marketing activity, the customer is king, and customer satisfaction is the axis on which the sphere of marketing revolves. Voltas, in conforming to the criteria of dynamic marketing has, therefore, assigned as important a role to its service, as it has to its sales.

Essentially, Voltas' trading operations are in themselves an economic service to the community, since they ensure the equitable distribution of goods at fair prices on a nationwide basis. Yet over and above Voltas' actual selling activities are the services it renders before and after sales. It is this complementary aspect of our marketing functions that I would like to describe.

While it is our practice to offer such pre-sales information and advice of a technical nature as enables a customer to choose equipment or materials that are profitable to his venture, the greater part of the company's services comes after sales; Voltas' after-sales service is now a by-word in the country. This reputation has been achieved over years of careful planning and execution. It is our strong conviction that after-sales service is an important phase of the whole plan of marketing. After-sales services, if adequate, create continuous customer goodwill and confidence and stimulate repeat orders and establish brand loyalties.

After-sales service, in the widest sense, is any service rendered to a customer after the transaction of sale is made. It is any service performed after an order is booked or after a formal agreement to sell and buy has been reached. Basic after-sales services include good packing, quick deliveries at the customer's convenience, timely presentation of invoices that are easy to read and understand, courteous methods of collecting outstandings and a helpful attitude in settling claims which may arise.

The company's technical after-sales services mainly cover quality guarantees to keep machinery or equipment sold in workable condition for a pre-determined time at the total or partial cost of the supplier, manufacturer or distributor. The cost of these obligations is substantial. But the Company tries to render that type of service as is close to the requirements of the customer.

Many of you are familiar with the Voltas Crystal room air conditioners and, as you know, air conditioning for comfort-cooling enters into the personal life of people. To ensure that our clients enjoy the comforts of air conditioning without interruption, our services are so organised as to enable a telephone call requesting service to be attended to without appreciable delay in most centres of the country. You will realise what this means in a city like Bombay, where there are 15,000 air conditioners that require service by the company and in which Voltas' air conditioning and refrigeration division receives about 200 calls a day. As much thought and planning must go into the devising of an after-sales service system as is accorded to a production plan. Consequently, the company has to provide for an adequate number of trained servicemen, for suitable equipment and facilities and sufficient working capital as would be provided in any large scale activity in an industrial or business organisation.

To provide for this and, at the same time, to maintain a high standard of

CAPITAL, 13th February, 1964.

service, the company has its own training schemes to feed its service force. Every six months, about 40 trainees receive basic training at our Chinchpokli Works and are then absorbed by the various divisions for more specialised and on-the-job training.

Supplies for Projects

On a wider scale, where the company's clients are project authorities, Voltas' after-sales service assumes even greater significance. As many of you are aware, your company supplies giant machines like bulldozers, excavators and cranes that are used for the larger projects of the nation. The standing charges and operating cost of any one of these machines vary from Rs. 50 to Rs. 250 per hour. One can fairly visualise the extent of the loss to the nation in the event of a breakdown of such machinery. In most cases, the company's service staff not only erect these machines at project sites, but also train the customer's own works forces to take over their maintenance and working with a minimum loss of time and efficiency.

Another aspect of after-sales service is the assistance a customer receives in obtaining spare parts. Severe import licence restrictions make it impossible for us to maintain our own stocks of spare parts at levels which we consider fully adequate for customer requirements. However, in many ways, we assist customers, including Government projects, in obtaining import licences for essential parts and in storing and distributing them. The company's own inventory of spare parts contains 80,000 items, representing an investment of over Rs. 2 crores with an organisation of close on 175 persons. The company goes a step further in ensuring customer satisfaction by assisting its dealers in establishing their own service schemes and service stations and by training their personnel.

The costs of after-sales have to be controlled if these are not to run away with profits. But judicious expenditure in after-sales service is in the best interests of good business. After-sales service acts as a market builder. When the services prove satisfactory, the company's reputation and that of its products are enhanced and a wider market created through customer satisfaction and goodwill. Moreover, after-sales service helps the company to watch continuously the performance of a product and to gauge market reactions. It provides a feedback service on which to base the development of better products.

23 percent of the company's staff are directly or indirectly assigned to various forms of service. This alone will give a measure of the importance we attach to this aspect of marketing. In the present phase of national development, in which most items of equipment are in short supply, the importance of keeping installed equipment in working order can easily be assessed. We hear much these days about the necessity of nationalising the import and distribution trades of this country. Few of the radical 'nationalisers' may be aware of the obligations and services that are involved in importing and distributing technical equipment and machinery such as I have tried to outline in this statement. The oft-maligned 'middleman' may appear in a different light if the service aspects of distribution and marketing are properly understood.

I should like to close this statement by expressing the appreciation of the Board and all of you for the excellent services performed by the organisation as a whole during the year."

Note: "The above statement is not a report of the proceedings of the Annual General Meeting which will be held on the 27th February, 1964."

CAPITAL, 13th February, 1964.

New Delhi

BONUS COMMISSION REPORT MAY UPSET BUDGET CALCULATIONS

(FROM OUR NEW DELHI CORRESPONDENT)

THE Bonus Commission's recommendations may have serious repercussions on India's economy in general, and the taxation structure in particular. The Commission has laid down a formula under which gross profits would be determined after providing for depreciation, income tax, super tax, a 7-percent return on capital and 4 percent for reserves. Some 60 percent of the available surplus (after meeting these prior charges) would be earmarked for bonus and the rest would be used for gratuity, for other necessary reserves, including rehabilitation, and for payment of super profits tax, etcetera. The maximum limit for the payment of bonus has been fixed at 20 percent of the earnings comprising the basic wage and dearness allowance, and the minimum at 4 percent.

Under the "set off" and "set on" formula, where the allocable amount for bonus exceeds 20 percent of the earnings, an excess up to a limit of a further 20 percent has to be "set on" in the succeeding years up to a maximum period of four years. Where there is no available surplus or the amount of available surplus allocable as bonus is less than 4 percent of annual earnings, then the whole amount of 4 percent or the amount necessary to make up 4 percent, as the case may be, should be carried forward and "set off" in succeeding years up to a maximum period of four years. The bonus scheme applies to industries in the private sector, and to those industries in the public sector whose products compete with the private sector to extent of at least 20 percent of the aggregate sales turnover. The Commission has recommended that its formula should take effect from the accounting year "ending on any day in the calendar year 1962" except in those cases in which settlements have been reached or decisions have been given.

The scheme, it is seen, would apply to the jute, coal and other mining industries, banks (including the State Bank of India), sugar and electricity undertakings. The formula would not apply to general insurance nor to new undertakings up to a period of six years. One considered view here is that the scheme would accentuate inflation. The Finance Minister has been evolving measures to secure a respite for the Indian economy. Defence expenditure, largely unproductive, is likely to remain undiminished during 1964-65, while the Government's pay bill will go up due to annual increments, enhanced dearness allowance and the limited social security scheme. The plan expenditure has been rising from 14.8 percent in 1961-62 to 19.7 percent in 1962-63 and 22 percent in 1963-64; it might go up to at least 25 percent in 1964-65. Account has to be taken of the amine in Rajasthan and the rehabilitation of East Pakistan refugees following the recent disturbances.

Given these increases in total outlays, the problem of resource mobilisation has become extremely difficult. It may be explained that the yield from each year's measures of additional taxation, including that from enhanced railway fares and freights and postal rates, amounted to Rs. 85 crores in 1961-62, Rs. 100 crores in 1962-63 and Rs. 280 crores in 1963-64. Over the entire plan period, the total yield from additional taxation under-

taken by the Centre during first three years would amount to Rs. 1,900 crores. It is hoped that such items of fresh taxation which impinge on production will be modified in the coming Budget. This would be in conformity with the other measures which the Finance Minister has taken to revive the investment market and end the economic stagnation.

Deficit financing could be one alternative to the limited scope for fresh taxation. Money supply with the public, however, increased by 18 percent in 1963-64, as against 10.3 percent during 1962-63 and 7.6 percent in 1961-62. Due to a large amount of "unaccounted money", the velocity of circulation of money is much higher than it normally should be, leading to a sharp rise in prices. Pumping in more money for consumption on the excuse of sharing prosperity, as it is called by the

Bonus Commission, would make inflation uncontrollable, it is feared here. With the pressure from left-wing politicians attempting to capture power, it would be difficult to ignore the Bonus Commission's report. The alternative to financial chaos might be to step up the rates of direct taxation. In short, the report has created fresh problems for the Finance Minister which he will have to solve by 29th February when he presents the Central Budget in Parliament.

STEEL

Target for Fourth Plan

Some important decisions were reached by the Steering Group on the Iron and Steel Industry, which held a meeting here last week. First, the Group accepted and recommended to

the Government a production target of 17.5 million tons of ingots (or 13 million tons of finished steel) for the fourth plan. Secondly, it asked the Government to accord top priority to the Bokaro project so that it might reach a production level of 2.5 million tons of ingots (or 2 million tons of finished steel) by the end of the fourth plan. This is in modification of the recommendation by the U.S. steel mission which had suggested a production of 4 million tons in two stages—1.5 million tons in the first, and 4 million tons finally. Some in the Planning Commission would like to build the full 4 million-ton capacity in a single stage.

The demand for alloy and special steels in 1970-71 is estimated at 750,000 tons, as against the current production plans for 350,000 tons, and that of pig iron at 4 million tons, as against the current production and projected capacity of 1.75 million tons. The Study Group's third recommendation is in favour of one unit of 1.5 million tons capacity either on the east or on the west coast of India.

The break-up of the steel production, unit-wise by 1971-72, would be as follows:

Bhilai	3 million tons
Rourkela	2.5 million tons
Durgapur	3 million tons

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Tata Iron and Steel	3 million tons
Indian Iron	2 million tons
Bokaro	13.5 million tons
A unit in south India	2.5 million tons
Total	17.5 million tons

The following comparative estimates of the demand for steel (in million tons) are interesting:

Categories	1965-66			1970-71		
	Dastur	U.S. Steel Mission	N.C.A.E.R.	Dastur	U.S. Steel Mission	N.C.A.E.R.
Railway material	1.112	0.862	0.690	1.657	1.268	0.928
Structurals	1.064	0.829	0.937	1.773	1.323	1.706
Bars and bar shapes	2.194	1.816	1.939	3.709	2.958	3.432
Total	4.370	3.507	3.566	7.139	5.549	6.066
Plates	0.909	0.753	0.901	1.518	1.258	1.647
H.R. sheet and strip	0.763	0.656	1.675	1.297	1.107	3.000
C.R. sheet and strip	0.753	0.608		1.304	1.056	
Galvanised sheet	0.426	0.341	0.693	0.505		
Tinplate	0.435	0.302	0.262	0.663	0.458	0.474
Electrical sheets	0.100	0.077	0.101	0.171	0.139	0.176
Total	3.368	2.737	2.939	5.646	4.523	5.297
Other products	0.843	0.672	0.479	1.429	1.163	0.908
Grand total	8.581	6.916	6.984	14.214	11.235	12.271

The Perspective Planning Division of the Planning Commission had placed the 1966-71 demand for finished steel at 20.57 million tons at an estimated cost (at 1961 prices) of Rs. 17,000 crores. Of the pig iron target of 4 million tons, 1 million tons is expected from Bhilai, Durgapur, and Burnpur, while small projects would yield 750,000 tons. To fill the gap of 2.25 million tons, the Steering Group has suggested the setting up of six new blast furnaces, each with a capacity of 400,000 tons.

Notice, it is stated, has been taken of the failure of the private sector to use the licences so far given for the production of pig iron. The group has suggested that most of the additional capacity would have to be created in the public sector. It has not said anything about the location of the new plants.

The present position concerning the various plants is as follows:

(1) In Bhilai, the detailed project report for the sixth blast furnace is expected to be ready by March 1964 and for the entire expansion by December 1964. The intention is to place the orders for the blast furnace in the second or third quarter of 1964. This will partially alleviate the pig iron shortage.

(2) In Durgapur, the detailed report for the fifth furnace is ready and is being discussed with the plant authorities. This, as in Bhilai, is a blast furnace ahead of steelmaking. It will be possible to place the orders for the blast furnace in the third or fourth quarter of 1964. The detailed project report for the steel expansion, however, will be ready only by December 1964.

(3) In Rourkela, the detailed project report is expected to be ready in the third quarter of 1964.

(4) In Indian Iron, the 300,000 ton expansion scheme has been approved.

CAPITAL, 13th February, 1964.

It is understood that engineering studies are being made for the second phase of expansion by 700,000 tons.

(5) Tatas are now engaged in studying the economics of a 3 million ton programme.

(6) In Bokaro, the detailed project report is already available. The technical committee which is examining the detailed project report is expected to report by the middle of February 1964. It is hoped that it will be possible to invite tenders for Bokaro between June and October 1964.

As for alloy and special steels, it has been pointed out that an additional capacity of 400,000 tons would have to be created over and above the capacity which it has been planned to set up. This, it is recommended, should be done through the expansion of the Durgapur plant and by setting up additional production capacity wherever possible. It is also suggested that the possibility of the Salem project making special steels should be considered. Licences might also be given to the private sector. The fourth plan programme for ferro alloys will be discussed by the group at its next meeting three months hence.

The Steering Group's estimate of 17.5 million tons of ingot steel production by 1972, is based on an assumed rate of 7 percent growth in the national product. The demand for steel, for example, takes into account the number of wagons the railways would require to transport goods, including raw materials for ingots and the finished products of the steel mills for the production target of 17.5 million tons. The Group has left it to the Ministry of Steel to determine the cost of the extra steel to be produced in India.

The steel target should set the pace for fixing other targets, including that for panchyati raj. What the total fourth plan outlay will be can easily be visualised. Only Russia has so far indicated its interest in the financing of projects under the fourth plan.

ALUMINIUM

Commissioning New Plants

A determined effort is being made to commission three aluminium plants by 1968, at least two of which, it is expected, will be in the public sector. The formula evolved by the Ministry of Oil that a unit in which State participation in the equity capital is not less than 51 percent can be regarded as a public sector project is likely to be adopted for the aluminium projects.

Early in the third plan period, two large-sized aluminium units were licensed in the private sector: one 20,000-ton unit linked to the Koyana power project in Maharashtra and the other, a 30,000-ton unit based on power from the Sharavathy project in Mysore. The original licensee of the Maharashtra project was Mr. Tendulkar with the West German firm of V.A.W. as collaborators, while that of the Mysore project was Mr. Murarji Vaidya with the U.S. firm of Reynolds, as his foreign collaborators. Since then, the licence granted to Mr. Vaidya has been revoked. The Government has also been planning a public sector project in Madhya Pradesh with Hungarian credit. The location of the project has still to be determined.

During his visit to Bombay and Mysore last week Mr. C. Subramaniam Minister for Heavy Engineering, discussed the steps for the implementation of these two projects. Indications are that the implementation of the Koyana scheme in the private sector would be speeded up, while the Government will take over the Mysore project to be worked in

CAPITAL, 13th February, 1964.

collaboration with a foreign company. That one company will look after both the projects in Mysore and Madhya Pradesh or in Kerala, is not ruled out.

TEXTILE MACHINERY

Contract for U.K. Firm

Platt Brothers (Sales) Ltd, Oldham, England, a member of the Stone-Platt Group, has secured a £7.5 million (Rs. 10 crores) contract from the State Trading Corporation of India Ltd to supply the most modern textile machinery for 17 textile mills in India which will enable the country to increase the export of yarn and cotton cloth.

Platt Brothers have specialised in this form of "package deal" for the textile industry and in recent years, similar projects have been contracted for in the Philippines, Indonesia, the Sudan, Egypt and Guinea. They will themselves be supplying to India cardroom spinning and doubling machinery valued at approximately £5 million. This includes their latest high-speed machinery such as high production cards, century combers, Globe draw frames and super spinner ring frames which were shown for the first time at the recent textile machinery exhibition in Hanover. A new range of blowroom machinery will form part of each mill's equipment. Deliveries of the machines for this major Indian enterprise will start this year. Many of the mills to be equipped have been allocated to co-operatives of cotton growers in India.

Among the major contributing firms associated with Platts, are British Northrop Sales Ltd (weaving machinery), Lessona Holt Ltd (wind-up machinery), Mather and Platt (Exports) Ltd (finishing machinery), Joseph Hibbert and Co. Ltd (sizing machinery), and the Longlose Engineering Co. Ltd (dyeing machinery), both members of the Stone-Platt group, and William Ayrtons and Co. Ltd (specialised finishing machinery).

Most of the machinery under this contract will be made in Lancashire, and the towns which share the work are Accrington, Blackburn, Bolton, Darwin, Heywood, Manchester and Oldham. The credit has been arranged outside the British official credit, and a separate agreement with Midland Bank will be signed shortly for this.

COMMERCIAL VEHICLES

Fourth Plan Output Target

The Working Group on Transport Equipment in its interim report has placed the production target for commercial vehicles at 125,000 a year for the fourth plan. The following pattern of production is suggested:

Payload design capacity	Annual production 1970-71 (nos.)
Over 1 ton—up to 3 tons	15,000
Over 3 tons—up to 6 tons	80,000
Over 6 tons—up to 9 tons	15,000
Over 9 tons and above	5,000
	125,000

The Group has suggested that a large-sized plant should be established for manufacturing axle-wheel assembly with rolling-contact bearings suitable for bullock carts, and that all possible facilities should be provided for the conversion of traditional bullock carts to this type of assembly. The Group is of the opinion that it might be advisable to have a plant for the manufacture of axle, brake system, etcetera for the truck-trailer assembly. The production target for diesel locomotive (B.G.) is suggested at 250 a year and for wagons (in terms of four wheelers)

at 55,000 a year for the fourth five year plan.

INDIAN INVESTMENT CENTRE

Praise from T.T.K.

The Central Finance Minister, Mr. T. T. Krishnamachari, said here during last week that the rôle of the Indian Investment Centre was very important. It should go on adding more and more links so that the wheel was always on the move. He was speaking at a meeting of the chairman, senior officers and advisers of the Centre. Discussing foreign aid prospects, the Finance Minister said that private foreign investments should supplement the present form of foreign aid. The process of the induction of such foreign investment had to be done carefully and scientifically. He expressed satisfaction at the impressive work that was being done by the Centre in attracting private foreign capital. He said that this showed that people abroad were more and more outward looking than before. But the Centre had still a long way to go. It had touched only the fringe of the problem. He added that, in the context of the work which the Centre was doing, there was room for setting up a branch of the Centre in Europe in addition to the one already functioning in New York.

Mr. G. L. Mehta, chairman, welcoming the Finance Minister to the

Centre, said that Mr. Krishnamachari favoured a policy for economic growth which made economic and social sense. He thanked the Finance Minister for the continued interest he had been taking in the work of the Centre and, particularly, mentioned the survey undertaken by the Centre at his instance concerning the gaps in the industrial structure relating to raw materials for the chemical industries and machinery and machinery parts.

KIPPING LOAN

Applications for Imports

The Government of India, through a public notice, recently invited applications for the import of parts and equipment as specified in the British loan of £4.5 million, which is also known as the "Kipping loan". Applications wanting credit of over Rs. 20 crores had been received of which applications covering credit of about Rs. 9 crores were regarded as eligible. The Government is now engaged in further screening of the applications and in the allotment of credit on a certain pro rata basis.

The loan was specified to be used for the benefit of British-based industrial units in India. Although the Government is reluctant to introduce a new category of imports, the credit, by and large, will be used for the purpose already agreed upon between

the two Indian and U.K. Governments.

COAL

Problems of Raising Output

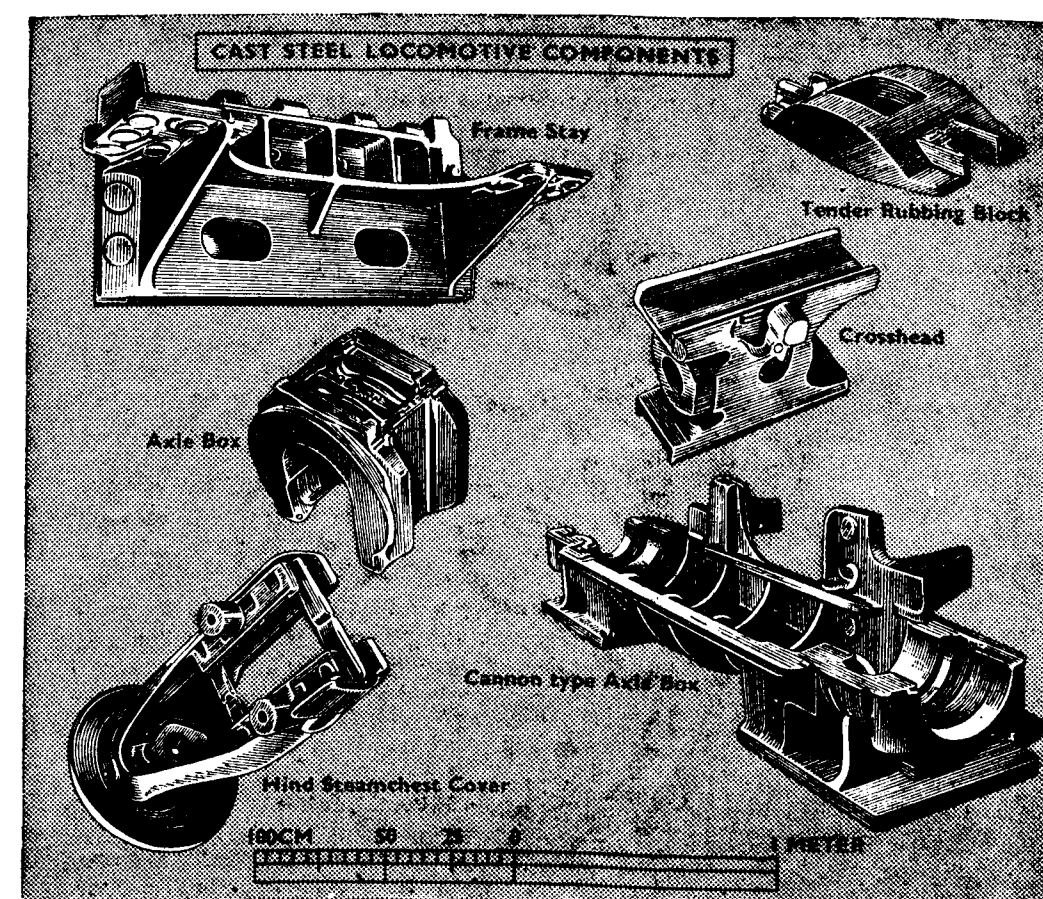
The Joint Working Committee of the Coal Industry last week met Mr. C. Subramaniam, Minister of Steel, Mines and Heavy Engineering, to discuss various problems relating to production, demand, prices and incentives to the coal industry. During the discussion, the Minister, it is learnt, emphasised the need to evolve a suitable formula to ensure that the consumer pays for the quality of the coal which he actually receives. The industry, it is understood, was also informed that the Government has been examining the recommendations of the expert committee about a new system of classification of coals on the basis of the calorific value. In view of the practical difficulties, the recommendations may be implemented in stages. The coal industry, it is reported, has expressed concern about the recent slackness in the demand for coal. It was indicated by the Minister that the Government is going into the question of balancing production in relation to demand, taking into consideration the quality as also the regional pattern of production and demand. Representatives of the coal industry asked for certain incentives in the nature of depletion allowance and further liberalisation



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of subsidies on account of stowing and hard-case assistance. It was assured that their request on each of these points would be examined by the Government on merit.

WORLD TRADE

Need to Reorganise G.A.T.T.

The Minister for International Trade, Mr. Manubhai Shah, in an interview to the Czech News Agency has urged that the instruments to enforce policies, programmes and code of conduct in international trade should be forged through a strong and healthy international organisation. G.A.T.T., therefore, needed to be reorganised to a considerable extent to suit the new and emerging situation in the field of trade and economic development. It was, therefore, most essential that either the present organisation was completely modernised or a new organisation of international trade was set up in which all the basic principles could be worked out, implemented and sustained. Mr. Shah was talking on the rôle of the forthcoming U.N. Conference on trade to meet in Geneva next month. He made out a case for the restoration of the balance of trade in favour of less developed countries by the removal of all quantitative restrictions and internal duties, which, he said, had impeded a free and full flow of manufactured and semi-processed goods and other commodities into the expanding markets

of the richer countries. He added that tariff walls built by the industrialised countries in the last two decades had retarded the growth of international trade. The plea of protecting infant industries was no more valid. India, therefore, welcomed the Kennedy round of talks for the dismantling of tariffs by 50 percent and more. The Minister will lead the Indian delegation to the U.N. conference next month.

IMPORTS AND EXPORTS

Merger of Councils

For better co-ordination and administration of import and export policies, the Import Advisory Council and the Export Promotion Advisory Council have now been combined into one, and named Export-Import Advisory Council. The functions of the reconstituted Council have been enlarged in the context of the development of world trade and the need to conserve foreign exchange. The Council will, among others, (i) advise the Government on policies and programmes of foreign trade, (ii) make suggestions on the import-export policy and procedure, export promotion, import rationalisation and substitution and (iii) discuss the difficulties of the trade, manufacturers and consumers as a result of the operation of the Import and Export Control.

The Minister of International Trade will be the chairman of the Council

and its members will include representatives of established importers, actual users, export promotion councils, commodity boards and the other organisations of importers and exporters. The first meeting of Export-Import Advisory Council will be held in New Delhi on 2nd and 3rd March, 1964.

BALL AND ROLLER BEARINGS

U.S. Loan for Indian Firm

India's capacity to produce ball and roller bearings will be increased substantially by a U.S. Government loan of Rs. 2 crores. The U.S. Agency for International Development has authorised this credit in favour of the National Engineering Industries Ltd. of Jaipur. The credit will meet the foreign exchange costs of erecting a new tapered roller bearing plant with an annual capacity of 1.1 million bearings, and of expanding the capacity of the existing ball bearing and straight roller bearing plants by 2.4 million bearings a year. This will result in a net saving to India of Rs. 1 crore in foreign exchange annually. Federal Mogul Bower Bearings Inc., a major U.S. manufacturer in the field, will provide technical assistance for the establishment of the new tapered roller bearing plant and also will train several Indian technicians in the United States.

India's machine building industries have undergone substantial expansion

and diversification in recent years, increasing their output and ability to produce complex products. Bearings are an essential component of almost all types of industrial machines. The loan will bear an interest rate of 5 1/2 percent and will be repayable by the firm in ten years, including a grace period of two years. In order to reduce the impact on India's balance of payments, the loan agreement will provide for the National Engineering Industries Ltd to make repayment in rupees, on the above schedule, to the Government of India. The Indian Government in turn will repay the principal to the U.S. Government in dollars in instalments spread over 40 years, including a ten-year grace period.

WHEAT

India Imports from Australia

In terms of a contract signed here, India has agreed to buy 171,000 tons of Australian wheat for shipment by that country's Wheat Board before the end of June next. The contract was concluded by Mr. J. V. Moroney, chairman of the Australian Wheat Board and Mr. L. H. Dorman, the Board's general manager, who are now in India at the invitation of the Government. Australian wheat, it is explained, has been traditionally popular in India. India is regarded by the Australian Wheat Board as a traditional and valuable customer for its wheat.

London

POLICY OF INCOMES RESTRAINT SUFFERS SETBACK

(FROM OUR LONDON CORRESPONDENT)

MR. MAUDLING'S attempt to persuade the two sides of industry to sign on the dotted line in support of wage, profit and price restraint this year has failed once again. At a meeting of the National Economic Development Council on 5th February, the Chancellor pressed again for a public declaration stating in general terms the responsibility of each party—trade unions, employers and the Government—for preventing inflation from undermining the present boom. But the T.U.C. representatives on the Council found fault with each of the four draft declarations submitted—always on the ground that the trade union movement was being invited to underwrite the principle of wage restraint in return for no positive guarantees about prices and profits.

The Chancellor's chances of promoting a pre-election agreement on short-term incomes policy were never good: now they must be regarded as extremely remote. Deprived of the collective co-operation of the N.E.D.C. in preventing the boom from going bust, the Chancellor may have to approach his Budget (if there is to be one) in a different light. He may also come under some pressure from within his party to make some political capital out of the T.U.C.'s attitude, although this would damage the prospects of arriving more gradually at agreement on the subject of incomes and might deal the N.E.D.C. itself—which does much other useful work—a mortal blow.

Mr. George Woodcock and his colleagues were not alone in doubting the wisdom or usefulness of publicly expressing generalities on the subject of incomes; some of the employers and independent members took the view there had already been enough exhortation about profits, price and wages for people's responsibilities in these matters to be clear enough. But it was the T.U.C. representatives who chiefly blocked acceptance of the four, but similar, draft declarations. The Chancellor had a try with one himself; the N.E.D.C. director, Sir Robert Shone, put one forward; Lord Robens of the Coal Board also had a go, and finally, the employers' representatives produced yet another.

T.U.C. Opposition

The four Trades Union Congress members present rejected each in turn, and studiously avoided offering any alternative proposals. Mr. George Woodcock, T.U.C. general secretary, was said afterwards to have "played everything back with a straight bat." The unions' stated objection to the Chancellor's demand was that they were being invited to make an unequal sacrifice. A declaration on incomes and prices, they argued, would have an immediate and inescapable effect on wage negotiations, but would have no inevitable influence on the cost of living. But there are at least three other important factors underlying their attitude. They are:

(1) The T.U.C. representatives, especially Mr. Woodcock, are less concerned to extract precise commitments from the employers and the Government on prices and profits than to find convincing evidence of their willingness to match restraint by the unions with self-restraint. Some commitments will be neces-

sary, but their value is regarded as marginal.

(2) They fear that even if the employer members of "Neddy" succeed in establishing their good faith, the behaviour of their counterparts outside may repudiate the bargain. A major consideration in the discussions is the fact that the employers' organisations have even less authority over their members than the T.U.C. over its affiliated unions.

(3) They are acutely conscious of the continuing absence of Mr. Frank Cousins, transport workers' leader, still on a recuperative holiday in the West Indies. Mr. Cousins, the T.U.C.'s chief opponent of wage restraint, might reject any agreement to which he was not a party.

Another factor is the approaching General Election, and the reluctance of many union leaders to give the Conservatives the advantage of any

agreement, however rudimentary, on the incomes question. This argument counts for nothing with Mr. Woodcock, but it certainly influences some of his colleagues.

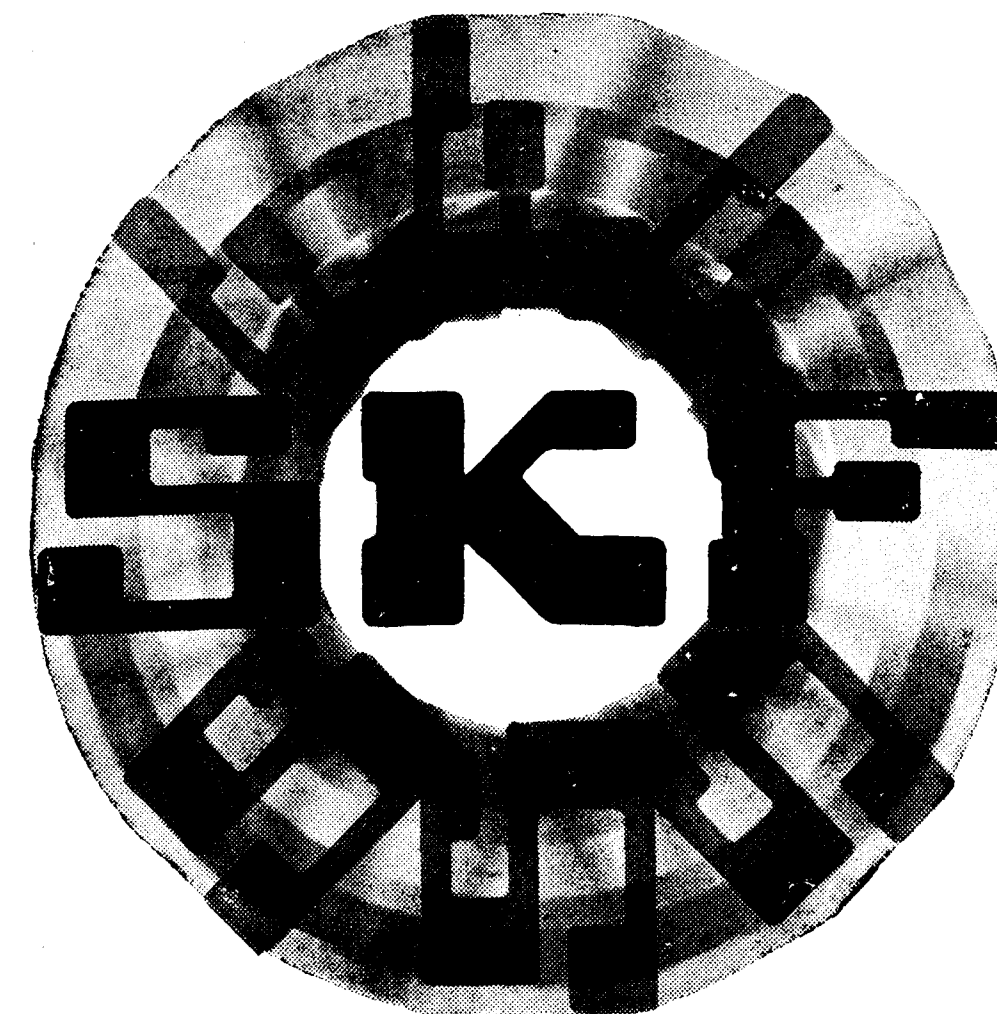
The employers have expressed willingness to study schemes for a price review council and for additionally taxing profits if they rise over a period of time as a proportion of total income. But the T.U.C. wanted to know what was going to be done about prices and profits in the meanwhile when trade unions could expect their commitment to the wages side of the deal to be quoted back at them across the bargaining tables, it thereby having a practical effect. The abolition of resale price maintenance was quoted back at Mr. Woodcock as an example of the sort of "positive steps" he was talking about, but this did not satisfy the T.U.C. representatives.

Joint Attack on Inflation

As a result of this failure to agree, there could be some backtracking by the employers' organisations. The Federation of British Industries, when agreeing last month to "study" the introduction of "some form of prices discipline," emphasised that this would be the employers' contribution to a "joint attack" on inflation. Similarly, the idea of an excess profits tax was acceptable to many employers only if part of a package deal involving the unions.

Not all of the Council meeting was concerned with the tiresome subject of incomes: there were long discussions about the progress report on economic growth and a report on the building and construction industry—both prepared by Sir Robert's office and both to be published, it is hoped, shortly after next month's Council meeting.

Some concern was expressed that the present rate of economic growth was too fast, that there was a danger in excessive "go's" as well as in excessive "stops". The N.E.D.C. target is for an annual 4 percent growth. To achieve this some leeway had to be made up, but during most of the last year and continuing into this year, the growth rate has been between 5 percent and 6 percent.



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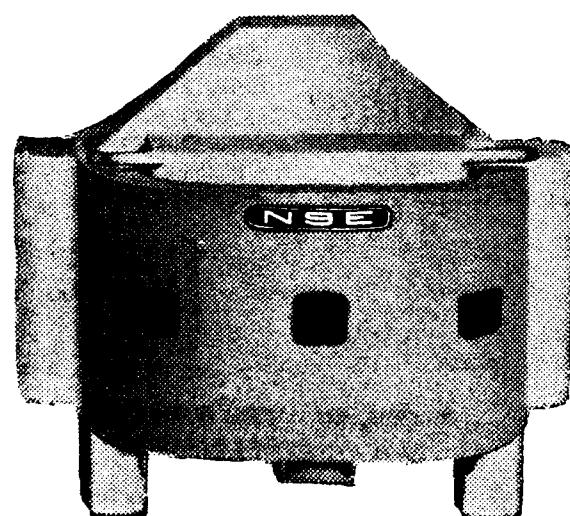
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WORKERS FEDERATION MAKES NEW DEMANDS

AT a meeting in Calcutta last week, presided over by the West Bengal Labour Minister, Mr. B. S. Nahar, the Jute Workers Federation passed a resolution seeking an assurance from the Indian Jute Mills Association that the variable dearness allowance being paid by the industry in terms of the Wage Board award will not be reduced below the present level of Rs. 32.50. It further sought a guaranteed minimum wage for piece-rate workers, because "they often suffered for short supply of raw materials and for other causes beyond their control." The resolution warned there would be a big industry-wide movement if employers "forced" workers to retire at the "stipulated age without retrenchment or retirement benefits." The Federation reiterated its resolve to "resist any curtailment of the existing facilities." The president promised to look into the demands and appealed to workers to inform him before they went on strike.

Circles close to the industry express surprise over the circumstances which have prompted the Federation to adopt such an intransigent attitude, which virtually undermines the Wage Board award within six months of its implementation. It is also difficult to understand how the State Labour Minister could have presided over a meeting which passed such resolutions. The Wage Board was a tripartite body, representing employers, employees and the Government. Its recommendations were drawn up after detailed discussions and mutual agreement among the members. The terms were binding on the parties for a period of four and a half years from July 1963.

Despite the heavy impact on the cost of production, the industry implemented the Award in the interests of better labour relations. The cost of the revised pay structure, dearness allowance and bonus adds up to Rs. 35 crores, raising the production cost of gunnies by about Rs. 30 a ton. Although the industry is export-orientated and faces strong competition from Pakistan, it accepted the extra burden in the hope that it would foster peace and amity.

Concessions under the Award

Under the award, the dearness allowance was fixed at Rs. 32.50 on the basis of a price index number of 425 (base year 1939 equals 100). It was to rise or fall by 20nP for every point of increase or decrease in the cost of living index. It was to be revised twice a year, once in February and once in August. The Wage Board not only raised the dearness allowance, but also recommended an increase in the emoluments of all categories of workers and clerks, offering a minimum wage of Rs. 81 a month for workers in West Bengal. It suggested the abolition of contract labour for manual work and the introduction of a standardised bonus scheme. The Central Government accepted the recommendations in toto. The eight basic wage groups were reduced to three and their wage scales were revised upwards. As for superannuation, the Wage Board suggested that male workers should retire at the age of 58 and women at 55, although employers were offered the option of retaining their employees in service beyond these ages without prejudice to their right to claim gratuity.

Industry circles are worried about the threat of agitation held out by the Federation if the mills superannuate the over-aged workers. It is difficult to see how the Federation could describe superannuation in terms of the award as "retrenchment or forced retirement" and claim retrenchment and retirement benefits beyond the gratuity provided by the award. The Federation's statement that piece-rate workers often suffer for want of raw materials is not quite correct, because during the last two seasons the industry has never faced any shortage of jute and has worked the entire installed capacity. The dislocation caused by power-shedding has affected only the industry and not the workers. It is to be hoped that the State Government will prevail upon the workers to develop a constructive attitude and discourage irresponsible demands.

Final Jute Crop Estimate

The all-India final estimate of jute for 1963-64, published by the Directorate of Economics and Statistics, Central Ministry of Agriculture,

shows an increase of 1.3 percent in acreage from 2.1 million to 2.13 million, and a rise of 9.3 percent in output from 5.40 million bales to 5.91 million bales, compared with the "partially revised estimates" for the previous season. The yield too has increased from 1,028 lbs to 1,100 lbs an acre. Favourable weather conditions at the time of sowing helped West Bengal and Orissa to increase the acreage. Assam, West Bengal and Orissa reported an increase in output due to favourable conditions during the period of plant growth. The large increase in Assam is explained by the heavy loss of production during the previous season due to floods. Deficiency in rainfall during June and widespread flooding of riverine regions during July caused a decline of 10 percent in Bihar's output.

Sharp Rise in Gunny Stocks

Mills reporting to the I.J.M.A. show a sharp increase of 8,600 tonnes in jute goods stocks during January, compared with the December figure. Closing stocks in January have touch-

ed a peak of 120,900 tonnes. Stocks of hessian have risen by 4,100 tonnes to 43,500 tonnes, of miscellaneous goods by 2,500 tonnes to 12,200 tonnes; of sacking by 1,500 tonnes to 48,100 tonnes, and of carpet-backing cloth by 500 tonnes to 17,100 tonnes. In January 1963, the stocks were only 90,400 tonnes—25,200 tonnes of hessian, 50,000 tonnes of sacking, 3,600 tonnes of carpet-backing cloth and 11,600 tonnes of other goods.

The increase in stocks is attributed to the inability of the mills to clear January-shipment cargo due to the shortage of lighters and the slowing down of loading activities in the docks during the communal disturbances. The subsequent resignation of Pakistani ratings also affected activities at the port for quite some time. Shipper circles estimate that the mills could clear hardly 80 percent of their January-shipment cargo. Temporary dislocation of railway booking also delayed the movement of sacking to sugar, cement and cereals packing establishments in up-country areas. Trade circles do not appear to be worried over the large closing stocks. Provided the backlog of shipment is covered, they hope that stocks during February will be smaller.

Bonus Commission Recommendations

The recommendations of the Bonus Commission, now being examined by the Central Labour Ministry, include a formula for a minimum and maximum bonus payment based on pro-

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

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

Description	31st January, 1964		31st December, 1963		Increase over (+) or decrease from (-) last month		31st January, 1963	
	000 Metres (Lakh Yds.)	000 Tonnes (000 Tons)	000 Metres (Lakh Yds.)	000 Tonnes (000 Tons)	000 Metres (Lakh Yds.)	000 Tonnes (000 Tons)	000 Metres (Lakh Yds.)	000 Tonnes (000 Tons)
Hessian cloth and bag	14,14.43 (15.47)	43.5 (42.8)	12,74.96 (13.94)	39.4 (38.8)	+ 1,39.47 (+ 1.53)	+ 4.1 (+ 4.0)	5,46.15 (9.19)	27.2 (24.8)
Sacking cloth and bag	10,95.83 (11.98)	48.1 (47.4)	10,47.81 (11.46)	46.6 (45.9)	+ 48.02 (+ 5.2)	+ 1.5 (+ 1.5)	11,14.65 (12.19)	39.6 (38.3)
Carpet backing	1,37.19 (1.50)	17.1 (16.8)	1,32.66 (1.43)	16.6 (16.3)	+ 4.53 (+ 5)	+ 0.5 (+ 0.5)	27.39 (39)	3.8 (2.7)
Others		12.2 (12.0)		9.7 (9.5)		+ 2.5 (+ 2.5)		11.6 (11.1)
Grand Total (000 Tonnes/Tons)		1,20.9 (119.0)		1,12.3 (110.5)		+ 8.6 (+ 8.5)		89.4 (89.0)

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

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fits. In the case of the jute industry, the Commission has said that the formula suggested by it should be applicable unless employers and workers agree to another arrangement.

The jute industry has already implemented the award of the Wage Board with retrospective effect from July 1963. A fortnight's wage was paid as bonus in October-November 1963, which cost the industry about Rs. 3 crores. The award will be in force until December 1967. As the award was given by a tripartite board representing employers, employees and the Government, and as it has already been implemented by the industry, the Bonus Commission's suggestion to include the jute industry within the purview of its recommendations seems hardly relevant.

THE JUTE MARKETS

Manufactured Goods: Dull conditions prevailed in the Calcutta gunny market during the past week. Opening on an optimistic note on reports of a fair amount of overseas enquiries with shippers and substantial business in 9-porter and 11-porter hessian for deliveries right up to December, prices receded to new lows after wide movements. There was panicky selling by weak holders in both spot and futures markets on Saturday. Sentiment was affected by reports of a sharp increase in the stocks of mills from 112,300 tonnes to 120,900 tonnes during January. But mills became reserved and showed little inclination to extend commit-

ments at the lower levels. Both they and the shippers seemed to be aware of the sound statistical position. Sentiment was more subdued in sacking due to poor enquiries and offtake by the Government of India during the last two months. From Monday, scattered short-covering tended to harden prices somewhat, but turnover declined appreciably. In the futures market, hessian and sacking for February delivery suffered a setback in sympathy with the trend in the spot market and in view of the approaching due date. May contracts also eased although there was a great deal of conversion into May contracts on the payment of slightly smaller contango charges. Turnover was moderate and the undertone easy at the close.

	Feb.	Mar.	Apr.- June	July- Sept.
40in. 7joz.	35.35	35.15	34.75	34.60
40in. 8oz.	38.00	—	—	—
B Twills	112.90	113.15	113.85	114.20
Cornacks	119.00	118.25	117.00	117.00
Heavy Cecs (Plain)	112.50	112.75	113.35	113.75
A Twills	138.25	136.75	135.25	136.75
Liverpools	127.00	127.00	127.00	127.00

Raw Jute: Dull conditions prevailed in the raw jute market during the past week. Mills showed little interest in purchasing more fibre, both in the Calcutta market and in the agencies. Towards mid-week, there was an increase in daily arrivals, mainly of low-grade fibre, in the upcountry markets. Holders were keen on disposing of the stocks at slightly lower levels and small business was reported. From Saturday, reports of an easier trend in the gunny market de-

pressed sentiment and prices declined by about 50nP a maund for all grades from the previous week's levels. In the futures market, Upper Assam White Bottoms for March suffered a sharp setback after wide fluctuations on panicky unloading by weak holders. There was also some bear-selling. The drift was accentuated by the approach of the end-of-account. Turnover was small and the undertone hesitant at the close.

	Landed at Mills (Basis Bottoms)		Current Prices		T.S.D Minimum Prices	
	Rs. A Qtl.	Rs. A Md.	Rs. A Qtl.	Rs. A Md.	Rs. A Qtl.	Rs. A Md.
Assam-Agartala	81.72	30.50	80.38	30.00	79.04	29.50
Jute	80.38	30.00	79.04	29.50	—	—
Northern Jute	80.38	30.00	79.04	29.50	—	—
Western Desal	75.02	28.00	73.68	27.50	—	—
Jute	75.02	28.00	73.68	27.50	—	—
Selected	91.09	34.00	85.74	32.00	—	—
Daissee	91.09	34.00	85.74	32.00	—	—
Assam-Agartala	87.08	32.50	83.05	31.00	—	—
Tossa	87.08	32.50	83.05	31.00	—	—
Mesta	—	—	—	—	—	—
Assam-	—	—	—	—	—	—
Northern	68.22	25.50	72.34	27.00	—	—
Local Daissee	68.32	25.50	72.34	27.00	—	—
Bihar Dist.	62.96	23.50	66.98	25.00	—	—

I.J.M.A. PRODUCTION FIGURES FOR JANUARY

The Indian Jute Mills Association reports the total production of jute goods for January as follows:

Description	Quantity
1. Gunny bags	
(a) Hessian	5,170 tonnes (5,088 tons)
1,38.38 thousand metres (1,51.3 lakh yds.)	
1,11.9 lakh nos.	

CAPITAL, 13th February, 1964.

(b) Sacking	40,076 tonnes (39,443 tons)
8,03,86 thousand metres (9,06,6 lakh yds.)	
4,32.3 lakh nos.	
2. Gunny cloth	
(a) Hessian	37,451 tonnes (36,860 tons)
12,72,02 thousand metres (13,91.1 lakh yds.)	
(b) Sacking	1,528 tonnes (1,307 tons)
29,92 thousand metres (32.7 lakh yds.)	
3. Carpet backing	8,182 tonnes (8,053 tons)
63,70 thousand metres (69.7 lakh yds.)	
4. Other manufactures	9,349 tonnes (9,201 tons)
5. Total production (all kinds)	1,01,556 tonnes (99,932 tons)

	Summary (000 tonnes & 00,000 yds.)		
	Jan. '64	Dec. '63	Jan. '63
Hessian	14,10.40	15,88.41	15,48.69
(15.42)	(17.15)	(16.94)	
Sacking	9,13.78	9,62.55	9,74.70
(9.99)	(10.53)	(10.66)	
Carpet backing	63.70	63.35	42.24
(70)	(75)	(46)	
	(000 tonnes & tons)		
	Jan. '64	Dec. '63	Jan. '63
Hessian	42.6	46.5	45.1
(41.9)	(45.7)	(44.4)	
Sacking	41.4	43.7	44.7
(40.8)	(43.0)	(44.0)	
Carpet backing	8.2	8.9	5.4
(8.1)	(8.7)	(5.3)	
Others	9.4	8.2	7.9
(9.2)	(8.2)	(7.8)	
Grand Total	1,01.5	1,07.3	1,03.1
(1,00.0)	(1,05.6)	(1,01.5)	
Hours worked	216.0*	206.0	208.0

* This does not take into account hours lost due to the recent disturbances.

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

THE PAKISTANI JUTE MARKETS

FIBRE ARRIVALS FALL

(FROM OUR DACCAL CORRESPONDENT)

ARRIVALS of jute in the baling centres continued to be small last week and reports persist to the effect that this is not entirely due to a shortage of jute, but also due to the fact that most traders belonging to the minority community are not at present operating. This shortage of arrivals should have resulted in higher prices locally which has not been the case. It is rather a question of a steadier undertone mainly in white without actually increased price. The reason probably is that heavy stocks lie with balers, which it is reported, amount to as much as 1.2 million bales. The steadier local undertone should have had some effect at least on offering prices, but this has been offset by the keenness of the Indian balers to dispose of their stocks.

THE U.K. JUTE MARKETS

FIBRE DULL

(FROM OUR DUNDEE CORRESPONDENT)

THE recent trouble in Pakistan made no difference to the raw jute markets last week. Prices remained at the previous levels and although arrivals of loose jute from up-country into baling centres were held up with consequent late shipment to overseas countries, this made no difference to spot prices being asked in Dundee. Dundee spinners are holding fair stocks of raw material, and they are in a position to remain out of the market until they think prices are at the lowest levels. It is estimated that the U.K. still has to buy about 200,000 bales of jute from the present crop and this will be spread over the next few months.

CAPITAL, 13th February, 1964.

Commodity Markets

MARKED RISE IN INDIAN RUBBER OUTPUT

(FROM OUR SOUTH INDIAN CORRESPONDENT)

IN view of the substantial increase in the indigenous production of natural rubber, its import will be reduced in future. The Indian output of natural rubber which is estimated at 40,000 tons during 1963-64, is expected to reach the 46,000-ton mark next year. If the synthetic factory in U.P. can produce its full-rated capacity of 30,000 tons, the need for imports next year would not be more than 3,000 tons, compared with the 22,000 tons imported during the current year.

In the opinion of the Rubber Board chairman, Dr. Rama Varma, the domestic demand for rubber would hereafter be largely met by internal production of natural and synthetic rubber. He told the 46th meeting of the Rubber Board held in Kottayam on 7th February that during the current year up to the end of November, there had been a 20-per cent increase in the production of natural rubber in this country over that of the corresponding period last year. At present only a little over 200,000 acres were under tapping out of the total planted area of 3,161,142 acres. In the coming years, new areas would come into tapping, which would continue to maintain the rising trend in production.

The chairman said that in the last year of the third plan, production would reach 50,000 tons more than the plan target. By better cultural practices, the yield from existing areas could be increased by 25 to 35 per cent, he said and added that it might not be difficult to produce 70,000 tons by 1970.

Commenting on future prospects for the natural rubber industry, Dr. Varma said that the cost of production of synthetic rubber produced for the first time in India was higher than that of natural rubber. As long as the synthetic rubber price ruled higher, the impact of imports would first be felt by synthetic rubber, and there was no reason why the natural rubber produced should not get higher prices. The Central Government's recent decision to decontrol the price of natural rubber as part of its general policy to remove irksome controls and to stimulate production had been a very significant event. The subsequent decision to continue the minimum price had given the necessary assurance to the producer that the Government was prepared to protect his interests. At the same time, the decision to remove the statutory maximum should be welcome to the producer, he said.

Another development that should be welcome to the natural rubber producer was that with the production of synthetic rubber in the country, direct impact of slight excesses in imports on the price of natural rubber would be reduced. When the domestic demand was fully met by the domestic production of natural rubber and imports, any excessive imports led to a reduction in offtake and downgrading of quality by the buyer. The chairman asked the Board to ensure that the full benefit of the changed circumstances was used for the development of the industry in a larger sense—the estates, small holdings and labour.

Dr. Varma said that research was being carried on to find out a better method of presenting the product to the consumer. The Indian Standards Institution had formed a sub-committee on rubber to evolve suitable

Indian standards and its programme of activities had been drawn up. The various sub-committees of the International Standards Organisation would also be meeting in Delhi towards the end of this year and a task force had been constituted for raw rubber.

COFFEE

Export Prospects Better

India is expected to produce 62,000 tons of coffee during the current season. This would be 10,000 tons more than the previous season's crop. The export sales of the new crop have

just started, and reports are that buyers are active and they are paying fairly good prices. Almost 50 per cent of the crop was exported last year and the foreign exchange earned is placed officially at about Rs. 8 crores. In spite of stiff competition from Latin American producers, Indian coffee could stand its own in Europe and America because of its high quality. India's Arabica Cherry is valued in the Scandinavian countries for its aroma, while Indian Robusta enjoys a high reputation in foreign markets.

CASHEW

U.S.A. Imports More

The U.S. offtake of Indian cashew kernel during 1963 is placed at 29,287 tons, compared with 26,095 tons in 1962. This represented 57 per cent of the total Indian export. America has been the largest market for Indian cashew kernel. There was a time when this country was absorbing as much as 80 per cent of India's exports. The volume of India's export has

increased substantially in recent years. Last year, the total amounted to 53,400 tons valued at about Rs. 22 crores. Russia has emerged as the second largest buyer of Indian cashew kernel. She bought 16 per cent of India's export last year. In the order of priority, other important buyers were East Germany, Britain, Canada, Australia, Czechoslovakia and West Germany. The E.C.M. countries have agreed to reduce the tariff on cashew by half to 2.5 per cent. The E.C.M. Council which decided first to give complete exemption to Indian cashew revised its decision and put it at the above figure at the request of certain cashew producing countries of Africa. Efforts are being made to get the tariff reduced further.

TEA

South Indian Output Rises

South India is estimated to have produced 188.5 million lbs of tea during 1963, representing a 7.4 million lb increase over the previous year's



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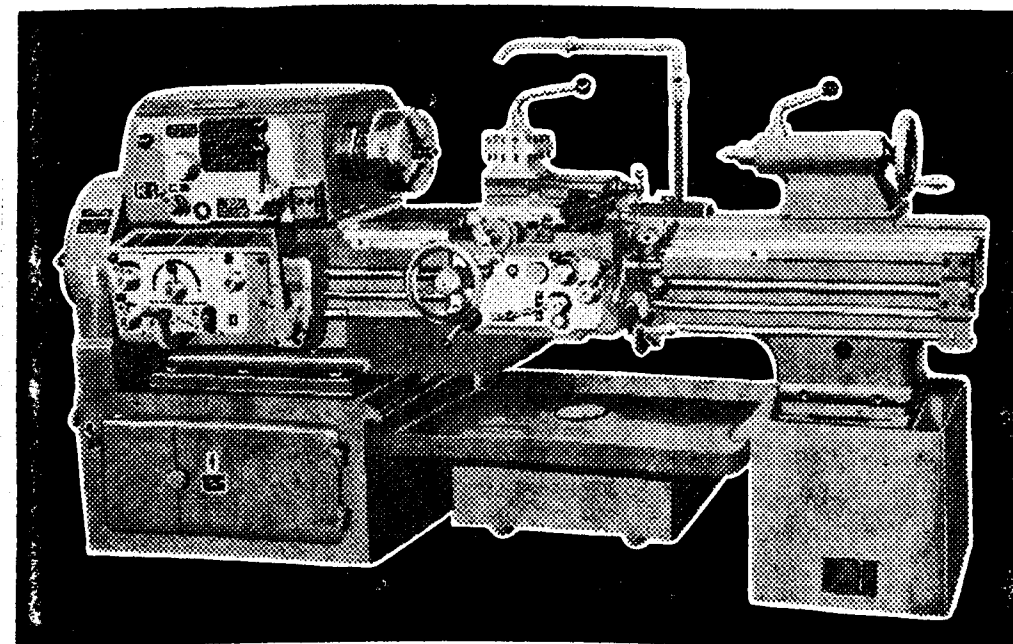
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output. This would partly offset the fall in north Indian output reckoned at 14 million lbs.

Difficulties of Cachar Planters

(BY A SPECIAL CORRESPONDENT)

SOME of the difficulties of the tea growers were described by Mr. A. M. Shaw, chairman of the Surma Valley branch of the Indian Tea Association, who said that while producers in general had a difficult year, planters in Cachar experienced special difficulties because of the border troubles with East Pakistan, at the annual meeting held recently in Silchar.

In recent years, the biggest curse on the industry had been the burden of multifarious taxes, he said. No rebate in excise duty was allowed even on exported tea, although every other export industry was granted such a concession. The bulk of Cachar teas did not go to the export market, he said. Therefore, the abolition of export duty and the corresponding increase in the excise duty, had, for Cachar, actually increased the burden of taxation.

The State Government's decision to increase substantially the specifications for labour quarters, increasing the cost per unit by more than 50 percent and, by implication, making all the houses hitherto built sub-

standard, came as a surprise to the industry, especially when the Working Group, set up by the Government, had yet to finalise its work. Even a greater shock was awaiting planters in Cachar. In August, most tea garden managers received show cause notices from the authorities asking why they should not be prosecuted for not having built an adequate number of labour quarters.

The Government of Assam has arranged for a Committee to go into the difficulties of tea producers. Some of the complaints of the industry concern the grant of loans by the Tea Board to gardens. The Central Government advanced Rs. 9 crores to the Tea Board for providing tea gardens. Out of this money, Rs. 5 crores was to be spent on replantation, Rs. 2 crores on the replacement of machines and Rs. 2 crores on providing irrigation facilities. Only a small portion of this sum has been spent during the last three years mainly because the Tea Board has insisted on evidence of creditworthiness before giving loans to tea gardens. The industry's view is that the credit-worthy estates are able to undertake replantation, replacement of machines and provision of irrigation facilities on their own. It is the poorer gardens who are unable to undertake any rehabilitation programmes out of their own finances and, therefore, need assistance. Lack of credit is most actually felt in the Cachar district.

COMPANY AND PUBLIC NOTICES

EASTERN INVESTMENTS LIMITED

NOTICE is hereby given to the members of the above named Company that an Annual General Meeting of the Company will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta, at 4-00 P.M., on Wednesday, the 11th March, 1964, for the following purposes:—

1. To adopt the Profit and Loss Account of the Company for the year ended 31st December, 1963, and the Balance Sheet as at that date together with the Directors' and Auditors' Reports thereon.
2. To declare the Dividends recommended by the Directors.
3. To appoint Directors in the place of retiring Directors.
4. To appoint Auditors and fix their remuneration.

AS SPECIAL BUSINESS

5. To consider and, if thought fit, to pass with or without modification the following resolution which will be proposed as a special resolution:

"That Article 159 of the Articles of Association of the Company be amended by deleting the word

'three' in line 4 and substituting therefor the word 'six'."

The Share Transfer Registers of the Company will be closed from 26th February, 1964 to 11th March, 1964, both days inclusive.

By Order of the Board,
BIRD & COMPANY (PRIVATE) LIMITED,
Secretaries.

Registered Office:

Chartered Bank Buildings,
Calcutta, 29th January, 1964.

Notes:

- (a) A Member entitled to attend and vote at this meeting may appoint a proxy to attend and vote instead of himself. A proxy need not be a member of the Company.

- (b) The Dividends if declared, will be paid on or after 23rd March, 1964, to those shareholders so entitled whose names appear in the Company's books on the 11th March, 1964, or to their mandatories. No application for dividend warrants will be necessary.

- (c) The Relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of Special Business set out above is being sent to the Shareholders.

THE ALKALI & CHEMICAL CORPORATION OF INDIA LTD.

Registered Office: 34, Chowringhee Road, Calcutta-16.

ANNOUNCEMENT

THE Annual General Meeting of the Members of the Company will be held on Wednesday the 4th March 1964 at 2-30 p.m. at its Registered Office, 34, Chowringhee Road, Calcutta-16.

Notice of the Meeting together with the Annual Report and Accounts have already been posted to the Shareholders direct.

The Ordinary Share Registers of the Company will remain closed from the 20th February 1964 to 4th March 1964, both days inclusive.

By Order of the Board,
IMPERIAL CHEMICAL INDUSTRIES (INDIA) PRIVATE LIMITED,
Secretaries.

Calcutta,
4th February, 1964.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	L.S.T. Hours
Angelo Bros. Ltd.	19-2-64	4 p.m.
Durbhanga Sugar Co. Ltd.	26-2-64	10-30 a.m.
South Karanpura Coal Co. Ltd.	28-2-64	10-45 a.m.
Alkali & Chemical Corp. of India Ltd.	4-3-64	2-30 p.m.
Eastern Investments Ltd.	11-3-64	4 p.m.
State Bank of India	12-3-64	4 p.m.

DIVIDENDS DECLARED OR PROPOSED.—Gwalior Sugar Co. Ltd.—Nil; Alliance Jute Mills Co. Ltd.—12½ p.c. (o), subject to tax; Empire Jute Co. Ltd.—15 p.c. (o), subject to tax; Nelli Marla Jute Mills Co. Ltd.—5 p.c. (o), subject to tax; Presidency Jute Mills Co. Ltd.—10 p.c. (o) subject to tax; Voltas Ltd.—14 p.c. (o), subject to tax; Shree Sitaram Sugar Co. Ltd.—6 p.c. (o), subject to tax; Deoria Sugar Mills Ltd.—Nil; Electric Construction & Equipment Co. Ltd.—10 p.c. (o), subject to tax; Elgin Mills Co. Ltd.—1½ p.c. (o), subject to tax.

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Official quotations of the Calcutta Bombay Madras London Stock Exchange Associations and other sources
Figures given after stroke (/) mean Naye Paise.

Wednesday, 12th February, 1964.

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BANKS

NAMES	Dividends per cent				Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent				Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962	Rs.		Rs.	Rs.	A year ago Rs.		1960	1961	1962	Rs.		Rs.	Rs.	A year ago Rs.
Allahabad Bank P.	18	18	15	100	250/00	253/50	396/00	Indian Overseas Bank	14	14	14	10	146/00	146/50	156/00		
Bank of Baroda	17	17	16	50	91/00	91/50	94/50	National & Grindlays Bank	13½	14	16	sh. 15	sh. 32/9	sh. 32/9sh. 36/1½			
Bank of India	20	20	20	50	105/00	105/50	112/00	Punjab National Bank	20	20	20	10	19/06	19/50	19/00		
Central Bank of India	20 2/5	20	20	25	46/00	46/25	59/50	Union Bank of India	11 2/5	11 2/5	11 2/5	9	6/16	6/12	6/52		
Chartered Bank	15	15	15	£1	sh. 55/-	sh. 55	sh. 60/-	United Bank of India	4.3	6	6	10	8/37	8/37	7/25		
Hindusthan Commercial	Nil	Nil	Nil	50	13/50	13/50	17/12	United Commercial Bank	12	12	12	50	71/50	71/50	74/00		
Hindusthan Mercantile	Nil	Nil	Nil	90	12/37	12/37	15/62										
Hong Kong & Shanghai	£3½	£3½	£3 1/5	HK\$2½	£19½	£19½	£16 ¾										
Indian Bank	15	15	14	100	157/00	157/00	174/50										

*1962

JUTE MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up Share per	Latest Market Quotations as available until			
	1960	1961	1962		12-2-64	5-2-64	A year ago Rs		1960	1961	1962		Rs	12-2-64	5-2-64	A year ago Rs
Agarpara P.	10	2½	2½-12*	10	10/00	10/00	10/31	Hukumchand P.	28½	28½	26½-26½*	7½	21/00	21/00	26/12	
Alexandra P.	44	15	42½	10	300/00	300/00	305/00	Indo	14	12	8-22½*	12½	15/37	15/25	17/75	
Alliance P.	10	10	10	100	135/00	135/00	110/00	Kamarbhaty P.	10	Nil	20	100	193/00	193/00	173/00	
Anglo-India P.	20	Nil	10-12*	100	183/00	183/00	217/00	Kankannan P.	Nil	Nil	10	100	129/00	129/00	125/00	
Auckland P.	27	12	Nil-15*	100	138/00	138/00	153/00	Keivik P.	15	15	5	100	181/00	181/00	196/00	
Bally P.	25	25	25	100	250/00	250/00	280/00	Khardan P.	20	10	12½-12½*	10	17/81	17/81	18/25	
Barnagore P.	30	10	10-10*	100	218/50	218/50	187/00	Kinnier P.	20	10	Nil-10*	100	130/00	129/50	145/00	
Bengal P.	10	10	10	100	3/00	8/00	10/25	Lakshmi P.	Nil	Nil	Nil-10*	100	98/00	98/00	120/00	
Bhira P.	15	15	15-15*	10	34/25	33/81	29/69	Lawrence P.	15	15	10-10*	100	101/00	102/00	124/00	
Buque Budge P.	10	Nil	12	100	140/00	140/00	160/00	Megha P.	12	12½	Nil-22*	10	12/81	12/75	13/31	
Calcutta P.	10	10	10	100	4/12	4/12	4/00	Nainat P.	100	104/00	104/00	100	9/00	9/00	9/06	
Caledonian P.	10	10	10	100	175/00	175/00	220/00	Naskarpara P.	10	6/00	6/00	10	21/37	21/37	25/37	
Chandani P.	10	10	10	100	22/87	22/87	22/50	Nationa P.	7½	Nil	10	10	11/37	11/81	11/00	
Chavoor P.	Nil	5	25	10	21/25	21/25	22/50	Nellmarla P.	15	15	Nil	10	12/37	12/81	13/00	
Chitavalah P.	5	Nil	5	10	10/00	10/00	11/00	New entrant P.	10	30	20-25*	10	28/00	28/00	31/50	
Clive P.	10	10	10	100	9/00	9/00	136/00	Northbrook P.	30	5	5-10*	60	61/00	61/00	57/00	
Dalhousie P.	10	10	10	100	131/00	131/00	168/50	Nuddey	8	6	5-10*	10	5/31	5/31	5/62	
Delta P.	7½	12	12	100	151/00	151/00	17/19	Presidency	Nil	Nil	Nil-10*	10	9/20	9/20	10/30	
Empire P.	12½	7½	12½	10	295/00	295/00	26/12	Rameshwara P.	Nil	Nil	Nil-10*	10	8/06	7/94	6/56	
Fort Jostor P.	25	10	12½-20*	100	24/75	24/87	26/12	Shree Ambica P.	10	6	Nil	10	35/00	35/00	25/00	
Fort William P.	22½	22½	10-20*	10	13/12	13/12	13/44	Soorah P.	25	25	25	10	22/50	22/50	25/25	
Gange P.	10	10	15-20*	10	16/00	16/00	17/87	Titagarh P.	10	13	13	10	10/50	10/50	10/50	
General Industrial	40	10	13	10	22/25	22/25	22/25	Union P.	25	10	Nil-20*	100	153/00	149/00	163/00	
Gouropore P.	30	25	20-20*	10	12½	12½	128/00	Victoria P.	10	Nil	10	10	10/50	10/50	10/50	
Hastings P.	6	6	6-6*	100	16/37	16/37	20/00	Waverley P.	30	30	30	1	9/00	8/19	5/94	
Houghly P.	10	20	7½-10*	10	18/50	18/50	18/50									
Howrah P.	12½	10	Nil-10*	10												

* 1963

COAL COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until				NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			
	1960	1961	1962		Ra.	Ra.	Ra.	A year ago Ra.		1960	1961	1962		Ra.	Ra.	Ra.	A year ago Ra.
Amalgamated Bengal	10	12½	15	10	24/75	24/75	24/37	Mundulpur	..	..	..	10	2/69	2/69	2/69		
Bengal Bhatdee	25	21	..	100	255/00	253/00	290/00	Nazira	7½	Nil	Nil	10	6/25	6/25	5/75		
Bengal Nagpur	..	..	..	10	3/48	3/48	3/48	New Beerbhoom P.	16	10	..	10	16/31	16/12	19/94		
Bhaugora	10	36	..	10	22/00	22/00	22/00	New Manbhoom	7½	8	12	10	15/25	15/25	13/75		
Bharat Collieries P.	..	..	..	10	4/25	4/25	5/00										
Bhuanbararee	..	..	..	10	3/44	3/44	3/53	North West	20	20	..	10	19/75	19/75	19/75		
Bokari & Ramgur	..	..	..	10	11/19	11/19	11/19					7½	18/00	18/00	18/00		
Borren P.	..	15	..	10	21/00	21/00	23/87	Ondal P.	6	7½	..	10	13/50	13/50	13/00		
Burrakur P.	15	15	15	10	16/31	16/06	15/44	Parasara P.	10	10	..	10	14/00	14/00	16/00		
Central India	8	10	10	10	9/56	9/37	9/81	Pence Valley	13	10	10	10	18/31	18/31	19/06		
Central Kurkud P.	..	..	..	10	3/44	3/44	8/00	Pure Sitapur	..	..	..	10	8/00	8/00	8/00		
Churuli	8	..	..	..	3/06	3/06	3/06	Raneegunge	..	..	..	10	13/56	13/56	15/00		
Chem Main	Nil	Nil	..	10	4/50	4/50	5/94	Rewa	25	17	17	10	28/50	28/50	29/12		
East Indian	7½	15	20½	£1	28/75	29/50	37/00										
Equitable P.	15	10	..	10	22/75	22/75	25/87	Jamia	10	..	..	10	8/00	8/00	10/03		
Chunab & Muslia	Nil	Nil	Nil	10	11/00	13/00	15/00	Searole	Nil	Nil	Nil	8½	1/25	1/25	1/94		
Guzdar Rajora	..	..	..	10	2/47	2/47	2/03	Seehpore P.	42 6/7	42 6/7	..	10	34/75	34/75	45/00		
Hurhidah	..	..	..	10	5/75	5/44	8/12	Sendra	10	8½	..	10	5/00	5/00	5/75		
								South Karanpura	2½	Nil	Nil	10	8/06	8/50	8/56		
Karanpura Development	8	8	..	100	11/25	11/25	11/62	Standard	15	10	..	10	11/87	11/87	16/00		
	15	15	..	10½													
Karanpura Collieries P.	7½	10	10	10	16/00	16/00	18/00	Union	..	..	..	10	10/12	10/12	10/37		
Katra Jheriab	95	40	25	10	33/75	33/75	48/75	Western Bengal	8	7½	8	10	8/75	8/81	8/75		
Khas Rajora	..	..	..	10	17/62	17/62	18/70	Waverley P.	Nil	Nil	..	10	4/00	4/00	9/37		

M. R. INDUSTRIES LTD.

IS NOW Murphy India Limited

This change will now identify murphy radio more closely with the name of the organisation. Management, staff, constitution and address of the organisation continue to remain as before.



MURPHY INDIA LIMITED
Dr. Shirodkar Road

COTTON MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		12-2-64	5-2-64	A year ago		1960	1961	1962		12-2-64	5-2-64	A year ago
Basanti P.	11	11	11	10	13/37	13/37	13/06	Elgin P.	11 1/2	17 1/2	17 1/2	10	21/75	21/62	19/87
Bengal Luxmi	11	11	11	10	30/00	30/00	28/00	J. & Cotton (Rayon) P.	12 1/2	10	10	10	12/30	12/44	14/00
Bengal Nagpur P.	11	11	11	10	2/44	2/44	2/50	Jay Shree	10	10	10	10	16/06	15/81	14/75
Bharat Commerce	10	15	15	10	22/75	22/06	22/50	Mulri	11 1/2	11 1/2	11 1/2	10	74/50	74/50	135/00
Birla Cotton	10	20	20	10	27/00	27/00	22/75	New Victoria P.	11 1/2	11 1/2	11 1/2	10	1/50	1/47	1/56
Bowreah P.	10	20	15	10	23/44	23/44	23/03	Orissa Textiles P.	11 1/2	11 1/2	11 1/2	10	4/75	4/75	5/00
Cawnpore Textiles	7-1/2	10	10	10	6/56	6/50	6/50	Rampooria Cotton	11 1/2	11 1/2	11 1/2	10	13/00	13/00	12/00
Deihi Mith & Genl P.	12	13	13	25	45/62	45/31	47/69	Swadeshi (Ranpur) P.	11 1/2	11 1/2	11 1/2	10	3/00	3/00	2/00
Dunbar	20	20	15	10	28/87	28/37	26/87		11 1/2	11 1/2	11 1/2	10	12/00	12/00	11/50

BOMBAY COTTON MILLS

NAMES OF MILLS	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		10-2-64	4-2-64	A year ago		1960	1961	1962		10-2-64	4-2-64	A year ago
Ahmedabad Advance P.	16	12	11	100	140/00	137/00	170/00	Indian	23 1/5	23	23	250	840/00	860/00	890/00
Apollo	11	11	11	100	1/94	1/90	2/00	Indore Malwa United	11 1/2	10	10	100	205/00	205/00	196/00
Benarasi Ramcharan	14	14	14	25	127/00	125/00	82/50	Kanatau Makanji P.	11 1/2	11 1/2	11 1/2	100	200/00	201/25	373/75
Bombay Dyeing, etc.	10	25	25	50	62/50	61/70	61/00	Koninor	11 1/2	11 1/2	11 1/2	100	336/00	332/50	277/00
Bradbury P.	30	30	30	100	157/00	157/00	153/00	Lakshmi-Vishnu P.	21 1/2	24	24-20*	100	161/00	161/00	110/00
Century	11	11	11	100	699/50	688/00	502/50	Morarijee Goudidas P.	11 1/2	14	14	50	375/00	370/00	468/00
Central India P.	11	11	11	100	96/50	96/00	96/00	Morarijee SDA & Mita P.	11 1/2	11 1/2	11 1/2	100	42/00	45/00	54/00
Cororia	11	11	11	100	162/50	161/25	150/00	New City of Bombay	11 1/2	11 1/2	11 1/2	100	180/00	180/00	142/50
Dawn	30	30	30	100	153/00	151/00	140/00	New Great Eastern P.	11 1/2	11 1/2	11 1/2	100	178/00	178/00	270/00
Edward Textiles	18	18	18	100	285/00	285/00	325/00	Phoenix	11 1/2	11 1/2	11 1/2	100	232/00	229/00	203/50
Elphinstone P.	23	23	23	100	98/00	98/00	94/00	Sassoon & Alliance	11 1/2	11 1/2	11 1/2	100	11/00	11/00	14/00
Finlay	14	14	14	100	318/00	316/00	297/00	Sassoon Spinning	11 1/2	11 1/2	11 1/2	100	40/25	40/25	48/75
Gokak	50	50	50	250	175/00	171/00	175/00	Simplax	11 1/2	11 1/2	11 1/2	100	123/00	126/00	236/00
Hindustan	10	10	10	100	950/00	950/00	965/00	Shree Niwas P.	11 1/2	11 1/2	11 1/2	100	272/00	270/00	263/00
India United	10	10	10	100	22/00	21/56	25/60	Swadeshi P.	11 1/2	11 1/2	11 1/2	100	243/00	246/00	250/00
					2/56	2/52	3/12	Swadeshi P.	11 1/2	11 1/2	11 1/2	100	287/50	285/00	55/00
								Western India	46 2/5	25	25	25	847/50	875/00	835/00

* 1963

BOMBAY MISCELLANEOUS COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		10-2-64	4-2-64	A year ago		1960	1961	1962		10-2-64	4-2-64	A year ago
CEMENT ENGINEERING & METAL															
Associated Cement	12½	12	12	100	149/00	145/75	150/00	British India General	11	11	11	10	12/24	12/00	12/24
								Jupiter General P.	11	11	11	15	7/00	7/00	12/52
								New India	11	11	11	15	48/50	48/25	62/00
								Vulcan	11	11	11	15	16/00	16/00	16/40
ELECTRIC LTG POWER															
Ahmedabad Electricity	9	8	8	100	96/50	96/00	89/50	MISCELLANEOUS							
Andhra Valley Power P.	11½	11	11	1000	1,035/00	1,032/50	1,005/00	Belapur Sugar	58	50	50	25	221/00	226/00	213/00
Bombay Suburban Elec.	8	8½	8½	100	105/00	103/50	104/00	Bombay Burmah Trading	30	33	33-33 1/5*	20	60/70	60/60	60/00
Tata Hydro Elec. Power P.	11½	11	11	100	111/00	111/00	104/00	Elindustan Lever	26	26	26	100	46/75	46/00	42/50
Tata Power P.	11½	11	11	100	1,095/00	1,036/25	1,100/00	Industrial Invt Trust	11½	11½	11½	100	37/00	36/25	35/00
INSURANCE COMPANIES															
Alcock Ashdown	17	22½	22½	100	305/00	300/00	290/00	National Chemists	22	22	22	100	75/00	74/30	72/00
Just Engineering	10	10	10-Nil*	50	56/00	56/00	98/00	National Rayon	11½	11½	11½	100	275/00	275/00	305/00
Larsen & Toubro P.	12½	12	12-14½*	10	22/92	22/80	23/76	Scindia Steam Navig.	11	11	11	100	432/00	422/00	422/00
Mckenzie	10	12	14	100	137/50	137/50	140/00	Shivrajpur Synd.	8	8	8	20	14/56	14/20	11/04
Premier Construction P.	43 1/3	33 1/3	33 1/3	300	168/00	167/00	121/00	Tata Chemicals P.	11	11	11	10	20/52	19/00	24/00
Tata Eng & Locomotive P.	12½	11½	14½-14½*	100	293/00	289/75	275/00	Tata Oil P.	23	23	23-22½*	25	65/50	64/20	57/50
Tata Iron & Steel P.	9½	10½	10½-11½*	750	146/50	144/75	121/00	Volta-	13	14	14	100	271/50	265/50	243/00
								Western India Match	16	16	16	100	261/00	261/50	256/00

* 1963

TEA COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		12-2-64	5-2-64	A year ago		1960	1961	1962		12-2-64	5-2-64	A year ago
ASSAM GARDENS															
Amuluckie	Nil	10	7½	10	17/25	17/25	20/00	Brooke Bond P.	15	10	7½-7½†	10	11/75	11/75	11/65
Anandabag P.	30	32½	20	10	33/25	33/25	33/25	Dejol valley	15	10	10	10	56/00	52/50	49/25
Bagamari	Nil	15	7½	10	13/37	13/37	18/50	Jessa & Turbuttle	Nil	10	15	100	200/00	200/00	141/00
Barduar Tea	15	25	..	10	4/50	8/50	8/50	Jharkhand	12½	10	..	10	20/87	20/81	20/00
Basmatia	15	25	..	10	27/25	27/25	27/25	Jharkhand P.	10	10	10	10	11/87	11/87	15/00
Bateh	10	30	..	10	15/31	17/50	18/00	Jharkhand P.	10	10	10	10	32/00	32/00	32/50
Betian	40	40	30	10	30/12	30/12	32/62	Jharkhand P.	25	20	25	10	21/62	21/62	21/87
Bismouth	12½	13	20	10	17/50	17/50	17/25	Jharkhand P.	25	25	30	10	27/87	27/87	27/87
Bokakhat	Nil	12	13	10	13/12	13/12	13/71	Jharkhand P.	Nil	Nil	10	10	15/12	15/12	18/87
Bornah Jan P.	15	15	15	10	13/00	13/00	16/12	Jharkhand P.	25	20	15	10	27/56	27/56	25/44
Bor Pukhuri	Nil	Nil	10	10	11/25	11/25	11/75	Jharkhand P.	Nil	5	20	10	14/69	14/69	13/31

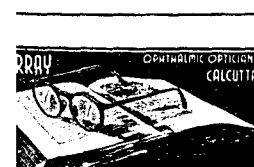
* 1962

TEA COMPANIES - Contd.

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		Rs.	Rs.	A year ago		1960	1961	1962		Rs.	Rs.	A year ago
Grob	6	6	6	5	6/94	6/94	8/06	Singell	Nil	Nil	Nil	100	36/75	36/75	36/75
Hoograjuli (Assam)	20	20	17	100	27/62	27/62	27/12	Singtom	4	Nil	2	10	8/50	3/50	3/50
Hoograjoree	10	7 1/2	20	100	200/00	200/00	190/00	Soen	50	40	40	10	40/00	40/00	31/00
Juthbari	30	30	20	10	31/50	31/50	32/00	Sungma	15	15	20	10	14/19	14/19	12/75
Kinsley Golaghat P.	35	35	..	100	125/00	125/00	212/00	Teesta Valley	Nil	Nil	8 1/2-7-10*	10	15/87	15/87	12/25
Kotamullai P.	Nil	Nil	Nil	5	9/75	9/75	10/31	Tukvar	Nil	Nil	..	10	6/00	6/00	6/00
Krishnabehari	15	8	10	10	11/80	11/80	10/50	DOOARS							
Kyang Tea	Nil	..	..	10	8/06	8/06	8/06	Banarhat P.	22 1/2	21	21	100	233/00	231/00	235/00
Lede	Nil	Nil	Nil	10	13/75	13/75	17/25	Baradighi	30	25	25	10	23/69	23/69	23/87
Maud Tea & Seed	10	7 1/2	7 1/2	10	12/00	12/00	14/81	Bhatkawa	15	15	20	10	17/25	17/25	17/87
Methoni	5	14	20	10	15/25	15/25	18/50	Birdara P.	17 1/2	12 1/2	17 1/2	100	162/00	162/00	151/00
Moemea	Nil	Nil	..	10	11/50	11/50	11/50	Carroo	30	20	7 1/2	100	161/00	161/00	145/00
Mothola	30	30	35	100	507/00	507/00	507/00	Choonabuti P.	32 1/2	20	20	100	211/00	211/00	262/00
Murphulani (Assam)	5	15	25	10	26/50	26/50	26/50	Ellenbarrie	5	5	10	100	184/00	184/00	184/00
	10.63	20.63	30.63	10	26/87	26/87	28/75	Ena	60	30	40	100	136/00	136/00	136/00
Naga Hills	10	10	10	10	21/25	21/25	22/69	Etnebari	5	5	7 1/2	10	11/87	11/87	13/12
Namburnadi	12	12	..	10	12/87	12/87	14/56	Gairkbat	25	20	11	10	21/56	21/50	21/50
New Cinnatollah	Nil	Nil	Nil	100	455/00	455/00	450/00	Godaipur	12	2	10	25	20/00	20/00	20/00
Rajgarh	40	13 1/2	17 1/2	10	18/50	18/50	21/87	Hantapara P.	15	5	10	100	107/00	107/00	104/00
Sapo	22 1/2	20	10	10	18/25	18/25	19/87	Hasamara P.	17	..	18-15*	10	12/62	12/62	14/00
Sesuli	22 1/2	15	30	10	25/12	25/12	30/75	Hutidbari	22 1/2	..	19 1/2-7-11*	10	12/37	12/37	13/69
Teinon	25	25	25	10	22/12	22/12	37/25	Jaydipara	10	Nil	11	10	8/62	9/50	11/06
Tengpani	30	30	22 1/2	10	35/75	35/75	35/00	Kilhor	15	15	15	10	15/50	15/50	17/31
Tezpor P.	30	20	..	10	14/75	14/75	15/56	Manoarrie	10	5	10	10	59/56	59/50	59/50
Tongani	Nil	12 1/2	..	10	5/31	5/31	6/50	Namsuree	25	15	15	100	141/00	141/00	169/00
Tyoon	10	15	25	10	27/75	27/75	34/37	Nes Dooart P.	35	20	14 1/2	100	232/00	230/00	258/00
CACHAR								Oodlabari	12 1/2	7 1/2	..	100	13/37	13/37	14/25
Arctupitoe	Nil	5	6	10	7/00	7/00	7/00	Phaskowa	Nil	Nil	Nil	100	125/00	125/00	127/00
Baltakhai	2 1/2	2 1/2	..	10	7/75	7/75	6/59	Raibhat	Nil	Nil	6	10	12/00	12/00	12/12
Central Cachar	5	7 1/2	5	100	75/00	75/00	73/00	Ranicherra	15	15	7 1/2	10	12/75	12/75	16/75
Eastern Cachar	Nil	Nil	..	10	4/56	4/56	4/12	Redaw	25	20	25	10	25/75	25/75	27/31
Kalinugger Khoreel	6	2	..	100	87/00	87/00	87/00	Sarugeon	40	40	40	10	36/31	36/31	36/25
Katikkhira	Nil	5	Nil	10	8/00	8/00	9/44	TERAI							
Kunchanpore	Nil	..	..	10	6/00	6/00	6/40	Atal	5	..	..	10	8/34	8/34	6/75
Loobah	Nil	Nil	10	100	4/69	4/69	5/00	Beigach	20	20	..	100	20/25	20/25	20/50
North Western	30	20	10	100	175/00	175/00	114/00	Gungaram	20	12 1/2	12 1/2	100	131/00	131/00	158/00
Pathemara	Nil	Nil	Nil	10	1/50	7/50	7/50	Hanscaw	20	15	17 1/2	10	20/00	20/00	20/00
Rongacherra	Nil	Nil	10	10	9/94	9/94	13/62	New humts	15	15	12 6/7-20*	10	20/37	20/37	33/50
Roopamatta	5	5	5	10	50/00	50/00	50/00	New Terai	22 1/2	20	20	10	23/00	23/00	36/00
Sonal River	Nil	Nil	..	10	5/06	5/06	9/12	Panargoomiah	14	14	2 1/2	10	14/37	14/37	31/12
								Putinpare	60	60	60	10	45/00	45/00	45/00
								Putinpare P.	60	60	60	10	49/00	49/00	49/00

MISCELLANEOUS COMPANIES—Contd.

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until				NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			
	1967	1968	1969		Rs.	P.s.	Rt.	P.s.		1967	1968	1969		Rs.	P.s.	Rt.	P.s.
ENGINEERING & METAL																	
Arthur Butler (Muzaffarpore P.	Nil	Nil	10	13	21/25	21/25	14/50	J. K. Synthetics	2	Nil-10*	10	12/06	11/94	11/50			
Bhartia Electric Steel	10	10	12½	10	14/00	14/00	14/00										
Braithwaite India	25	25	14	10	32/50	32/50	36/19	James Wright P.	50	2/75	2/75	2/75					
Bridge & Root	30	30	30	10	52/25	52/25	52/25		100	00/43	00/43	00/43					
Britannia Building & Iron P.	Nil	Nil	Nil	10	3/37	3/37	3/65	Jardine Henderson Ltd P.	7	7	6-7½	80/50	80/50	72/00			
Britannia Engineering P.	10	10	10	10	10/12	10/12	10/25	Jay Shree Industries P.	14	12½	12	14/25	14/25	15/19			
British India Electric Cons.	45	20	15	10	29/12	29/12	33/12	Kesoram Industries P.	5	12	12-13*	27/75	27/56	21/12			
Burn P. (Engineering)	28½	28½	28½-25*	100	302/00	302/00	490/00										
Calcutta Steel	15	15	15-12½	10	13/56	13/00	13/75	Macfarlane & Co.	50	6/69	6/69	7/00					
Dalmia Iron	10	10	10	10	11/75	11/69	11/75		100	1/94	1/94	2/50					
Guest, Keen, Williams	16	14	14	10	26/87	26/62	33/00	Macneill & Barry Ltd P.	8	8	7½	90/09	90/09	93/50			
Hogbly Docking	Nil	Nil	12½	50	101/00	101/09	102/00	Martin Burn Ltd P.	2½	2½	2½	26/06	28/12	30/62			
Indian Iron & Steel P.	15	16	19-11*	10	25/08	24/70	21/12	McLeod & Co. P.	15	15	18	206/00	206/00	215/00			
Indian Malleable Casting	Nil	..	..	50	6/00	6/00	6/00	Metal Box Co. of India Ltd P.	25	25	19	31/50	51/00	50/00			
Indian Standard Wagon P.	Nil	28½	28½-20*	100	2/00	2/06	2/50	National Insulated Cable P.	25	25	25-18½	22/75	22/87	24/25			
Indian Steel & Wire Products	23	24	23-28*	100	35/37	35/37	49/00	National Pipe & Tubes P.	20	20	20	27/81	27/87	29/25			
Industrial Containers	Nil	10	10	10	20/00	20/00	22/00	National Rolling & Steel Stores	13	15	15-15*	12/09	12/05	11/56			
Jay Engineering	17 3/32	17 3/32	15-10*	10	19/87	19/87	24/25	National Rubber P.	Nil	6½	8	9/25	9/25	7/19			
J. K. Steel P.	20	20	10	10	15/87	15/56	15/25	New India Tobacco Co.	16	7	7	12/00	12/00	11/00			
Jessop & Co. P.	8.58	8.58	8.58	10	23/56	24/44	22/56	New India Investment Corps	8.7	..	75	45/00	45/00	90/00			
Kumardhubi Engineering P.	10	11½	15	3	9/12	8/66	7/12	Octavius Steel P.	10	7½	7½	100	26/50	28/12			
Marshall Sons (India)	Nil	Nil	Nil	2	2/31	2/47	3/31	Phillips India	12	12	13	10	22/62	22/62	26/19		
National Iron and Steel	Nil	Nil	Nil	10	6/06	6/06	4/19	Publicity Society	10	75	75-50*	100	130/00	130/00	128/00		
Saran Engineering	8½	10	12½-10*	4	8/12	8/12	11/12	Rallis India P.	4	8½	8½	10	12/09	12/00	11/56		
Steel Containers	30	30	20	10	28/12	28/12	19/75	Rontas Industries P.	20	10	8-9*	10	12/09	12/00	11/56		
Textile Machinery	10	10	..	10	27/70	27/50	20/25	Sirsik P.	Nil	..	..	10	9/25	9/25	7/19		
SUGAR BREWERIES ETC.																	
Balrampur Sugar	8	8	4-Nil*	2½	1/75	1/75	2/60	Sen-Raleigh Industries P.	15	15	7½	10	17/00	17/19	18/56		
Belsand Sugar	18½	19	62/3	7½	7/37	7/37	9/42	Spencer's Hotel	2½	2½	2	0/59	40/37	41/69			
Dharat Sugar P.	..	..	..	10	16/00	16/00	13/00	Union Carbide	18	18	12½	10	34/25	0/59			
Carew (Sugar) P.	Nil	Nil	..	10	11/50	11/50	12/62	Walford Transport	30	20	..	1PO	2/81	2/35			
Cawnpore Sugar P.	Nil	Nil	..	10	9/12	9/12	12/37		29	30	..	1O	3/97	4/06			
Champuram Sugar	15	12	Nil-Nil*	10	12/62	12/62	15/87	INSURANCE COMPANIES									
Durbhanga	4	Nil	5	10	9/37	9/37	8/12	Concord of India	23	20	20	5	9/87	10/12	11/00		
New Savan Sugar and Gar	..	..	..	10	4/50	4/50	5/25	Hercules	22½	26½	26½	10	23/25	23/25	25/00		
Pattabura Sugar P.	..	..	..	10	10/81	10/81	11/50	Ruby General	10	13½	15½	8	10/00	10/00	9/69		
Ramnagar Cane & Sugar P.	30	35	30	10	29/31	29/31	30/31	Standard General	..	..	..	10	6/12	6/12	8/00		
Raza Buland	12½	19	10	10	10/25	10/19	9/06	Triton	45	50	50	25	130/00	130/00	131/00		
Ryam Sugar P.	..	..	..	10	4/50	4/50	8/06	FLOUR MILLS									
Samastipur Central Sugar	..	..	..	10	4/10	4/10	9/62	Bengal P.	49	25	25	10	34/12	34/12	34/25		
Shree Krishna Gyanoday Sugar P.	15	..	..	10	7/50	7/37	8/00	Delhi P.	..	..	..	10	14/00	14/00	14/00		
Shree Sitaram Sugar	..	..	..	10	7/12	7/12	7/12	Ganesh P.	..	..	..	12½	13/75	13/75	15/75		
Sitalpore Sugar	4	Nil	Nil	10	3/69	3/69	6/12	Hooghly	..	..	..	10	19/75	19/75	19/75		
United Provinces	15	5	Nil	10	11/50	12/00	10/62	United	25	10	7½	10	27/81	27/81	30/00		
Upper Ganjes Sugar P.	7½	7½	7½	10	85/00	85/00	60/30	OIL COMPANIES									
MISCELLANEOUS																	
A Firpo (Restaurateur)	7½	10½	5	10	5/00	5/00	5/90	Attock Oil	13½	13½	..	£1	sh. 36/-	sh. 36/-	sh. 32/-		
Aluminium Corporation P.	12	12	12-5*	10	12/19	12/31	14/00	Burmah Oil P.	9-2/5	..	..	£1	sh. 62/4½	sh. 62/4½	sh. 48/7½		
Anderson Wright Ltd P.	11½	10	6	10	11/50	11/50	11/50	Indo Burmah Petroleum P.	30	25	22½	10	21/69	21/50	23/37		
Angelo Bros.	25	28½	28	10	26/62	26/87	24/44	Tide Water Oil	30	35	35	10	33/19	33/19	26/00		
Assam Match	18	20	20	10	27/37	27/37	28/75	PAPER MILLS									
Assam Saw Mills & Timber	Nil	Nil	3	3	2/59	2/59	2/50	Bengal P.	32	27½	20	10	27/25	26/50	31/65		
Associated Battery	25	15	15	10	25/37	25/75	26/50	India Paper Pulp	15	13	12-15*	10	18/25	18/25	18/56		
Associated Hotels of India P.	Nil	10	10	10	10/31	10/31	10/31	Orient Paper P.	22½	22½	22½-20*	10	37/70	37/70	35/00		
Baltzer Lawrie & Co.	25	25	25	100	255/00	255/00	257/00	Shree Gopal Paper P.	17-6/7	17-6/7	17-6/7	10	25/60	25/60	27/80		
Barrace Coke	Nil	Nil	15-15*	10	22/06	22/06	21/00	Sirpur P.	6½	8½	8½-5*	10	12/56	12/56	11/81		
Birds Investments P.	9½	10	10	10	10/44	10/44	11/50	Star Paper P.	Nil	Nil	Nil	10	9/12	9/12	10/00		
Britannia Biscuit P.	25	30	25-21*	10	50/25	50/25	44/12	Titaghar P.	10	13	13-13*	2½PO	3/44	3/44	3/78		
British India Corporation P.	4	7	9	5	8/41	8/25	9/25	West Coast P.	25	20	10-10*	10AO	16/12	16/31	17/44		
British Paints	12½	15	10	10	21/25	21/25	18/75		6	7½	10-10*	10BO	16/12	16/31	17/44		
Calcutta Silk Manufacturing P.	Nil	Nil	..	10	6/94	6/94	7/15	PRESSING COMPANY									
Clive Row Investment	8	7½	7½	10	8/31	8/31	8/19	Camperdown	11	11	..	109	105/00	105/00	100/00		
Duncan Brothers & Co Ltd P.	14	14	14	100	131/00	131/00	159/00	REAL PROPERTY STORAGE									
Dunlop Rubber Co. (India) P.	21½	20	15	10	37/00	37/00	35/00	Bengal Bonded Warehouse	11	8	8-9*	A500	900/00	900/00	1,015/00		
Dyer Mekan (Breweries)	25	14	12	5	31/62	31/62	28/69	B62½	125/00	125/00	100	B62½	125/00	125/00	77/25		
Eastern Investments Ltd. P.	15	10	10	100	117/00	117/00	129/00	C100	186/00	186/00	100	C100	186/00	186/00	122/00		
Electric Construction	10	10	10	10	13/50	13/00	13/75	D12½	45/00	14/15	17/75	D12½	45/00	14/15	17/75		
French Motor Car	20	20	..	20	31/75	31/75	35/12	100	7/75	7/75	7/75	100	7/75	7/75	7/75		
Ganges Rope	17½	20	20	100	236/00	236/00	236/00	Humayan Properties P.	6	..	..	100	11/00	11/00	11/00		
General Investments Trust P.	5	5	5-5*	75	43/00	43/00	43/00	Midnapore Zemindary P.	Nil	Nil	..	100	2/10	2/10	2/10		
Gillanders Arbuthnot & Co. Ltd P.	10	11	11-11*	10	13/75	13/75	13/62	TRAMWAYS & STEAMER									
Glaxstone Lyall & Co. Ltd P.	4 2/5	..	..	10	28/12	28/12	33/25	Bengal Assam Steamship P.	7½	7½	..	100	128/00	128/00	108/00		
Godfrey Phillips (India) Ltd P.	40	40	30	10	236/00	250/00	241/00	Calcutta Landing & Shipping	30	7½	22	10	34/00	34/00	49/50		
Great Eastern Hotel	9	6	..	250				Calcutta Steam Navigation	10	Nil	Nil	10	8/87	8/87	8/87		
Hindustan Aluminium P.	Nil	..	..	10	12/94	13/00	13/75	Calcutta Tramways P.	Nil	..	..	£1	10/50	10/62	11/00		
Hindustan Motors P.	9	12	12½-11½*	10	19/09	18/75	17/25	Fraser	Nil	..	..	..	9/87	9/87	10/00		
Hindustan Pikington	Nil	Nil	Nil-Nil*	10	16/18	16/18	13/50	India General Nav Railway P.	Nil	..	..	£10	41/75	44/00	6/25		
Hindustan Twyfords P.	Nil	Nil	Nil-Nil*	10	13/19	13/25	13/50	India Steamship P.	Nil	Nil	Nil-Nil*	10	6/66	6/72	6/00		
Hoare Miller & Co. Ltd	6	6	..	10	5/12	5/12	6/31	Port Shipping P.	Nil	Nil	..						
Imperial Tobacco	8	9	9-8*	10	9/75	9/81	10/25										
Indian Aluminium Co. Ltd P.	15	15	17½	10	29/75	29/31	31/75										
Indian Cable P.	22½	22½	22½-22½*	10	36/81	36/10	33/00										
Indian Oxygen	15	15	12	10	27/50	26/25	28/50										
Indian Rubber Manufacturers P.	20	30	30	10	20/00	20/00	21/06										
Indian Wood Products	30	30	30	10	29/37	29/37	30/50										
Isaac Holdens	..	Nil	..	10	13/44	13/44	15/00										
Investments and Finance P.	7½	7½	7½-7½*	100	30/00	30/00	55/00										

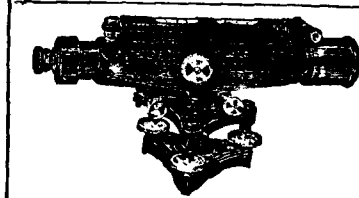


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CAPITAL

A Weekly Journal of Commerce, Industry and Finance
WITH WHICH IS INCORPORATED

THE INDIAN FINANCIAL REVIEW



FOR SURVEYING INSTRUMENTS

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& COMPANY LIMITED
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76th YEAR OF ISSUE

CALCUTTA, 20th FEBRUARY, 1964.

VOL. CLII 3798

CONTENTS

Editorials			
Prospects for Tariff Cuts at G. A. T. T. Meeting	...	253	
S.F.C.s Make Poor Progress		254	
Success of Investment Centre		255	
Price Controls Hit Cement	...	255	
Current News and Comment	...	255-58	
Railway Claim to Efficiency			
Promoting Economic Activity			
Making Petro-chemicals in India			
Budget Deficit in U.P.			
Prefabricated Buildings			
Hindrances to Road Transport Growth			
A Ditcher's Diary	...	259	
Guide for Investors	...	261-62	
Indian Aluminium Shares Rise on Growth Prospects			
Burma Corporation			
Cochin Refineries			
Dalmia Iron and Steel			
Eastern Investments			
Elgin Mills			
Gwalior Sugar			
I.C.I.C.I.			
Madura Sugar			
Maharashtra Sugar			
Palamalai Ranganathar Mills			
Premier Auto			
Ravalgaon Sugar			
Sirsilk			
New Capital Issues			
The Stock Markets	...	...	263
Newsletters			
New Delhi	...	...	269
London	...	...	272
Special Article			
Bank Credit Expands: Higher Deposit Rates Needed			276
Sections			
Money	...	...	267
Jute	...	...	273
Commodity Markets			275

PROSPECTS FOR TARIFF CUTS AT G.A.T.T. MEETING

THE end-1963 agreement on farm policy revealed an urge for survival on the part of the European Economic Community which was as impressive as it was unexpected. Outside opinion was prepared for a break-up of the Common Market rather than any dramatic evidence of unity, and there is no doubt that this was the probable development to which all the available facts pointed. That is why it would be unwise to take too seriously this year's predictions of disaster. Certainly all is not well among the Six: but this could equally be said of other international organisations which nevertheless continue to exist. And it is possible that the approach of the "Kennedy round" (if that is still the appropriate title) of tariff discussions within G.A.T.T. will place an even heavier strain on European unity. Yet to argue from this that the Common Market will inevitably break up this year, that the Kennedy round will be an unmitigated failure, is surely going too far. It would be better to wait and see what happens. Just now the indications are not cheering. The Six remain divided on their attitude towards the Kennedy round, and what small basis of agreement has emerged among them suggests their general approach will be less compromising than had been hoped for. If this should slow down progress on tariff-cutting to any significant extent, the consequences for world trade could be serious.

The chief opportunity for discord is the French insistence on action against tariff "disparities." These are the differences between the higher British and U.S. tariffs and the lower Common Market ones, and their existence for some commodities means that straightforward percentage reductions—"across the board" cuts—will yield more benefit to one side than the other. The French have suggested a system of *écêtement*, or the lopping off of the "peaks" of the U.S. and British tariffs, which appears on the face of it both practical and reasonable. Unfortunately, the mass of lengthy detailed work which the implementation of such a scheme would require—for example, on the question to what extent particular adjustments affect any given country—serves to strengthen the suspicion that the object of the French in proposing it is to defeat the spirit of the Kennedy round altogether. Thus, the enthusiasm of the other members of the Six for the French plan varies from lukewarm to rock-bottom zero in the case of the Dutch, while the attitude of the U.S.A. is one of exasperation. Already the "across-the-board" policy for tariff cuts, on which the Kennedy round was originally based, has had to be abandoned. Now the whole exercise threatens to become bogged down in an endless quibble over formulas and procedures. It is no wonder that the forecasts are at the moment almost uniformly pessimistic.

The attitude to all this of Britain, the powerless bystander who nevertheless stands to lose a great deal if the Kennedy round falls through, is one of almost helpless resignation. London has been able to play a useful part by suggesting a compromise between the differing stands of the E.E.C. and the U.S.A. as to the definition of a tariff rate which qualifies for *écritement*, and this may eventually be accepted. But the anxiety which Britain felt a year ago after her exclusion from the Common

Market, and the hopes for the Kennedy round to which this development gave rise, have both been strongly influenced by the fact that not only have her exports to the Six continued to grow, but her share of the Community's import trade has increased as well. This is an impressive achievement. It is to be attributed to a number of factors, of which inflation among the Six, the lowering of French and Italian tariffs to approach the "common external tariff", and the continued growth of the European economy, are perhaps the most important. Whatever the reason, the immediate edge has been taken off the problem for Britain, who indeed has been doing better with her exports to the Common Market than she has with those to her own partners in the E.F.T.A.

The attitude of the United States is still one of deep suspicion concerning Europe's motives and intentions, with an equal determination to be conciliatory when such an approach promises results and retaliatory when it does not. In other words, the spirit of the Kennedy round on the one hand, and the "chicken war" on the other. This latter incident did not help the U.S. cause in Europe, and indeed for a country which has traditionally regarded with indifference the inconvenience caused to others by her own high tariffs, it seemed both inappropriate and uncalled for. Only as a warning of what might happen if the Kennedy round fails does it seem to have served any useful purpose at all. The U.S. negotiators have accepted the justice of the French claim for special action against disparities, although their views on an appropriate definition differ considerably from the European, and there is something to be said for their claim that despite the differences the average impact of U.S. tariffs is little greater than those of the Six. The powers originally granted to the President to cut tariffs revealed a willingness for freer trade on the part of the United States, and an opportunity for the rest of the world which it would be criminal to miss. There is a danger that if the Kennedy round fails, the chances of reducing the formidable barrier of protection which the United States has traditionally preserved around its internal market will be lost for ever. This would be a tragedy of considerable magnitude for the free world, and one which is worth a great deal of time and effort to avoid.

Despite the agreement on agricultural policy, there is no indication that President de Gaulle is any more enthusiastic about the Common Market than he appeared to be three months ago, and indeed the attitude of this one man remains the largest single question-mark for the future. To him the political aspect of the Community has always been the most important. Now that Dr. Adenauer has retired, and his successor is making no secret of his interest in the political and economic advantages of wider Atlantic association, there is no guarantee that the President will decide that the Common Market is worth preserving. If that were simply to result in France's withdrawal from membership, the situation might not be without certain advantages. At least it would be possible to retain some semblance of economic unity, perhaps with the addition of the British. But it seems more likely that France would stay in the union

and make further progress or regrouping impossible. Many observers consider that this is in fact what President de Gaulle intends to do.

Apart from the President's attitude, a whole range of new problems will make themselves felt during the next few months. The easing of the cold war, for instance, is bound to weaken the willingness of west European countries to relinquish their national sovereignty. It might remove altogether the chief driving force behind the Community. Also, it could affect the resolve of the United States to press for closer ties with Europe, especially now that the personal dynamism of President Kennedy has been removed from the scene. West Germany may find herself tempted to exchange her links with the Six for the prospect of national reunion, despite the supra-national convictions of her new Chancellor. In fact the future is anything but clear, and it may become even less so as the time for the opening of the Kennedy round approaches. Any one of a score of problems—the most recent is that of steel tariffs—could complicate relations within the Community, or between it and the United States, and either slow progress to a crawl or even reverse altogether the current trend towards greater liberalisation. There is some evidence that the vexed question of disparities might do this in the fairly near future if the French push the question too hard.

It is no use pretending that a halt in the present trend towards more liberal trading policies, or worse still a general increase in protectionism, would not have serious consequences for the under-developed countries. There has been some progress in recent trade negotiations towards a more ready acceptance of their point of view. If this were lost it would be little short of a major disaster, especially at a time when the popularity of foreign aid is also on the wane, at least among the givers. If the Kennedy round is sidetracked, primary-producing countries will be deprived of a major opportunity for furthering their interests in a general atmosphere of growing trade liberalism. This

When Taxes Exceed Income

A major injustice implicit in the laws relating to personal taxation in India is that in some cases the total taxes an assessee has to pay exceed his total income. The existence of this injustice is vaguely recognised, but no move has yet been made to impose an overall ceiling on the total tax liability of such assessees. One reason may be that the precise way in which the various taxes soak up more than the assessee's total income is not known widely enough. A genuine case—based on an actual tax assessment—is reviewed below to indicate the gross iniquity of the rates of personal taxation. In this case, the assessee is a foreigner with major investments in India. The extraordinary situation has been reached where his tax liabilities not only eat up his entire income; they eat up part of the capital investment too.

THE case shows that the combined impact of income tax and wealth tax on certain assessee is such that the total tax exceeds the total income—very substantially in some circumstances. The shortfall has to be made good by eating into the capital; on the top of this, further erosion of capital is inevitable in order to meet the living expenses of the assessee. The following is an illustration of a specific case, in which the gross income for a year was Rs. 11.9 lakhs. But after payment of income tax and super tax of Rs. 10.24 lakhs, and wealth tax of Rs. 2.19 lakhs, it was converted to a deficit of Rs. 53,000 for the year. This was by no means an exceptional year; a larger or smaller deficit has been the experience of this assessee for the past few years. The questions which have to be asked are: (a) is this fair and equitable? and (b) is this in the interests of the economic progress of the country?

The assessee's only source of income is from investments, in the companies and the disposal of this form of dividends on stocks in Indian

income for the year ended 31st March, 1963, was as follows:

Gross income from dividends ...	Rs. 11,90,403
Less tax deducted at source ...	3,65,380
Income received	8,25,023
Deduct estimated income tax and super tax payable	6,59,160
	1,65,863
Deduct wealth tax payable ...	2,19,391
Resultant deficit	Rs. 53,528

To this deficit has to be added his personal living expenses, and as he has no sources of income outside India, remittances to the U.K. to meet essential family obligations.

The assessee points out that this has been the pattern of his personal income and expenditure for the last

could put back by several years the modest progress recently made in understanding their claim for special treatment. It is only against a background of success over the Kennedy round that there is any real chance of the slogan "trade, not aid" becoming more generally accepted. At present there is a genuine danger, especially in the Common Market, of the case for the under-developed countries being ignored altogether.

The world's stake in the Kennedy round is, therefore, a large one, and there is some evidence that this fact will weigh heavily with those interests who might otherwise, for reasons of their own, be prepared to see the coming negotiations amount to nothing. It has even been suggested that France may be prepared to put the case for the under-developed countries before that of relaxing Atlantic protectionism. It is not clear how this could be done, because if the discussions on the Kennedy round become bogged down it is unlikely that concentration could immediately be diverted to other topics, however important. That is why it is imperative that nothing should go seriously wrong in Geneva in May, and that neither side should stand too firmly on what it might consider, perhaps with justice, to be its rights. At present Britain is working hard to bridge the gap between the two sides, but surprisingly enough seems least optimistic about the outcome. Possibly the main responsibility for finding a suitable compromise will eventually fall on West Germany by virtue of the fact that her close connections with the two sides could prove the deciding factor. At all events, it is impossible to predict what will be the outcome of the Kennedy round, just as it is difficult to over-emphasise its importance. So far the Common Market, in its internal negotiations, has shown a remarkable gift for reaching agreement at the eleventh hour. The main hope at this stage is that such talent will project itself into the wider negotiations due to open in Geneva on 4th May. On present showing, it will need to.

few years with the levy of wealth tax and with the mounting rates of income tax and super tax. The position of income and expenditure is one of recurring annual deficits and recourse to substantial overdraft facilities is inherent in it—the extent of the actual overdraft utilised in any year depending on the sequence in which tax payments fall due in relation to the accrual of dividends. The overdrafts have in the past been reduced and/or liquidated by the sale of investments as and when market conditions were propitious.

Although the assessee is a foreigner who has been working in India continuously for over half a century, his entire capital, including surpluses of income over expenditure in the years when such a surplus was available, has been invested in shares in Indian companies and are held in India. No assets have been created by him outside India over the years when it was possible to create such assets in the absence of any exchange control restrictions. This devotion to the cause of Indian industry has now brought about a situation in which the assessee finds that his net income from investments is financially a negative quantity. Admittedly, such a situation can arise only when the assessee, as in the case under discussion, discloses his assets and his income frankly and in full for taxation purposes. The laws of a country should be based on this assumption, and if the assumption is correct, the effect of the tax laws must be regarded as deleterious.

Leaving aside theories and assumptions concerning the basis of taxation laws, in reality it is found that in the year 1958-59, about 70 individuals in the whole of India paid income tax on a gross income of over Rs. 5 lakhs. Many feel that there should be in the city of Calcutta (if not in the Dalhousie Square and Burra

S.F.C.s MAKE POOR PROGRESS

THE report of the working group on State Financial Corporations, which was set up by the Reserve Bank of India in June 1962, is a largely historical document reviewing the working of the Corporations during the past decade or so. The performance of the Corporations has so far been disappointing as they have barely touched the fringe of the problem of financing medium and small industrial units. Set up with the primary object of promoting the growth of these industries, the poor working of the Corporations is due partly to their internal deficiencies and partly to factors beyond their control. The remedies prescribed by the group to improve their working are pointless considering that most of them are difficult to implement under the present circumstances. Although the Corporations are empowered to assist industrial concerns by giving loans, subscribing to debentures, underwriting share and debenture issues and guaranteeing loans from other sources, they have so far largely confined themselves to giving loans. Even the advances given by them are far too meagre in relation to the requirements. This apart, loans have mostly gone to traditional units like the food processing, cold storage, and textile industries. There has been little effort to extend the scope of assistance to new industries.

The shortage of funds has been a major handicap for the Corporations, which depend for their resources mainly on share capital and debentures. Support for their shares has come largely from the Government, the Reserve Bank and State-sponsored institutions. Private financial institutions have been chary of buying the shares since the dividend outlook has been far from encourag-

Bazar areas alone) at least 70 persons with a gross income of over Rs. 5 lakhs. There is, therefore, evasion on a widespread scale not only in the higher income brackets, but all around.

"Unaccounted money" and tax evasion are now by-words with every section of the community, but has a dispassionate attempt been made to ascertain the basic reason for the widespread practice of tax evasion?

It may be interesting to study the psychology of the taxpayer, particularly one who has an annual gross income of over Rs. 1 lakh. At current rates, he has to pay income tax (including super tax, surcharge, etcetera) at the rate of 88.3 percent of every rupee he earns over the first Rs. 1 lakh. His normal problem is: "Shall I be content with retaining only Rs. 11.7 out of Rs. 100 which I have earned by taking a certain risk of losing perhaps an equal amount, or shall I retain the whole hundred rupees and hold it as unaccounted money?" His odds are 11.7 against 100, long odds against morality by any standard. With a reasonable tax ceiling, the odds would be more even and, with far fewer evasions, the total collections should go up considerably.

Common sense and sound economic principles dictate that the tax structure, particularly at the higher slabs, should be revised downwards, so that collections increase and the problem of "unaccounted money" is consequently tackled. The impact of increased collections, and the channeling of funds previously held as unaccounted and also the additional funds in the hands of the assessee as a result of reduced tax deductions, could buttress the economy of the country and the well-being of the people.

ing. The S.F.C.s have paid dividends varying between 3 percent and 4 percent, which are far too low by present market standards. Public support for the shares in the foreseeable future is unlikely, considering that the profitability of the Corporations has been reduced by the small turnover and by the expenditure on a top-heavy administration. The fact that the Government has guaranteed the principal and dividends on the shares has not served as an attraction. The liability of the Corporations on account of subventions drawn from the Government to pay dividends has proved financially embarrassing. So the working group's recommendation that they should enjoy tax exemption, and that the dividends due to the Government and the Reserve Bank should be transferred to reserves, is welcome.

The Corporations' debentures have so far been subscribed mostly by the State Bank of India and the Life Insurance Corporation. Commercial banks have shown little interest since the debentures have been issued for longer periods than the banks deem suitable. It is a good idea, therefore, to make the debenture bonds more broad-based. If debentures with shorter maturities are issued, there may be greater support from private financial institutions. But it would be unsound to compel the Life Insurance Corporation to earmark a certain part of its investible funds for these bonds, as suggested by the working group. Life insurance funds are trust money, which should be used only to serve the interests of policy-holders. If provident funds are allowed to invest in these bonds, a wider market could be found for them. Except in the case of two Corporations, no serious effort has been made to attract deposits from the public. However, the group has exaggerated the possibility of raising funds through deposits. There is now keen competition for deposits and it is doubtful whether the Corporation will have much success in attracting funds. Furthermore, since their lending rates have to be kept low to promote industries, they cannot afford to quote competitive interest rates on deposits except in marginal cases.

In sum, the scope for reinforcing the Corporations' resources from private sources is very limited. So the State Governments have to be more generous in providing financial facilities. The recommendations that States should borrow for the Corporations along with their own borrowings is pointless. The Central Government has already begun to borrow on behalf of State Governments. Since the States themselves have to rely greatly on the Centre for funds, financial facilities to the Corporations should be given by the Central Government. It is important that while providing finance to the Corporations, a part should be given in the form of foreign exchange. Experience shows that the Corporations have had to turn down many deserving loan applications because they are not in a position to provide foreign exchange. The working group is right in recommending that the Reserve Bank should create a special "national industrial credit (long-term operations) fund" on the lines of the "national agricultural credit (long-term operations) fund" to serve as a standby for supplementing the Corporations' resources. If adequate funds are supplied by the Government, the working of the Corporations will not only be expanded and diversified but they will also be able to keep their lending rates down.

The importance of lending money to industrial units at low rates of interest cannot be exaggerated. A major factor which has restrained the growth of small industries is that their production costs are too high. It is essential to take steps to reduce their production costs, and the provision of cheap credit is a step in this direction. The average lending rate of the Corporations at present amounts to 7 percent net, with an additional 1 percent for late payment, which is considered fairly high under present circumstances. An upward revision of this rate, as recommended by the working group, will not help the healthy development of small industries. The recommendation that the Corporations should try to introduce multiple lending rates "tailored to the risk-rating of the loan propositions, their size, period, etcetera" is more theoretical than practical. Not only is the implementation of a multiple rate far too complicated: it is also likely to lead to wrong

decisions and favouritism. The working group has pointed out that the Corporations have generally been very fussy in considering loan applications. They have been worried about the security a loanee can offer instead of the earning potential of his industry. Hence a change in the criteria for assessing loan applications has been suggested.

Considering that small industries generally cannot offer adequate security to back their loan applications, there is need for adopting a bold lending policy. But its successful implementation will depend on the extent to which the Corporations can succeed in organising the requisite expertise. The working group has, therefore, rightly stressed that the Corporations should have proper technical staff to provide guidance and assistance in examining and fostering industrial projects and in steering various schemes until they mature into viable units. The Corporations should also equip themselves fully to undertake post-credit services. Commenting that the provision of finance is only a part of the job of State Financial Corporations, the working group has recommended that they should have a team of trained and experienced persons from each of the three fields—engineering, industrial economics and accounting—at a fairly senior level. Until this is done they should consider drawing up a

SUCCESS OF INVESTMENT CENTRE

FEW institutions have done more in their own quiet, unobtrusive and yet highly expert way to promote foreign investors' interest in this country than the Indian Investment Centre, which celebrated its third birthday last week. The chairman, Mr. G. L. Mehta, said in Bombay last Friday that the Government has so far approved 57 projects assisted by the Centre for setting up industrial enterprises in India in collaboration with foreign firms. Of these, 35 involve technical collaboration and financial participation, while the remaining 22 relate to technical collaboration only. The approximate total capital outlay in these ventures is of the order of Rs. 50 crores and foreign equity participation is around Rs. 5.5 crores. The projects cover a wide range of industries, including wood-working machinery, heavy earthmoving machinery, printing machinery, plastic injection moulding machines, sheet metal working machinery, textile machinery, wire ropes, steel forgings, electrodes, steel tubes, alloy steels, machine tools, ball bearings, motor-vehicle tyres and tubes, borax and boric acid, naphthols and bases, milk and milk products, H. T. and L. T. insulators, prestressed concrete pipes, sanitary ware and poultry equipment. Of the 57 collaboration arrangements approved so far, 31 are from the U.S.A., eight from the U.K., five from Japan, four from West Germany, three from France, two from Canada, two from Belgium and one from Switzerland. In addition, a joint venture for setting up a consultancy firm with a partner from Poland has also been approved. In another 15 cases, collaboration agreements between Indian and foreign entrepreneurs have either been submitted to the Government for approval or are likely to be submitted shortly. In addition, 85 proposals are in varying stages of negotiation between Indian and foreign parties.

The collaboration arrangements—matured or being negotiated—provide only a rough indication of the work done by the Investment Centre. The Centre has been rendering extremely useful service by promoting among foreign investors a better appreciation of India's needs and opportunities. A favourable climate of opinion is no less important than the actual opportunities for investment, and it is here that the Indian Investment Centre has done some of its best work. The Centre is fully aware of the need for good publicity in order to educate opinion and promote better understanding between Indian and foreign entrepreneurs for setting up joint ventures. It has already issued four informative publications and the brochure on company law is likely to be ready by the end of February. It has also prepared six industrial fact-sheets on high priority industries and more fact-sheets are being written. The monthly newsletter issued to about 2,500 foreign and 1,500 Indian firms is stated to be meeting with a good response. In the United States, the Centre has been organising seminars which provide an effective forum for exchanging

list of engineers and accountants serving in different industries within their jurisdiction and willing to advise on technical problems on suitable payment. The possibility of setting up an independent technical and economic evaluation institution with branches in important centres to serve the evaluation needs of State Financial Corporations and other financing institutions like the Industrial Finance Corporation, Industrial Credit and Investment Corporation of India and commercial banks, deserves close attention. If the S.F.C.s make greater use of the Reserve Bank's credit guarantee scheme, their lending risks may be reduced considerably.

Meantime, some useful recommendations have been made to improve the working of the Corporations. The heavy tax burden, combined with guaranteed dividends, has been financially embarrassing. The subvention liability on account of dividends has risen to more than Rs. 1.6 crores. As a result, the Corporations have not been able to plough back sufficient funds into their business. It is necessary to provide tax reliefs. State Governments and the Reserve Bank should surrender their dividends on the Corporations' shares, which may be credited to the reserve funds. The outstanding subvention liability should be written off.

ideas and holding discussions on concrete investment opportunities. The Centre has now decided to set up an office in western Europe. The proposal is to establish an office in Brussels or, alternatively, offices in Frankfurt and Paris. The Centre has already submitted these ideas to the Government.

The inflow of foreign capital depends essentially on the investment climate in the country concerned. Conditions in India have not been favourable for some time. The Chinese aggression, the Government's policy of increasing State control over economic activity, loose talk about the nationalisation of banks, procedural and administrative delays, the super profits tax and political developments in neighbouring countries—all these have tended to discourage foreign investors. But, as Mr. Mehta pointed out, there was a welcome revival in investment enquiries from abroad, especially from the U.S.A., over the past four or five months. For this, the Finance Minister, Mr. T. T. Krishnamachari, can rightly take some credit. He has already outlined a series of measures designed to accelerate the tempo of economic and industrial activity. There are indications that the Government is determined to achieve better co-ordination between different Ministries and reduce administrative delays. A great deal will, however, depend on how Mr. Krishnamachari shapes his fiscal policy in order to stimulate production, saving and investment. It is interesting to learn from Mr. Mehta that new and small entrepreneurs often show greater care in framing and implementing collaboration agreements, and that many of them are technically qualified and receptive to new ideas. The Investment Centre, as he said, is always ready to help Indian entrepreneurs, who have got letters of intent, to prepare project reports. Mr. Mehta stated that official studies made in the U.S.A. and the U.K. showed that the profitability of industries was higher in India than in several other countries, but foreign investors, especially British, showed considerable concern over the rates of personal taxation for non-technical personnel in India.

PRICE CONTROLS HIT CEMENT

THE experience of recent years has shown how planning objectives can be frustrated by ignoring vital economic factors such as the pricing of basic commodities. The planners have piously resolved to pursue a policy of development with stability, but price and distribution controls have often inhibited the rate of development. Attempts are still being made to control inflation by checking the symptoms of the disease—by direct regulation of prices—rather than by going to the root of the trouble as represented by an irrational fiscal

policy. How such superficial treatment has led to the wrong allocation of resources and to the distortion of the development pattern is well illustrated in a research study entitled *Financial Trends and Productivity in the Cement Industry* published by the Association of Indian Trade and Industry. The Government has carried to excess its zeal to hold the price line in the case of high priority commodities like steel, cement, coal and electricity. The policy has reduced the profitability of these industries and discouraged investment. Meanwhile, industries of secondary importance are allowed higher incentives through free pricing.

The inevitable result can be well imagined. The Association's study of 18 companies covering 90 percent of the country's cement production shows that while productivity trebled between 1951 and 1961, the original target of cement production set at 13 million tons a year by the end of the second plan (1961-62) had to be lowered, and the actual achievement was only 8.1 million tons in 1962. This was mainly because the low prices fixed by the Government reduced the return on capital and caused investors to lose interest. The prices of cement shares stagnated, the capital market failed to respond to new issues of cement companies, and promoters had to abandon some industrial licences for cement projects while facing serious delays in implementing others.

The Association's carefully documented study proves the need for a radical revision of the pricing policy for basic industries. Since the Government is the principal buyer of cement, its interest in keeping cement prices low is understandable. But the Central Government is levying an excise duty of Rs. 24 a ton on cement, an exorbitant levy by any standard; the State Governments levy sales tax on the commodity; and the State Trading Corporation makes a substantial profit by monopolising its distribution. Paradoxically, while the industry has to be content with poor returns, the

consumer has to pay more as the selling price is loaded with the various levies. Furthermore, the commodity is in short supply and the consumer often has to pay exorbitant black market prices. If the Government wants to allow better returns to the industry without increasing the load on the consumer, it can easily do so by reducing the excise duty, the sales tax and the S.T.C.'s profit margin.

Between 1950 and 1961, the margin of profit—percentage of profit after tax to sales—fluctuated from year to year between 11.7 percent and 6.2 percent. The corresponding margin in the U.S. cement industry was between 11.8 percent and 18.3 percent. Profits after depreciation and tax as percentage of net worth (capital plus reserves) fluctuated from year to year during the period 1947 to 1961 from 3.1 percent to 10.7 percent in India, 12.2 percent to 20.6 percent in the U.S.A., 8.4 percent to 21.5 percent in Japan and 7.6 percent to 9.8 percent in the U.K. The true extent of the difference in returns on capital reflected in these figures can be judged only after taking into consideration the huge reserve accumulations in the U.K. and the U.S.A., which go to inflate the "capital employed" and, consequently, make the figures of profits appear lower in percentage terms.

The dividends in the cement industry have been steady but low, compared with other Indian industries, or with the cement industry abroad. While leading cement companies in the U.K., and the U.S.A. gave dividends of up to 100 percent or more, in addition to giving bonus shares from time to time, cement companies in India paid only moderate dividends, varying from year to year between 3.34 percent and 9.87 percent of the paid-up capital of the companies covered by this study; the average for the period 1937 to 1961 was 7.05 percent. Dividends paid by cement companies in recent years have been lower than the average for a number of industries reviewed in the *Reserve Bank of India Bulletin*.

level which the railways have supposedly equipped themselves to handle.

On their own admission, the overall efficiency index shows a rise of only four points since the beginning of the third plan. Instead of facing up to the fact that improvement has been slow in coming in spite of the investment of Rs. 900 crores on modernisation and expansion of facilities, the railways make the untenable claim that operating efficiency has improved by 17.5 percent since 1950-51. Incidentally, 1950-51 is a bad base year to choose because efficiency was then lower than in 1938-39, but that apart, a comparison with the situation obtaining in the pre-plan days is now of only academic and historical interest. What really concerns the taxpayer is the fact that efficiency is now rising more slowly than during the second plan. Engine kilometres an engine day on line was 137 in the first eight months of 1963-64, the same as it was in 1960-61 and only two kilometres above the figure for 1955-56. The tonne kilometres hauled a goods engine a day has indeed improved by about one-seventh in the past three years, but how much of this is due to better working is difficult to judge since the haulage capacity of engines has also risen during the period with the change-over to diesels and electric. The two now move over one-fifth of the total traffic, as Mr. H. C. Dasappa, Central Minister for Railways, said in his Budget speech, and should therefore make quite an impact on the total result.

On the broad gauge, wagon utilisation is not getting any better either. Wagon kilometres a wagon day—an important yardstick for judging the work performed—was 76.2 in 1963-64, a figure lower than that for 1960-61. Net tonne kilometres a wagon day show a rise during the three-year period, but of only 3 percent. Wagon turn-round shows no improvement at all on the broad gauge, over which four-fifths of the railways' total traffic moves. In sum, there has been no change in the level of operating efficiency, striking or otherwise. One is at a loss, therefore, to understand what Mr. Dasappa may have had in mind when making

sweeping claims for the railways. Was he trying to persuade the Lok Sabha to give its approval to further exactions from railway users?

There is good reason for apprehending that the large increases in freights and fares voted by Parliament in past years have only whetted the railways' appetite. While the railways as the largest public-sector undertaking in India should contribute more to the general exchequer, this need not require mulcting the consumer if productivity were to improve in step with the investment on modernisation.

As an American report pointed out last year, modern management practices are virtually unknown; there is a strong tendency to avoid changes in operating practices which may involve experimentation, and this can only lead to technical stagnation. Personnel practices are unsatisfactory—rules are strict, perhaps unnecessarily so, but the end result is quite different. Work standards have yet to be developed because techniques of industrial engineering have rarely been employed outside of the larger workshops to which the recently-introduced system of incentive payments remains confined. As a consequence, available facilities are not being utilised to anything like the extent possible. Referring to train staff, the report pointed out that crews started late, took too long to change and there were long periods of inactivity in between. Although a comparison with conditions in American railways with their much higher level of mechanisation is not wholly relevant, the fact remains that the Indian railways need 1.2 million men to operate 56,000 kilometres of lines, against 700,000 men working 340,000 kilometres in the U.S.A. There is nothing wrong with the quality of men heading Indian railways—they are, in the judgment of the American expert team, as qualified and competent as railwaymen anywhere. But they suffer from the handicaps peculiar to Indian administration which discourages initiative and innovation and robs men of their responsibility for the results. They tend, therefore, to tackle problems by applying past solutions instead of trying new approaches, which may help the railways to break through to high levels of efficiency that modern equipment has brought within their reach.

Promoting Economic Activity

The third plan visualises an increase of 30 percent in agricultural production, 70 percent in industrial output and 30 percent in national income. Although large investments have been made to achieve these targets, there have been big shortfalls. The average annual rate of increase in national income during the first two years of the plan has been around 2.35 percent, compared with the target of 6 percent. The slow rate of growth is due mainly to the stagnation in agriculture. Industry has fared better, but the annual rate of increase in industrial production in the first two years of the plan has been no more than 7 percent, against a target of 14 percent. Several industries have idle capacity. While the increase in the aggregate national product has been slow investments have been at a high level. Not only has investment in strategic areas been large, but it has also been increasing at an appreciable rate. The capital market, however, continues to be in bad shape with investors' confidence at a low ebb.

All these points are well brought out in the *Pre-Budget Economic Survey and Review of Budgetary Trends*, a 26-page booklet prepared by the Indian Merchants Chamber. The facts of the economic situation are, of course, well known and the Planning Commission's mid-term appraisal of the third plan focussed attention on the lacunae and on those aspects of implementation which require special attention. In his chairman's address at the third quarterly meeting of the All-India Manufacturers Organisation recently in Bombay, Mr. Prabhu V. Mehta rightly emphasised the need for concentrating on getting the most out of the investments already made. Mr. Mehta reiterated the Organisation's plea for a thorough overhaul of the present planning techniques which emphasise the rôle of the public sector and accept taxation as the key source of larger funds. Recent evidence shows that New Delhi appreciates the situation. The Finance Minister, Mr. T. T. Krishnamachari, has announced a number of measures over the past few months for stimulating the economy, like

liberalisation of bank credit, lifting of price controls on basic commodities and raising the exemption limit for industrial licensing and capital issues. But these measures are not adequate. The Finance Minister has promised further measures to accelerate the tempo of development. In various statements Mr. Krishnamachari has indicated that he favours putting greater reliance on the profits of public sector enterprises than on taxation for raising resources. It remains to be seen whether he will take appropriate fiscal measures to restore investors' confidence and stimulate saving, investment and production.

Budgetary policy plays a vital rôle in mobilising resources and in conditioning the pattern and rate of economic growth. The task before the Finance Minister is by no means easy in view of the continuing need for larger resources for defence and development. The need will continue as long as emergency lasts. Some say that despite the build-up, defence expenditure during 1963-64 is not likely to rise to the expected level, whereas revenue receipts are likely to be large. The main emphasis in the forthcoming Budget, therefore, will have to be on such changes in the tax system as are necessary to improve the working of the economy.

Apart from urging the abolition or modification of the super profits tax, the A.I.M.O. has pleaded for a uniform rate of tax on royalty and technical know-how; treatment of foreign partnership concerns of long standing as companies for the purpose of Indian Income Tax Act; and extension of the benefit at present available for dividend income in relation to super tax so as to cover income tax also; suspension of the compulsory distribution of profits in certain companies for a period of five years; incentives and rebates on income tax on foreign exchange earned by Indian Companies through royalties, and facility of lump-sum payment to foreign collaborators for royalty and technical know-how, either (i) as consolidated revenue expenditure spread over the life of the collaboration agreement or for a maximum period of 14 years, or (ii) to be capitalised on which depreciation could be claimed. Appropriate fiscal measures alone can restore investment confidence, encourage capital formation and attract foreign capital. Economic growth in the coming years will greatly depend on foreign exchange. As the possibilities of obtaining foreign aid on a large scale are limited, the Government will need to encourage foreign equity investment.

Making Petro-chemicals in India

After waiting for a long time, the Government of India appears to have made up its mind about establishing a petro-chemical complex in the country. The chairman of the Oil and Natural Gas Commission, Mr. P. R. Nayak, held discussions in Ahmedabad recently with the Gujarat Chief Minister as well as with some industrialists whom he invited to take a minority interest in the Rs. 72-crore petrochemical complex to be set up around the Koyali refinery in Gujarat. The Kane Committee and the French expert, Dr. Henny, emphasised some time ago the great importance of developing a petro-chemical industry in India. Dr. Henny has estimated that if the industry is not indigenously developed, petro-chemical imports by 1966 would total Rs. 51 crores a year, and by 1971, Rs. 140 crores. But it is possible to manufacture, in increasing quantities, most of these petro-chemicals in India not only from coal-tar gas and fermentation of molasses, as in the past, but also from naphtha fractions from the oil refineries. It is estimated that at present, the oil refineries are producing 500,000 tons of naphtha fractions a year, and soon they will begin producing as much as 1 million tons. On the basis that it needs a minimum supply of 150,000 tons of naphtha every year to sustain a large-scale petro-chemical complex, Dr. Henny came to the conclusion that Bombay and Gujarat regions would be able to have their own petrochemical complexes by 1966, the southern region by 1968 and the eastern region by 1970. The Central Government has just taken a decision about the Gujarat petro-chemical complex and others will be set up in the future.

The production of petro-chemicals in India from naphtha—which is converted into "building stocks" by steam cracking to provide the basic raw mate-

rial for the industry—will benefit the industries producing plastics, synthetic fibres, detergents, fertilisers, industrial solvents, carbon black, synthetic rubber and many other such products. But the important thing is that there has to be a big integrated industrial complex under the "umbrella" of the main unit producing the basic raw material, which would be converted into the end-products by a number of subsidiary concerns. These units have to be located together and properly integrated so that wastage of material is avoided. The costs of production should not be increased by the heavy incidence of sales taxes and the prices charged to consuming industries should be kept low. An important aspect concerns the terms and conditions on which foreign collaboration is accepted. Various intermediate products, machinery, and technical knowledge for producing petrochemicals in the country will of course have to be imported. But it is necessary to ensure that while making use of foreign collaboration, the greatest possible use is made of locally available raw materials, and machinery and components (whose quantity will increase as the country is industrialised), and a properly integrated approach is developed for producing petro-chemicals of the right quality from different sources, namely, coal tar gas, molasses and naphtha fractions.

Budget Deficit in U.P.

The first State Government to present its 1964-65 Budget to the legislature this year is Uttar Pradesh. With revenue receipts at Rs. 223.64 crores and the revenue expenditure at Rs. 235.43

crores, the Budget shows a sizable deficit of Rs. 11.59 crores. The State Finance Minister, Mr. Kamalapati Tripathi, has indicated that the Government will come forward with some taxation measures later on to fill this gap; he probably has not proposed any additional taxation at this stage, partly because he fears that further taxation measures would provoke popular agitation and partly because he may be wanting to see what the other State Governments do before he does something himself. The other States are also not going to find it easy to impose much additional taxation. The overall level of taxation, both by the Centre and the States has already reached a high level and the people's capacity to pay more has been reduced by the inflationary rise in prices.

U.P.'s record in the past has not been bad. Although 1962-63 was expected to close with a revenue deficit of Rs. 13.35 crores, it actually closed with a revenue surplus of Rs. 1.33 crores. That was because the revenue receipts were higher, while the revenue expenditure was somewhat less than estimated. Additional taxation for that year was expected to yield a revenue of Rs. 4.57 crores, it actually yielded an additional revenue of Rs. 4.44 crores, but this would not be considered bad by any standards.

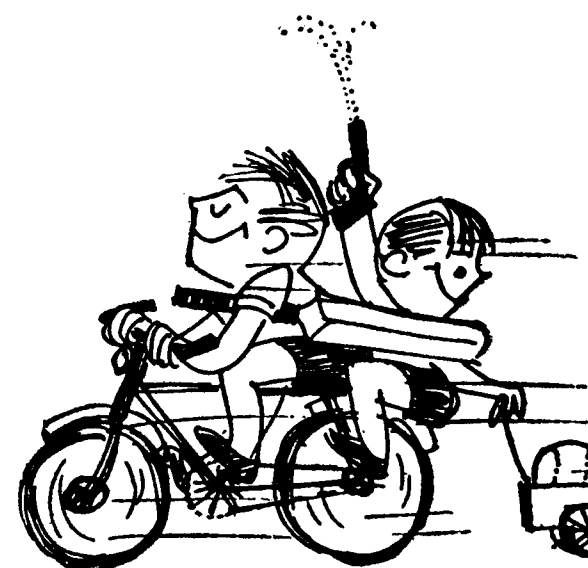
Similarly, while 1963-64 was expected to close with a revenue deficit of Rs. 8½ crores it might now close, according to the revised estimates, with a revenue deficit of only Rs. 1½ crores. But as against a revenue of Rs. 1.99 crores from additional taxation the State Government is now expected to raise only Rs. 1.06 crores as the Government could not implement the entire scheme of additional

Current News and Comment

Railway Claim to Efficiency

The railways are laying claim to a "very striking" improvement in operating efficiency, particularly in the utilisation of rolling stock. If few are bothering to dispute the claim, it is because there is for the time being no shortage of carrying capacity on most routes—a welcome change from the difficult days of 1961-62. But the change owes less to the railways than to the slowing down of economic activity which has held back the demand for transport. During 1963-64, for instance, originating tonnage is now expected to rise by only 15 million tonnes, against the increase of 17 million tonnes budgeted for. Again, the shortfalls in traffic have taken place in precisely the areas where the railways were hard-pressed—in the coal, steel and ore belts. In these three bulk commodities, traffic during the current year is expected to be 7.5 million tonnes less than the railways thought they might be called upon to carry. Although some railway equipment like box wagons may be inflexible (in the sense that this type of rolling stock cannot readily be transferred to uses other than bulk movements), the fact remains that the decline in demand for these commodities has enabled the railways to move more of general goods. An increase of 9.3 million tonnes is now expected under the latter head, against the earlier anticipation of 4.8 million tonnes. As a result, outstanding registrations have fallen sharply on both broad and metre gauges.

What has this, however, to do with efficiency? In the past five years, the railways have added greatly to their equipment, including 280 electric and 150 diesel locomotives. Tens of thousands of wagons have been acquired to strengthen the rolling stock; the addition is currently proceeding at about 3,000 wagons a month. Several hundred kilometres of track have been electrified and very large investments otherwise made on improving line capacity in other sectors. The ability to move more traffic follows as a corollary and does not by itself connote any improvement in efficiency, especially when demand continues well below the



My boy won't face facts

Kids live in a magic world of their own. Toys, bats, tricycles, picnics—and they always want more. But how far will the money go? Taxes, bills, deductions at source and life insurance premiums. So I've often to say 'no' to the boy's pleas.

He doesn't know it of course, but he is the one who's going to benefit from those premiums—not his saint of a father. There is no knowing what may happen. One may pop off like a pesky balloon or stagger around with a stick at 80!

Either way, the boy will get the education he needs to give him a fighting chance when the time comes.

It's hard to say 'no'!—Wish I was a kid again.

taxation, and the surcharge on land revenue had to be withdrawn. Thanks to the realisation of tax arrears and a bigger share in the divisible income tax pool, the U.P. Government's revenue increased and the drain on the revenue reserve fund to meet the Budget deficit was reduced.

For 1964-65, the Government is trying hard to increase the realisations from tax arrears and to economise on expenditure. But since the scope for that has been reduced, there will be some difficulty in covering the revenue deficit of the Government unless some drastic taxation measures are adopted. An interesting feature of the U.P. Budget for 1964-65 is that in spite of a huge revenue deficit, the Government has found it possible to increase old-age pensions, the dearness allowance of its servants and teachers and to provide for certain amenities to Government servants and the teachers of primary and secondary schools. In view of the huge revenue deficit, however, the wisdom of increasing non-plan and purely welfare expenditure to such an extent is doubtful.

As far as the capital outlay of Rs. 97.48 crores in 1964-65 is concerned, the major share—Rs. 75.82 crores—goes to the plan schemes. The U.P. Government would in fact be spending a sum of Rs. 122.22 crores on the third plan in the fourth year, but since part of it will be provided by the State Electricity Board from its own resources, the Budget provision is for Rs. 120.22 crores. The Central Government has given Uttar Pradesh assistance of Rs. 78.30 crores for the fourth year of the third plan, and the U.P.'s Finance Minister hopes that the Centre will give an additional Rs. 2 crores.

Prefabricated Buildings

Over the past six months the skyline of Ranchi has undergone a big change as a result of several new blocks of flats going up in record time. This has been made possible by adopting the technique of prefabricated construction. Under a Rs. 42-crore contract, Shalimar Tar Products (1935) Ltd is using this method to build 4,092 blocks of flats for the personnel of the State-owned Heavy Engineering Corporation. The buildings are to be completed within a period of 21 months, but because of the time saved through prefabricated construction, they are likely to be ready in about 18 months, thus reducing the normal building time by 50 percent.

The special feature of this type of construction is that precast components are used for the main framework of the building, walls, door and window frames, etcetera. The foundation consists of continuous R.C.C. rafts with pockets for placing the precast columns. Since thin hollow walls take the place of thick brick walls, 18 percent more living space is available from the same plinth area, with-

out sacrificing strength but at the same time providing better thermal insulation. The hollow walls help to keep houses cool in summer and warm in winter, while the concrete outer panels make the walls impervious to moisture. The contractors have also economised on the use of essential materials like mild steel rods and cement, the former by using prestressed concrete beams and the latter by using fly ash. A waste product in thermal power stations, fly ash is a bonding material which has enabled a 25-percent saving in cement. The construction cost of a prefabricated building works out to Rs. 16 a square foot, slightly less than the cost of a traditional type of house. Shalimar Tar is also constructing prefabricated houses for the Tata Engineering and Locomotive Company in Jamshedpur under a Rs. 1-crore contract.

Hindrances to Road Transport Growth

According to Press reports, the demand for commercial vehicles has fallen to such an extent that the premium which road transport operators once had to pay for a new lorry is no longer demanded (except in a few States like Uttar Pradesh and Punjab); the waiting period too has come down to about three to five months from nearly 18 months last year. That this should happen in spite of increased defence demands, is significant and shows that all is not well with the road transport industry. There has been no fall in the volume of traffic offered to the operators. Part of the bulk traffic has of late been diverted to the railways, but the loss has been made up by consumer goods producers. Therefore, the decline in the demand for commercial vehicles has to be attributed to the increasing competition among operators, to a paucity of intra-State and inter-State permits, bad roads and heavy taxes. (It is claimed that as much as 30 percent of the cost of a lorry operator is on account of taxes alone). Under these conditions, small operators particularly have suffered.

A redeeming feature of the situation, however, is that the Government appears to be keenly aware of the road operators' difficulties. At least, the speech of the Central Minister for Shipping and Transport, Mr. Raj Bahadur, at the recent conference of State Transport Secretaries and Commissioners in Calcutta, showed this. The Minister invited the participants not only to consider the question of setting up road boards for co-ordinated development, but also to offer their suggestions on the organisation of the road transport industry into viable units, on finding finance for the operators, and on taxation as it has been affecting the industry's growth. (The State Financial Corporations Act has been amended so as to make the road transport industry eligible for loans from the corporations, and this may have

eased the difficulties of operators in financing vehicle purchases, but heavy taxation, especially on services plying on inter-State routes, still remains a major impediment.) Mr. Raj Bahadur told the conference that a Study Group appointed by his Ministry was already enquiring into the taxation procedures obtaining in different States concerning vehicles plying on inter-State routes. On the basis of the Group's findings, steps would be taken to rationalise and co-ordinate the taxation procedures and to ensure that the operators were not subjected to avoidable hardship. But the Study Group could reach its conclusions within the stipulated time only if the State Governments co-operated and replied to the questionnaire quickly. Mr. Raj Bahadur suggested that the States should furnish their answers by the end of this month if the Group is to submit its report in time to be considered at the next meeting of the Road and Inland Water Transport Advisory Committee.

Discussing the specific problems of road transport development, Mr. Raj Bahadur said that the taxable capacity of the industry needed to be fairly and scientifically assessed. The operators had been complaining that Central and State taxes amounted to about 30 percent of their cost. This might be an exaggeration but the complaint needed to be investigated thoroughly. The Minister said that another point to consider was the fact that in spite of a rise in the volume of traffic and a shortfall in transport capacity, vehicles of all makes were not being readily bought. Lowering of prices could be one answer; and a suitable diversification of the manufacturing programme could be another, or a combination of the two might be necessary. He asked the State Governments to consider all these matters in detail, before they drew up their next plan for road transport development. The Central Government had formulated some "guide lines" for the States to follow in formulating their plan for the next quinquennium; the guide lines broadly were that the objectives should be defined in precise terms, targets should be firmly linked to the needs and resources available and the financial implications should be worked out carefully.

TOWN POPULATION IN INDIA

IN England the concentration of the population in the towns is a sociological problem, which, as we know, tends, year by year, to exercise the attention and excite the apprehension of reformers. In India we possess conditions which, if not precisely the reverse—for our town population is growing too—need, save in one or two instances, cause us no anxiety on the score of urban congestion. It may be taken for granted that as India's industrial and manufacturing activities develop, so, too, will the number and size and population of her cities. The Census Report shows very clearly, if indeed the fact should require demonstration, that India is, to coin a word, one of the most "cityless" countries in the world. That is big cities. The total urban population of India is returned at 29,244,221, of which total the Provinces account for 22,142,257 and the States for 7,101,964. This population is contained in 2,144 towns, a large proportion of which have populations of 10,000 to 20,000 or under. The precise classification is as follows:—

Class	No.	Population.
100,000 and over	29	6,605,837
50,000 to 100,000	52	2,414,188
20,000 to 50,000	165	4,940,251
10,000 to 20,000	471	6,457,339
5,000 to 10,000	857	5,945,905
5,000 and under	570	1,880,701

Taking 82 urban units we find that the variation in population since 1891 reveals the fact that 56 of these units have increased while 26 new a decrease. The Census Commissioner very justly observes, in noticing urban development in Europe, that the concentration in big towns which has taken place is due entirely to the development of trade and large industries for which the nineteenth century was remarkable; and it is possible that the industrial and commercial awakening of India, of which the first signs are already apparent may result in a marked increase in its city population at no distant date. The following has been the growth of city population since 1872:—

1872-1881	...	+ 9.7
1881-1891	...	+10.9
1891-1901	...	+ 6.7
Total 1872-1901	...	+27.3

FROM
CAPITAL
25th February, 1964

A Ditcher's Diary

NEITHER SIR PATRICK DEAN NOR THE BRITISH Information Services in India can be totally surprised that the former's speech on Kashmir in the Security Council has had a poor Press in this country. The British attitude remains unhelpful, as I said at the time Mr. Duncan Sandys was unusually active in New Delhi and Rawalpindi. It needs to be pointed out still that a great deal of the Indian resentment is directly attributable to the manner in which the Press Trust of India has handled the story from New York. It seems to have been forgotten in most quarters that the job of a reporter is to report; comment is the business of the anonymous gentlemen back home who are unexcited by local moods and pressures. P.T.I. was downright incorrect in suggesting that Mr. Chagla had received any kind of assurance from Sir Alec Douglas-Home when the former met him in London before proceeding to New York. Almost every phrase of P.T.I. reports from the United Nations was loaded with comment; and a good deal of harm has been done by the agency's stupid stimulation of hope which was inevitably followed by exaggerated disappointment. I am not surprised that there has been some talk of leaving the Commonwealth. If Pakistan can periodically indulge in such talk, there is no reason why India mustn't. But what good does it do to anybody? There is much to be said against the amorphous Commonwealth; when Britain has to take a stand on an issue involving two members of the Commonwealth, unpopularity is unavoidable. Could Britain have stayed neutral on Kashmir? Even that would have been misunderstood here or in Rawalpindi, for those who swear by non-alignment are the first to refuse the right of uncommitment to others. What surprises me not a little is that Conservative Britain, preferring the status quo in most areas, such as Southern Rhodesia, should see no virtue at all in not introducing violent change in Kashmir. Britain, familiar with affairs in this subcontinent, must know that a plebiscite in Kashmir is capable of bringing into play incalculable forces affecting not only Kashmir but the whole of India and Pakistan. A better administration in Kashmir, yes. Political change, however seemingly democratic, is fraught with grave danger.

ALTHOUGH AN ANONYMOUS OPTIMIST QUIPPED SOME time ago that all the "isms" have in our time been turned into "wasms", I am not so sure. On top of communism and all that, Radio Peking has in recent months been speaking of something called "splittism", referring presumably to Titoism in Yugoslavia and rightist deviationism in Moscow. The Swatantra Party in India has found in

"statism" a convenient name for all the ills of a controlled or planned economy. Out of Africa there is always something new; and that's where my latest collection comes from. In Ghana apparently some university students did not entirely agree with Dr. Nkrumah that the one-party State and a subservient judiciary were the best props of a democracy; the faculties were soon purged of such subversive elements. But not before a contribution had been made to the world's armoury of slogans. Demonstrators outside the university, I read, shouted, "Down with bookism!" What better war cry could there be before a university? I have heard of various new gadgets in education which, I am told, can dispense with books and reading with no harm done to the quality of education. I don't believe that the students in Ghana were agitating for audio-visual education, or whatever it is called. The revolt, I suspect, is against books as such, books of any kind. And why not? I have not the time to check it with a book of quotations; but I think it was Bacon who, as long ago as that, recorded his protest against the writing of too many books. There was also something about the soul being weary of excessive reading. The philosophy is now resoundingly repeated in distant Ghana; and let the world listen. Before we exhaust our laughter, however, on the Ghana students, a local look around may be instructive. If I am not mistaken, the reading of text-books is no longer very highly regarded in Calcutta. Note-books are considered an adequate substitute. I know many people who have not read anything in hard covers in recent years; and I am not talking of the paperback boom either. Intellectual journalism has made intellectual cheating an easy discipline.

THERE ARE TWO REASONS I HAVE HEARD WHY THE British Government was so patently anxious to discourage all hope that private capital might have a significant rôle to play in the financing of the "Chunnel". One was the need to damp down speculation in the Channel Tunnel Company's shares on the London Stock Exchange, although there had already been enough of it to suggest that the news had leaked before an official announcement was made. The other reason was security, and that strikes me as being very odd indeed. I know that Britain's main objection to a tunnel since the idea was first seriously put forward at the beginning of the nineteenth century has been that it would provide too great an opportunity for a Continental invader. I have never been able to understand this line of reasoning myself. A submarine tunnel must be one of the most vulner-

able things in the world to a comparatively small charge of high explosives. As an attacking general, one would not care to order one's troops into a narrow tube which could be flooded with water at the throw of a switch. This was the case over 100 years ago; the risks would be infinitely greater in the nuclear age. So I have been wondering whether indeed the real reason why the British Government remains so fearful does not go rather deeper—an old distrust of anything to do with the Continent of Europe. I noted, for example, that the reasons Mr. Marples gave for approving the project were all economic; there was no suggestion that Britain might benefit socially or in any other way from the closer contact. And there was a marked difference between the enthusiastic tone of the congratulatory message sent by President de Gaulle to Queen Elizabeth and the coolness of the Queen's reply. It was as if the President had to be deliberately rapped over the knuckles for being so optimistic as to consider that there might now be some room to relent his previous opinion of Britain as insufficiently European in outlook. Besides being one of the most ambitious technical projects of this century, the Chunnel promises a new era in European relations. It would be a pity to spoil it so soon by evidence of lingering doubts and outdated ideas about the military and social advantages of remaining an island.

IN A DEMOCRACY, THERE'S NOTHING LIKE A LIVELY Opposition. To describe the Opposition in West Bengal as lively is to understate its explosiveness. Yet it may have done itself little good by bringing into question the change in the stewardship of Lal Bazar. The former Commissioner of Police went on leave because, as the Chief Minister put it, he was tired. In came Mr. P. K. Sen, who can justly claim a deep knowledge of the law and order problems of Calcutta. The city has been quiet since strong action was taken against the communalists and the gangsters they hired. There is reason to suppose that the peace will last; but the broader question remains whether it is right to put special emphasis on seniority in key appointments. Not as though the Government does not ignore claims of seniority when such deviations suit it; there are any number of instances of this in West Bengal and elsewhere. Whatever the rights and wrongs of particular appointments in the police force, the matter is something that falls fully within the purview of the executive; the legislature's right to criticise is not in question, but legislators must remember the effects of the debate on the morale of the police. If the legislature has misgivings on the possible effects of transfers and appointments, the subject could surely be discussed in camera. The sort of insulation the army and the police knew in the British days is no longer possible; it may not even be desirable. The fact remains that a police force, to be effective, needs a kind of discipline quite unnecessary in the civil

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*Derivation from the sensation of missing the nail and hitting the thumb or index finger. (Author)

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Then said another with
a long-drawn sigh,
"My clay with long
oblivion is gone dry :
But, fill me with the
Gold Coin Apple Juice
Methinks I might
recover by-and-bye"

...with apologies to Omar Khayyam



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service; and this is not enhanced by public debate on police appointments. As it is, communal feelings are no longer unknown in the ranks of the police; provincialism is a factor not to be ignored. On top of all this, controversy in the legislature may give some policemen the idea that support from Writers' Building is not enough; lobbying may be necessary for self-advancement. I can see the police force disintegrating in the process of canvassing. No improvement is the police force wooing the Press, which I have at times noticed with regret.

IF ANYBODY ASKS ME WHAT I PREDICT FOR THE future of Cyprus, I give my answer in one word: partition. The Turks are demanding it, both those on the mainland and the ones in Cyprus. The Greek Government would not, I suspect, continue to oppose it if there was obviously no alternative short of a war with Turkey; after all, there is the safety of the much more numerous Greek minority in Istanbul to worry about. In spite of the official denials this week from Britain and the United States, they, along with other N.A.T.O. Powers, might well accept it gratefully before long too. Even the Russians, once they had swallowed their disappointment at no longer being able to fish in troubled waters, would probably be happy enough with a solution which would rescue them from the dangers inherent in moves undertaken purely for the sake of national prestige. A colleague tells me that he has recently been studying British Press reactions to the idea, and without exception they are favourable. Which seems a little puzzling to him, because all the papers he has seen continue to show, often in leading articles published on the same day and page, an inflexible opposition to another form of partition: *apartheid*. The question he asks is: if partition, or "geographical separation" as the current euphemism goes, is acceptable as a solution for nationalistic differences, as in Cyprus, or religious ones, as in India, or ideological ones, as in Vietnam, Korea and Germany, then why is it not for racial ones in South Africa? I suppose the opposition in the last case is to partition on grounds of colour, added to the fact that under *apartheid* the separation can hardly be geographical. My colleague says it is still not easy to see why colour should be any more regrettable an excuse for dividing communities than others, especially when the racial factors are easily as strong as they are in Cyprus, and when the consequences of any other solution being enforced might be equally dangerous for the peace of the world. Perhaps such analogies should not be pushed too far. But I do concede that before people become too enthusiastic about another act of territorial surgery, they might reflect that the physical separation of mutually antagonistic communities does not always offer an ideal solution to problems of this sort, even when it is both acceptable and unavoidable, as it might soon be in Cyprus.

A PREVIOUS DITCHER USED TO MAINTAIN THAT the average Briton working in India made a fetish of physical exercise to the ultimate detriment of his health. What he required was not early morning racquets but an extra ration of sleep in what was, for him, an enervating climate, and he would recount the instances of promising young Englishmen who had grown haggard with planned fitness and had to be invalided home prematurely—or maybe worse still. He used to argue the matter with great plausibility, but I was never sure whether he was serious or pulling my leg. I am put in mind of those earlier days by a recent contribution of Ian Wooldridge to his paper, the *Daily Mail*. Wooldridge has been covering the M.C.C. tour of India and he points out that whereas ten of the 15 highly trained and athletic cricketers have been stricken with illness for anything from two days to a week, only two of the nine journalists have suffered to any extent. This, he claims, supports the theory of the "survival of the unfittest". Also it may be accounted for grace to the authorities that the touring journalists were allowed to have flown out to them twelve cases of Scotch. If there is any left by the time the tour ends, I will gladly take it over at cost to save them the trouble of shipping it home.

THE DITCHER

Guide for Investors

INDIAN ALUMINIUM SHARES RISE ON GROWTH PROSPECTS

THE ordinary shares of Indian Aluminium Co. Ltd have risen to Rs. 31.37 due to the excellent results achieved for 1963, combined with growth prospects. The Company is at present engaged in expanding the smelting capacity to 10,850 tons of aluminium ingots a year in Alupuram. It has also undertaken to set up a foil rolling mill in Kalwa, Maharashtra State, with a capacity of 2,500 tons a year. Both the projects are proceeding according to schedule and it is expected that the new facilities will be commissioned by next year. The Company has been granted an industrial licence for further expansion of the Alupuram smelter to 15,850 tons a year and for installing a rod mill for the conversion of this additional smelter output of 5,000 ingot tons into electric conductor rods. Preliminary steps have already been taken to implement these plans.

The profit has improved from Rs. 1.3 crores for 1962 to Rs. 1.6 crores for 1963, after providing Rs. 1.2 crores (against Rs. 1.1 crores) for depreciation, Rs. 7.5 lakhs (against Rs. 61.5 lakhs) for development rebate reserve and Rs. 2.1 crores (against Rs. 52.5 lakhs) for taxation. Sales rose from Rs. 10.5 crores to Rs. 13.9 crores. The increase in sales and profit has largely been due to the additional output obtained from the production facilities commissioned during 1961 and 1962. The taxable ordinary dividend of 17.5 percent, including a final of 10 percent, has been repeated but it is on an increased share capital. The yield amounts to 5.6 percent at the present price.

Elgin Mills to Issue Centenary Bonus

THE ordinary Rs. 10 shares of Elgin Mills Co. Ltd have been hesitant around Rs. 21.75 due to the decline in the profit earned for the year ended September 1963. It has dropped from Rs. 67.79 lakhs for 1961-62 to Rs. 41.89 lakhs for 1962-63, after transferring Rs. 14.05 lakhs (against Rs. 11.27 lakhs) to depreciation and Rs. 6.59 lakhs (against Rs. 2.19 lakhs) to development rebate reserve. The taxable ordinary dividend of 17.50 percent has been repeated to absorb Rs. 11.03 lakhs. The yield works out to 8 percent at the present price. Taxation is allocated Rs. 23 lakhs (against Rs. 35.50 lakhs), rehabilitation reserve Rs. 9.50 lakhs (against Rs. 19.50 lakhs), capital reserve Rs. 34,654 (against Rs. 13,17 lakhs) and dividend reserve Rs. 12.44 lakhs. The proposed dividends will be paid out of the latter reserve. Super profits tax relating to the previous year absorbs Rs. 8 lakhs and there will be no liability for this tax for 1962-63 due to the large capital expenditure incurred. The Company will be entitled to substantial depreciation and development rebate for the capital expenditure incurred.

Sales rose from Rs. 6.31 crores to Rs. 7.23 crores. The smaller profit has largely been due to rising prices of cotton, labour and various stores. The prices of cloth cannot in the meantime be raised due to official control. The Company has also sold considerable quantities of goods to the Government at marginal profits to meet defence requirements. Export sales dropped because of keen competition in foreign markets but

the demand for cotton textiles from abroad has improved since. So the directors hope for an improvement in exports during the current year. The modernisation scheme has made progress. The installation of further 12,000 spindles should be completed soon and they may begin production by the end of the current year. It is also proposed to set up additional 6,500 spindles in the near future. The Company will complete 100 years of its existence in 1964. To celebrate the occasion, the directors propose to issue bonus shares by capitalising reserves of Rs. 31.50 lakhs in the proportion of one bonus share for every two ordinary or vendors' shares held. An application has been made to the Controller of Capital Issues for the necessary sanction.

Shareholders to Examine Premier Auto Affairs

THE adjourned annual general meeting of the shareholders of the Premier Automobiles Ltd, which lasted five-and-a-half hours, was quite a stormy affair. The shareholders were indignant over the Company's disappointing performance during the year ended June 1963, when sales declined from Rs. 21.48 crores to Rs. 20.12 crores, the gross profit dropped from Rs. 163.67 lakhs to Rs. 118.81 lakhs and the dividend had to be skipped. The management's explanation that the decline in profit was due to the drop in the production of Fiat cars as a result of the cut in foreign exchange allocations and rise in the cost of raw materials and components, especially indigenous items, overheads and interest charges, failed to carry conviction with the shareholders. They insisted that a committee of shareholders be appointed to look into the Company's affairs and discuss with the management every month the financial position. The shareholders also pleaded for a representation on the board of directors and suggested the payment of an interim dividend. A prominent shareholder charged that the Company's expansion was being implemented at the cost of the shareholders' blood and that such expansion would not be permitted.

Unable to convince the shareholders that the Company's disappointing performance during 1962-63 was due to reasons beyond the management's control, the chairman, Mr. Lalchand Hirachand, agreed to appoint a committee of shareholders to look into the Company's affairs in order to improve its working. While making no commitment, the chairman assured the shareholders that he would be willing to discuss with the shareholders' committee the question of declaring an interim dividend. Mr. Lalchand Hirachand struck a note of cautious optimism about the current year's working and future prospects. Although production during the first seven months of the current year at 6,171 vehicles was less than the previous year's corresponding figure of 6,193, he assured the shareholders that production would improve in the remaining five months.

Mr. Hirachand indicated that with the sheet metal plant going into production by June, the monthly output of cars would rise to 600 immediately and to 700 vehicles in a few months thereafter. He informed the

shareholders that the indigenous content of Fiat cars was now 62 percent to 63 percent and of lorries 80 percent to 82 percent. He disclosed that the L.I.C. held 97,207 shares in the Company on 27th January, 1964, against 93,780 shares a year ago. The Company expected a bonus liability of Rs. 10 lakhs for the previous years, and, under the Lakdawala Committee's recommendations, it might have to pay an additional Rs. 7 lakhs to Rs. 8 lakhs by way of increased dearness allowance.

Maharashtra Sugar Fares Well

THE preliminary report on the working of the Maharashtra Sugar Mills for the year ended September 1963 shows an appreciable improvement over the previous year's performance. The gross profit has gone up by about 37 percent from Rs. 65.59 lakhs to Rs. 89.91 lakhs. Although the dividend has just been maintained at 14 percent, the amount to be distributed among the equity shareholders is substantially larger at Rs. 26.46 lakhs (against Rs. 18.90 lakhs for 1963) because it is on the increased capital as a result of the two-for-five bonus issue. After providing Rs. 4.51 lakhs (against Rs. 4.79 lakhs) for depreciation, Rs. 77,000 (against Rs. 12,000) for development rebate and Rs. 48.60 lakhs (against Rs. 36.50 lakhs) for taxation and deducting other prior charges, the net profit amounts to Rs. 27.66 lakhs, against Rs. 18.58 lakhs for the preceding year. With Rs. 7.68 lakhs brought forward from the previous year and transferring Rs. 3 lakhs from the reserve for depreciation on investments, the disposable surplus amounts to Rs. 38.34 lakhs. The directors have provided Rs. 6 lakhs (against nil) for dividend equalisation reserve, Rs. 5 lakhs (against nil) for general reserve and taken Rs. 27 lakhs to the dividend reserve. The proposed equity dividend will absorb Rs. 26.46 lakhs (against Rs. 18.90 lakhs) and preference dividend will take up Rs. 50,000 (the same). These dividends are to be paid out of the dividend reserve.

The Company's improved working during 1962-63 is attributed to the increase in the production of sugar and in the sugarcane yield. The working of the Company's distillery, it is reported, has also been better than in the preceding year. The sales of sugar were brisk throughout the year and stocks were low. The Company exported 33,363 bags of sugar on which it suffered a loss of Rs. 5.16 lakhs. It is proceeding with the expansion of the sugar factory though there has been a delay in the supply of machinery. It is, however, expected that the machinery will be delivered shortly and the increased crushing capacity will be achieved during the current year. The Rs. 50 fully paid share of Maharashtra Sugar is currently quoted around Rs. 134, offering a gross return of a little over 11 percent.

Eastern Investments Earns More, Pays Less

EASTERN Investments Ltd has made a profit of Rs. 13.77 lakhs for the year ended December 1963, compared with one of Rs. 11.15

lakhs in the previous year. The taxable ordinary dividend has been reduced from 12 percent to 10 percent to absorb Rs. 7.69 lakhs. Taxation is allocated Rs. 4.85 lakhs (against Rs. 3.96 lakhs) and general reserve Rs. 1.15 lakhs (against Rs. 18.504). The carry-forward amounts to Rs. 1.51 lakhs, against Rs. 1.33 lakhs brought in. The Company's portfolio is representative of investments which are quoted on the Calcutta Stock Exchange with the exception of some shares costing Rs. 1.01 lakhs for which no quotations are available. The total market value of all investments, together with unquoted investments, exceeds the book value by Rs. 51.73 lakhs as on 31st December, 1963. A sum of Rs. 1.15 lakhs representing the net profit made on the sale of investments has been added to the accounts.

Dalmia Iron and Steel Does Better, Pays the Same

DALMIA Iron and Steel Ltd has produced satisfactory results for the year ended September 1963. Sales rose from Rs. 1.82 crores for 1961-62 to Rs. 2.17 crores for 1962-63. The net profit has improved from Rs. 22.94 lakhs to Rs. 26.73 lakhs, after increasing depreciation from Rs. 10.71 lakhs to Rs. 13.36 lakhs. Bringing in Rs. 1.09 lakhs, the total available balance amounts to Rs. 27.82 lakhs. The taxable ordinary dividend of 10 percent has been repeated to absorb Rs. 8 lakhs, which will be paid out of the dividend equalisation reserve. Development rebate reserve is allocated Rs. 4.50 lakhs (against Rs. 3 lakhs), taxation Rs. 8.75 lakhs (against Rs. 7.50 lakhs), general reserve Rs. 4.50 lakhs (against Rs. 5 lakhs) and dividend equalisation reserve Rs. 10 lakhs. The carry-forward is Rs. 6,868.

There has been an all-round improvement in output. The production of grinding media has risen from 3,560 tons to 4,481 tons, and that of steel castings from 1,006 tons to 1,760 tons. The production of spun iron pipe has, however, declined from 14,473 tons to 14,349 tons due to the fact that there has been a shortage of pig iron. The quota of pig iron for the Company has been reduced from 20,000 tons to 16,000 tons a year. But the directors hope that the cut will be restored soon, since the Government has decided to increase the supply of pig iron. It may also be partly imported in the near future.

The production capacity for spun iron pipe amounts to 45,000 tons a year. The production of all departments has generally been hindered by the shortage of electric power, but the supply has improved since February 1963. As for the steel foundry, the rated capacity could not be achieved as the necessary equipment from France under the French credit arrangement could not be had. The Company is now trying to import equipment from the U.S.A. under D.L.F. aid. The directors hope to implement the project in the near future. As soon as the imported equipment arrives, the rated capacity will be reached. Steps have in the meantime been taken to increase the production by installing indigenous equipment. It is expected to put a new furnace into operation by July 1964, and the Government of West Bengal has sanctioned the additional power supply. The Company has entered into an annual rate contract with the Director-General of Supplies and Disposals, Government of India, for the supply of spun iron pipe and it is hoped that the bulk of the production will be absorbed by this order. The Company has, therefore, terminated

the selling agencies of all agents for span iron pipe.

I.C.I.C.I. Does Well, Pays More

THE Industrial Credit and Investment Corporation of India Ltd has raised the dividend for the year 1963 from 6.5 percent to 7 percent and this is fully justified by the Company's improved performance during the year. According to the preliminary report, the net profit after depreciation and taxation amounts to Rs. 57.88 lakhs, compared with Rs. 46.38 lakhs for 1962. A sum of Rs. 14.50 lakhs (against Rs. 11.60 lakhs) has been set aside for the special reserve in terms of Article 163 of the Articles of Association and a sum of Rs. 11 lakhs (against nil) has been transferred to general reserve. Out of the balance, together with the amount brought forward from the previous year, the proposed dividend will absorb Rs. 35 lakhs (against Rs. 32.50 lakhs). The directors have decided that hereafter no transfer and splitting fees be charged to the shareholders. The Rs. 100-paid share of the I.C.I.C.I. is currently quoted around Rs. 95, offering a gross return of about 7.8 percent.

Sirsilik Results Disappoint

THE Sirsilik Ltd has reported very disappointing results for the year ended September 1963. Although the sales have been well maintained at Rs. 2.76 crores, the gross profit is heavily down from Rs. 55.8 lakhs to Rs. 29.22 lakhs. This is partly due to the labour strike which continued for about a month during the year. The profit margin was also affected by the increased cost of production as a result of the higher cost of coal, dyes and chemicals, salaries and wages and emergency insurance. In view of the inadequacy of the profit, the directors have not provided full depreciation which works out at Rs. 40.14 lakhs. The provision of depreciation amounts to Rs. 22.26 lakhs, against Rs. 46.58 lakhs. The total arrears of depreciation, calculated on the "straight line" basis, from the inception of the Company add up to a staggering sum of Rs. 240 crores.

After providing Rs. 1 lakh (against Rs. 8 lakh) for contingencies and Rs. 5 lakhs (against nil) for reserve for contingencies, there remains a balance of Rs. 84.714 to be carried forward, against Rs. 85,759 brought in. The preference dividend has again been skipped and arrears of preference dividend add up to Rs. 1.08 crores, against the preference capital of Rs. 2 crores.

With the successful conclusion of a five-year agreement with labour, the directors look forward to better working results for the current year. The Company is going ahead with its expansion and modernisation programme. It has entered into a collaboration agreement with Celanese Corporation of America and necessary steps are being taken to implement the expansion programme.

Ravalgaon Sugar Farm Results Impress

THE 2 percent increase in the dividend from 10 to 12 percent by the Ravalgaon Sugar Farm Ltd for the year ended September 1963 provides little indication of the Company's impressive performance during the year. As against an increase of about 23 percent in the

sales from Rs. 1.90 crores to Rs. 2.34 crores, the gross profit has shot up by 50 percent from Rs. 17.65 lakhs to Rs. 26.46 lakhs. After providing Rs. 6.12 lakhs (against Rs. 7.79 lakhs) for depreciation, Rs. 30,000 (against Rs. 43,000 for development rebate reserve and Rs. 9 lakhs (against Rs. 4.25 lakhs) for taxation, the net profit amounts to Rs. 9.19 lakhs, against Rs. 4.12 lakhs in 1961-62. The directors have set aside Rs. 1.81 lakhs for debenture issue expenses and the balance of Rs. 7.65 lakhs has been transferred to general reserve. The preference dividend of Rs. 1.10 lakhs (the same), deferred dividend of Rs. 28,000 (the same) and equity dividend of Rs. 3.60 lakhs (against Rs. 3 lakhs) are to be paid out of the general reserve.

The Company's factory crushed 109,527 tonnes of sugarcane during the season producing 134,495 bags of sugar at an average recovery of 11.37 percent. The previous season's figures were 120,962 tonnes of sugarcane, 142,690 bags of sugar and 11.63 percent recovery. The confectionary plant produced 1,742 tonnes (against 1,737 tonnes) of confectionary and 973 tonnes (against 910 tonnes) of sugar candy. The output of wax from cane-mud increased from 8,893 kilograms to 13,328 kilograms. Exports of sugar amounted to 29,334 bags.

Burma Corporation Results

THE results of the Burma Corporation (1951) Ltd, which is jointly owned by Burma Mines Ltd and the Union Government of Burma, for the quarter ended 30th September and the 15 months up to that date, have been published. The mining operations for the quarter showed rises in ore extraction, milling and in the output of all marketable products with the exception of silver, compared with the previous quarter. The substantial increase in gross revenue arises from the general increase in the market prices of the products and, there were larger stocks of metals on hand. The gross revenue amounted to £2,855,220 for the 15 months ended September 1963. Expenditure has been shown at £2,493,578 and depreciation at £2,599,958. The operating profit has, therefore, amounted to £255,262, out of which a sum of £38,403 has been deducted for contributions to U.N. Special Fund project investigations. It has been stated that from the commencement of the United Nations Special Fund project investigations in February 1962, until 30th September, 1963, the Corporation has contributed a total sum of £70,024 towards the cost of the project, against its total commitment of £103,305. The Corporation showed a debit balance of £351,951 for the year ended June 1962, which will have to be eliminated by subsequent profits.

Nil from Gwalior Sugar

IN their report for the year ended June 1963, the directors of the Gwalior Sugar Co. Ltd take a gloomy view of the prospects for 1963-64. The cane crop has suffered greatly due to the failure of rains. So an acute shortage of cane is likely. The factory may have to close much earlier than expected and it is doubtful whether it will succeed in crushing even the minimum quantity of cane.

The profit amounts to Rs. 2.42 lakhs (compared with Rs. 33,608 for 1961-62) after providing Rs. 1.47 lakhs (against Rs. 1.38 lakhs) for depreciation. The

dividend has been passed and taxation absorbs Rs. 58,000. Development rebate reserve is allocated Rs. 39,261, leaving a carry-forward of Rs. 4,837, against Rs. 10,342 brought in. The cane crush declined from 1 million quintals to 814,734 quintals, but recovery rose from 8.88 percent to 9.62 percent. The Company has incurred a loss of Rs. 2.80 lakhs on exports. Its expansion scheme has made some progress.

Madura Sugars Earns Less

SALES and profits of the Madura Sugars and Allied Products Ltd for the year ended July 1963, have recorded a decline, compared with those for the previous year. Due to the substantial drop in profit, the dividend has been reduced to 8 percent from the previous year's 11 percent. The profit, before taxation, amounts to Rs. 5.35 lakhs, after providing Rs. 78,464 for depreciation. This compares with the previous year's net profit of Rs. 10,44,077, after providing Rs. 82,111 for depreciation. With Rs. 5,057 brought forward, the total surplus available for appropriation comes to Rs. 5.40 lakhs. Out of this, provision for taxation amounts to Rs. 3.04 lakhs (against Rs. 5.34 lakhs). Income tax for previous years amounts to Rs. 18,004. Rehabilitation reserve gets Rs. 55,000 (against Rs. 3 lakhs). The dividend at 8 percent accounts for Rs. 1.60 lakhs (against Rs. 2.20 lakhs). The balance of Rs. 3,126 is carried forward.

The quantity of sugarcane crushed during the year was less than in the previous year due to a reduction in the supply of cane caused partly by the diversion for manufacture of jaggery and partly by unfavourable weather conditions. So the factory worked only for 222 days in the year, against 262 days, with a consequent fall in production. Sales amounted to Rs. 68,07,037 (against Rs. 73,78,174). For the 1962-63 season, the price of sugarcane for the Company's factory was Rs. 43 a tonne, while the rate for 1963-64 season is Rs. 47 a tonne. The quantity of sugar exported during the year was higher by about 2,000 bags, causing a fall in revenue. The Company has made an application to the Government for permitting it to increase the present capacity to 1,000 tons a day.

Cochin Refineries Share Offer

COCHIN Refineries Ltd is offering 58,000 equity shares of Rs. 100 each for public subscription to raise part of the funds required for its huge project, which is estimated to cost Rs. 22.7 crores. The subscription list will open on 21st February and close on 27th February. The refinery, which will be located near Cochin (Kerala State), will make use of advanced design to produce various petroleum products. The refinery will have an initial capacity of 2.5 million tons, but it is designed for expanding up to about 3 million tons. The products will be about 20 percent kerosene, 20 percent diesel, 20 percent to 25 percent fuel oil and 19 percent petrol. The foreign exchange cost of the project will be met by the export of surplus gasoline which is estimated at over 100,000 tons a year when the refinery will be in full production. The refinery is expected to yield a net foreign exchange saving of \$18 million a year.

Phillips Petroleum Company of the U.S.A., which is collaborating in the venture, has completed the basic design and engineering specification of the refinery. It will be responsible

for the construction, commissioning and technical operation of the refinery. The construction work is about to begin shortly. The refinery will go on stream by about the middle of 1965 and may reach full capacity by the end of the year.

The issued capital of the Company will be Rs. 7 crores—all in equity shares of Rs. 100 each. Of this, the Government of India will subscribe Rs. 3.57 crores (51 percent), the Government of Kerala Rs. 50 lakhs, Phillips Petroleum Company Rs. 1.75 crores, Duncan Brothers and Co. Ltd Rs. 14 lakhs and the Life Insurance Corporation Rs. 46 lakhs. The balance of Rs. 58 lakhs is being offered for public subscription. The public issue has not been underwritten, but Phillips Petroleum has offered to take up without charging any commission any shares which are not subscribed by the public.

Nil from Sri Palamalai Ranganathar Mills

DUE to the loss incurred for the year ended March 1963, the directors of Sri Palamalai Ranganathar Mills Ltd have passed the dividend. Sales of finished products amounted to Rs. 37.46 lakhs, against Rs. 39.53 lakhs for the previous year. There is a net loss of Rs. 2.37 lakhs after providing Rs. 1.59 lakhs for depreciation. This compares with the previous year's net loss of Rs. 23,750 after providing Rs. 1.63 lakhs for depreciation. Adding to the year's loss of Rs. 2.37 lakhs, the brought forward loss of Rs. 2.19 lakhs (Rs. 60,700 being bonus for the previous year and Rs. 3,040 being donations) there is a total loss of Rs. 5.20 lakhs which is carried forward to the next year.

The directors say that the main reason for the loss is the decline in the price of staple fibre yarn. Further, the price of yarn was not in tune with the high price of cotton. It is also reported that the machinery is old and so productivity has declined.

New Capital Issues

THREE companies have been authorised to raise capital totalling Rs. 10.90 crores. They include Indian Refineries, a Central Government undertaking, which is issuing equities worth Rs. 9.15 crores. Another company, proposed to be incorporated as a Central Government undertaking, is also issuing equities. The third, a private company, will issue 7 percent 15-year debenture stocks. The consent of the Controller of Capital Issues is valid for 12 months in all the cases.

The Indian Refineries issue will consist of 91,500 equity shares of Rs. 1,000 each to be issued at par. Of this shares to the value of Rs. 90 lakhs will be issued for consideration other than cash and the balance for cash. The capital will be utilised to finance the Barauni and Gauhati refineries and the pipe-lines project.

The Central Road Transport Corporation Ltd., New Delhi, the second firm, will issue 50,000 equity shares of Rs. 100 each, 50 percent of which will be issued for consideration other than cash and the balance in cash. The money will be utilised to maintain the movement of supplies in the States of Assam, Bihar, etc.

The debenture issue of Indian Oxygen Ltd., Calcutta, is valued at Rs. 1.25 crores and is intended for the Company's scheme of expansion in Bombay, Calcutta, Madras and Vishakhapatnam, estimated to cost Rs. 6.10 crores.

The Stock Markets

BUDGET HOPES KEEP SHARES QUIETLY STEADY

Wednesday Evening.

THERE has been a slight improvement in the Calcutta stock market during the past week. The turnover has nevertheless been small, and is largely confined to clearing shares. Operators are unwilling to extend their commitments before the Budget, which will be presented to Parliament ten days hence. Lyons Range is hopeful, considering that Mr. T. T. Krishnamachari, Central Finance Minister, is keen to stimulate economic activity. Although support has been cautious, the selling pressure has lessened. The technical position of the market has improved due to the earlier shake-out.

Investors are disturbed by the recommendations of the Bonus Commission. Since it has recommended that a large part of the profits should be paid as bonus to workers, it is feared that companies will have very little money to plough back into the business. If the recommendations were implemented fully, the dividend outlook would deteriorate. Companies would find it extremely hard even to maintain their present dividends.

The turnover in cash scrip has been negligible and fluctuations have been narrow. The attention of investors has for the time being been diverted to new issues, which have absorbed large funds in recent weeks. The inauguration of the Unit Trust of India has attracted attention. Although Press reports indicate that the Unit Trust has already bought some shares, it looks as though the trust will buy and sell shares on the basis of tenders and offers rather than through open-market operations. It is expected to concentrate its attention on good shares which pay attractive dividends, so it is wondered whether the shortage of such scrip will grow. In fact, the shortage has already been felt due to the substantial purchases made by the Life Insurance Corporation.

Indian Iron have been steady due to rumours about the decontrol of steel although the advantages of decontrol are not certain. Whether the producers will benefit or not depends on the extent of decontrol. Among engineering shares, attention has been concentrated on Texmaco, Guest, Keen, Williams, Indian Standard, Wagon and Burn. Kumardhubi have gained on the prospect of bonus and rights share issue. Dalmia Iron has met with scattered support due to a good report.

Clearing shares in the miscellaneous section have gained on replacement purchases. Hindustan Motors, Indian Copper, Indian Cable, Kesoram Industries, Dunlop Rubber, Indian Aluminium and Rohtas have been active. Alkali Chemical, Union Carbide, Anglo Brothers, Indian Oxygen and Associated Battery are steady. Electric company shares have been sluggish and small business has been transacted in Calcutta Electric. Paper shares are quietly steady. Orient, Sripur, Shree Gopal and Titagarh have changed hands. Sugar shares have been neglected as the production outlook for the current season is poor.

Turnover in jute shares has been confined to selected scrip like Birla, New Central, Howrah, Anglo-India, Union, Ganges and Megna. The decline in the prices of jute goods, combined with the steadiness of fibre, has made investors cautious. Stray

business has been done in coal shares, Burrakur, Central India and Bengal have been taken. In cotton mills, Jay Shree Textiles, Bharat Commerce and J. K. Cotton have gained on replacement purchases. Elgin have been sluggish since the Company has made a smaller profit. Few transactions have been recorded in the tea section. Investors are hesitant due to the decline in the north Indian crop and in the average price of the commodity, particularly at the Calcutta auctions. Support has been confined to selected Assam and Doora scrip.

Government securities are quiet and dull. Institutional support is poor as the busy season is in full swing. Prices of short- and medium-dated stocks have been maintained and scattered support has been extended to selected State Government loans. The 3 percent Conversion loan 1968 is quoted at Rs. 63.50.

Bombay

MARKET REMAINS STEADY BUDGET DOUBTS LIMIT TURNOVER

Wednesday Evening.

THE Bombay stock market has been steady during the past week, but turnover has been restrained in view of the approaching Budget. Fears about further taxation on the corporate sector have receded into the background for the time being in the belief that Mr. T. T. Krishnamachari, Central Finance Minister, is likely to give incentives to promote production. The new account has started well, although support has largely been confined to selected scrip. Scindia Steam, in particular, have been active due to an improvement in the international freight market. Century have met with knowledgeable support on prospects of expansion. Investors are nevertheless inclined to wait until the Finance Minister presents his financial proposal, on the last day of February.

Tata Steel ordinary have closed at Rs. 146 and pressure has declined due to rumours of decontrol of steel. Among engineering shares, attention has largely been confined to Tata Locomotive on hopes of an increase in production. Mukand Iron and Premier Construction have met with scattered buying. Larsen and Toubro and Alcock Ashdown have been sluggish. Motor-vehicle shares have fluctuated within a narrow groove. Hindustan Motors and Premier Automobiles have been transacted.

Century have been prominent in cotton mills, although this scrip has reacted slightly towards the close due to profit-taking. Bombay Dyeing, Kohinoor, Morarjee, Svadeshi and Kokak have been steady. India United ordinary, Simplex and Standard have reacted due to profit-taking.

Turnover in miscellaneous shares has declined considerably, although selling pressure has been conspicuous by its absence. Among steamship companies, Scindia Steam have gained on prospects of improved working. Sugar shares have been

quietly steady. Belapur and Walchandnagar Industries have changed hands. Mining shares have been subdued, and Shivrampur Syndicate have been easier on a predominance of sellers. In cement shares, Associated Cement have attracted support. Rayon shares have been fancied. National Rayon have forged ahead on replacement purchases. Chemical shares have shown mixed trends. Tata Chemical have been steady, while Indian Dyestuff have reacted on pressure. Voltas have gained on prospects of expansion.

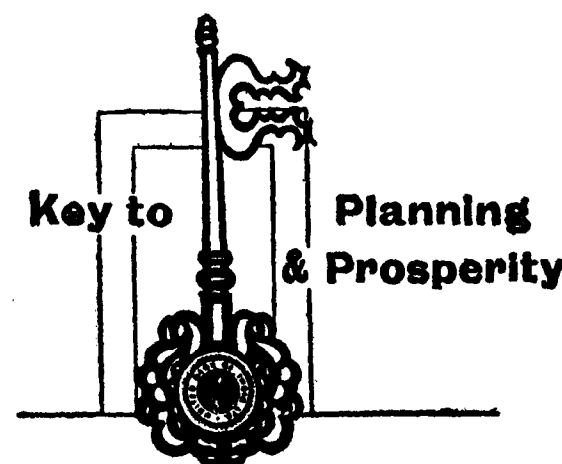
Bank shares have been sluggish, but fluctuations have been narrow. Bank of India and Bank of Baroda have changed hands. Among electric company shares, Ahmedabad, Bombay Suburban and Tata Hydro have been fairly active.

Madras

PLANTINGS GAIN SLIGHTLY CAUTIOUS ATTITUDE AT THE CLOSE

Tuesday Evening.

FOR the Madras stock market the past week has closed on a steady note. Although support has been selective, prices of good planting and miscellaneous shares have



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gained slightly. Scattered support for clearing shares has been forthcoming from outside sources. Towards the close, investors have turned cautious in view of the Budget. The trend is not expected to take a decisive turn until the Budget is presented.

Selected State Government loans have been steady due to scattered institutional support. Bank shares have been sluggish, and stray business in Canara has passed around Rs. 81.50. In electric companies, South Madras have been transacted at Rs. 11.10 and Cochin at Rs. 12.25. Selected sugar shares have improved slightly towards the close. Decan have recovered to Rs. 11.90 and Andhra to Rs. 17.36. E.I.D. have, nevertheless, reacted to Rs. 36.75 on profit-taking. Interest has been shown in Mysore at Rs. 44.65 and K.C.P. have been available at Rs. 22.85.

In the planting section, Blue Mountain have changed hands at Rs. 2.40 and Cochin Malabar at Rs. 6.40. Consolidated Coffee have been transacted at Rs. 20 and Ouchterlony at Rs. 4.20. Periakaramalai have been quoted at Rs. 3.50. Thirumbadi have been steady at Rs. 1.95 due to the payment of a taxable ordinary dividend of 10 percent. Devashola have been bought up to Rs. 24.60 on declaring an interim taxable ordinary dividend of 7.5 percent. Nelliampathy have been steady at Rs. 3.72. Parkside at Rs. 26.33 and Kil Kotagiri at Rs. 4.90. Among coffee shares, interest has been taken in Amalgamated at Rs. 10.01 and in Lingapur at Rs. 5.10.

In textiles, South India Viscose have been steady at Rs. 140.50 and Travancore Rayon at Rs. 25.65. Madura have been firm at Rs. 35.85, but Lakshmi at Rs. 1.32 show little change. Bangalore Woollen have re-

acted to Rs. 236 and Buckingham to Rs. 292. Coimbatore Pioneer have been sold down to Rs. 258.50, but Metur have been steady at Rs. 286. Radhakrishna have been bought up to Rs. 30 and Ramakrishna have been transacted at Rs. 217.80.

In the miscellaneous section, Aluminium Industries have hardened to Rs. 18.87, but Ashok Leyland have lost at Rs. 7. Among cement shares, Dalmia have been steady at Rs. 12.50 and India Cement at Rs. 5.75. Southern Structural have quoted Rs. 11 in the engineering section. F.A.C.T. have been freely offered down to Rs. 5.70, but Seshasayee Paper have attracted support around Rs. 7.70. Enfield have been steady at Rs. 10.35 and Standard Motors have been wanted up to Rs. 10.33. Parry's Confectionery have been taken at Rs. 3.50, but Macras Rubber have been freely sold at Rs. 13.90. Spencer have quoted Rs. 21.50 and Textool

Rs. 144. Andhra Scientific have met with support up to Rs. 14.20 and Binny have been taken at Rs. 282.

THE WEEK'S TRANSACTIONS

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

CLEARED SECURITIES

Birla Jute—Rs. 34/44—34/87—34/37—34/81—(29/44)
Burrakur Coal—Rs. 16/19 s.t.—16/37—16/19—16/37—(15/62)
Dunlop Rubber—Rs. 37/25—37/69—36/94—37/62—(35/75).

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Guest, Keen, Williams—Rs. 27/00—27/37—26/62—27/37—(32/25).
Hindustan Motor—Rs. 19/28—19/31—19/06—19/19—(17/12).
Howrah Jute—Rs. 18/44—18/50—18/44—18/50—(18/87).
Indian Aluminium—Rs. 30/12—31/81—30/06—31/75—(32/00).
Indian Copper—Rs. 3/40—3/64—3/40—3/64—(4/29).
Indian Iron & Steel—Rs. 25/28—25/34—25/00—25/20—(21/10).
Indian Cable—Rs. 37/44—37/50—37/44—37/50—(32/50).
J. K. Cotton—Rs. 12/56—12/69—12/50—12/50—(14/00).
Jaipur Udyog—Rs. 12/06—12/06—12/06—12/06—(11/25).
Kesoram Industries—Rs. 28/00—28/19—27/81—28/12—(21/06).
Orient Paper—Rs. 38/00—38/20—37/70—38/10—(36/10).
Orissa Cement—Rs. 13/69—14/37—13/69—14/31—(15/58).
Rohtas Industries—Rs. 12/19—12/37—12/06—12/37—(11/75).
Shree Gopal Paper—Rs. 25/81—25/81—25/81—25/81—(22/56).
Textile Machinery—Rs. 27/93—28/05—27/70—27/95—(21/10).

MININGS

Chrestien Mica (Pref.)—Rs. 39/00—39/00—39/00—39/00—(38/00).
Metal Corporation—Rs. 7/44—7/69—7/44—7/56—(8/44).
Orissa Minerals—Rs. 22/19—22/25—22/19—22/25—(22/25).

CEMENTS

Ashoka—Rs. 7/00—7/00—7/00—7/00—(7/37).
Assam Bengal—Rs. 3/87—3/87—3/87—3/87—(3/87).
Dalmia (Bharat)—Rs. 12/94—13/00—12/81—12/87—(13/56).
Kalyanpore Lime—Rs. 106/00—106/50—106/00—106/50—(106/50).
Sone Valley—Rs. 4/31—4/34—4/16—4/16—(4/37).

CHEMICAL

Alkali & Chemical—Rs. 31/68 s.t.—31/75—31/44—31/50—(34/37).

ELECTRICS

Calcutta—Rs. 14/37—14/44—14/35—14/44—(14/12).
Do. (Pref.)—Rs. 7/72—7/75—7/72—7/75—(8/31).

ENGINEERING

Binani Metal—Rs. 12/12—12/12—11/97—12/06—(10/81).
Bharat Ball Bearing—Rs. 13/81—14/12—13/81—14/12—(13/81).
Bhartia Electric Steel—Rs. 14/19—14/44—14/19—14/44—(14/00).
Britannia Eng.—Rs. 10/19—10/25—10/06—10/25—(10/37).
Braithwaite—Rs. 32/25—32/50—32/25—32/50—(36/50).
Calcutta Steel—Rs. 13/62—13/69—13/50—13/50—(13/69).
Dalmia Iron—Rs. 11/75—11/81—11/69—11/69—(11/87).
Indian Iron & Steel (Pref.)—Rs. 81/00—82/50—81/00—82/50—(84/00).
Indian Standard Wagon—Rs. 36/62—36/75—36/50—36/62—(30/50).
Indian Steel & Wire Products—Rs. 33/50—33/50—33/50—33/50—(30/50).
Jay Engineering—Rs. 19/81—19/94—19/75—19/81—(24/25).
Jessop & Co.—Rs. 23/69—23/94—23/69—23/94—(23/25).
J. K. Steel—Rs. 16/12—16/19—16/00—16/06—(17/19).
Kumardhubi—Rs. 9/37—9/37—9/20—9/20—(7/19).
Do. (Pref.)—Rs. 72/00—72/00—72/00—72/00—(68/00).
Marshall's—Rs. 2/19—2/25—2/00—2/00—(3/37).
National Iron & Steel—Rs. 6/06—6/31—6/06—6/19—(4/00).
Sen-Raleigh Industries—Rs. 15/12—15/12—14/50—15/12—(13/19).
Steel Products—Rs. 1/44—1/44—1/44—1/44—(1/44).
Textile Machinery (2nd Pref.)—Rs. 62/00—62/00—61/50—61/50—(7/44—7/44).
Wellman Inedandescent—Rs. 7/44—7/44—7/44—7/44—(7/44).

RAILWAY

Arrah Sasaram—Rs. 30/37—30/50—30/37—30/50—(30/37).

COITONS

Cawnpore—Rs. 6/69—6/81—6/69—6/81—(6/94).
Elgins—Rs. 22/06—22/19—22/06—22/19—(19/87).
Jay Shree—Rs. 16/12—16/25—16/06—16/19—(14/75).
Jiyajee Rao—Rs. 12/37—12/37—12/25—12/25—(12/25).
Do. (Pref.)—Rs. 92/00—92/50—92/00—92/50—(92/50).
New Victoria—Rs. 1/47—1/56—1/47—1/56—(1/56).
Rajasthan Spng.—Rs. 10/00—10/19—10/00—10/19—(10/19).
Svadeshi (P.O.)—Rs. 6/37—6/37—6/37—6/37—(6/56).
Do. (Pref.)—Rs. 68/00—68/00—68/00—68/00—(68/00).
Shree Madhusudan (Pref.)—Rs. 57/50—57/50—57/50—57/50—(57/50).

COALS

Bengal—Rs. 255/00—255/00—254/00—254/00—(299/00).
East Indian—Rs. 28/69—28/81—28/56—28/81—(37/00).
Ghusick & Musila—Rs. 11/50—13/00—11/50—13/00—(15/00).
South Karanpura—Rs. 8/06—8/06—8/06—8/06—(8/56).
Shree Mahakali—Rs. 4/25—4/25—4/25—4/25—(4/25).
Union—Rs. 10/25—10/25—10/25—10/25—(8/69).
Western Bengal—Rs. 8/69—8/69—8/69—8/69—(8/69).

JUTES

Alliance—Rs. 135/00—135/00—135/00—135/00—(110/00).
Barnagore—Rs. 217/00—217/00—217/00—217/00—(187/00).
Clive ('A' Pref.)—Rs. 63/00—63/00—63/00—63/00—(52/00).
Fort Gloster—Rs. 275/00—276/00—275/00—276/00—(389/00).
Ganges—Rs. 13/12—13/12—13/12—13/12—(13/75).
Gourepore—Rs. 22/50—22/62—22/44—22/62—(22/62).
Do. (Pref.)—Rs. 90/00—90/00—90/00—90/00—(90/00).

Hastings (Pref.)—Rs. 87/00—87/50—87/00—87/50—(84/50).
Kinnaird—Rs. 128/00—128/00—128/00—128/00—(185/00).
Lawrence—Rs. 101/00—101/00—101/00—101/00—(124/00).
Megna—Rs. 12/70—12/75—12/62—12/62—(13/50).
Nellimaria—Rs. 11/62—11/62—11/62—11/62—(11/00).
New Central—Rs. 12/62—12/81—12/56—12/81—(14/00).
Nuddea—Rs. 62/00—62/25—62/00—62/25—(60/25).
Reliance—Rs. 8/25—8/87—8/25—8/87—(7/06).

INDIAN

Chrestien Mica (Pref.)—Rs. 39/00—39/00—39/00—39/00—(38/00).
Metal Corporation—Rs. 7/44—7/69—7/44—7/56—(8/44).
Orissa Minerals—Rs. 22/19—22/25—22/19—22/25—(22/25).

CEMENTS

Ashoka—Rs. 7/00—7/00—7/00—7/00—(7/37).
Assam Bengal—Rs. 3/87—3/87—3/87—3/87—(3/87).
Dalmia (Bharat)—Rs. 12/94—13/00—12/81—12/87—(13/56).
Kalyanpore Lime—Rs. 106/00—106/50—106/00—106/50—(106/50).
Sone Valley—Rs. 4/31—4/34—4/16—4/16—(4/37).

CHEMICAL

Alkali & Chemical—Rs. 31/68 s.t.—31/75—31/44—31/50—(34/37).

ELECTRICS

Calcutta—Rs. 14/37—14/44—14/35—14/44—(14/12).
Do. (Pref.)—Rs. 7/72—7/75—7/72—7/75—(8/31).

ENGINEERING

Binani Metal—Rs. 12/12—12/12—11/97—12/06—(10/81).
Bharat Ball Bearing—Rs. 13/81—14/12—13/81—14/12—(13/81).
Bhartia Electric Steel—Rs. 14/19—14/44—14/19—14/44—(14/00).
Britannia Eng.—Rs. 10/19—10/25—10/06—10/25—(10/37).
Braithwaite—Rs. 32/25—32/50—32/25—32/50—(36/50).
Calcutta Steel—Rs. 13/62—13/69—13/50—13/50—(13/69).
Dalmia Iron—Rs. 11/75—11/81—11/69—11/69—(11/87).
Indian Iron & Steel (Pref.)—Rs. 81/00—82/50—81/00—82/50—(84/00).
Indian Standard Wagon—Rs. 36/62—36/75—36/50—36/62—(30/50).
Indian Steel & Wire Products—Rs. 33/50—33/50—33/50—33/50—(30/50).
Jay Engineering—Rs. 19/81—19/94—19/75—19/81—(24/25).
Jessop & Co.—Rs. 23/69—23/94—23/69—23/94—(23/25).
J. K. Steel—Rs. 16/12—16/19—16/00—16/06—(17/19).
Kumardhubi—Rs. 9/37—9/37—9/20—9/20—(7/19).
Do. (Pref.)—Rs. 72/00—72/00—72/00—72/00—(68/00).
Marshall's—Rs. 2/19—2/25—2/00—2/00—(3/37).
National Iron & Steel—Rs. 6/06—6/31—6/06—6/19—(4/00).
Sen-Raleigh Industries—Rs. 15/12—15/12—14/50—15/12—(13/19).
Steel Products—Rs. 1/44—1/44—1/44—1/44—(1/44).
Textile Machinery (2nd Pref.)—Rs. 62/00—62/00—61/50—61/50—(7/44—7/44).
Wellman Inedandescent—Rs. 7/44—7/44—7/44—7/44—(7/44).

RAILWAY

Arrah Sasaram—Rs. 30/37—30/50—30/37—30/50—(30/37).

COITONS

Cawnpore—Rs. 6/69—6/81—6/69—6/81—(6/94).
Elgins—Rs. 22/06—22/19—22/06—22/19—(19/87).
Jay Shree—Rs. 16/12—16/25—16/06—16/19—(14/75).
Jiyajee Rao—Rs. 12/37—12/37—12/25—12/25—(12/25).
Do. (Pref.)—Rs. 92/00—92/50—92/00—92/50—(92/50).
New Victoria—Rs. 1/47—1/56—1/47—1/56—(1/56).
Rajasthan Spng.—Rs. 10/00—10/19—10/00—10/19—(10/19).
Svadeshi (P.O.)—Rs. 6/37—6/37—6/37—6/37—(6/56).
Do. (Pref.)—Rs. 68/00—68/00—68/00—68/00—(68/00).
Shree Madhusudan (Pref.)—Rs. 57/50—57/50—57/50—57/50—(57/50).

COALS

Bengal—Rs. 255/00—255/00—254/00—254/00—(299/00).
East Indian—Rs. 28/69—28/81—28/56—28/81—(37/00).
Ghusick & Musila—Rs. 11/50—13/00—11/50—13/00—(15/00).
South Karanpura—Rs. 8/06—8/06—8/06—8/06—(8/56).
Shree Mahakali—Rs. 4/25—4/25—4/25—4/25—(4/25).
Union—Rs. 10/25—10/25—10/25—10/25—(8/69).
Western Bengal—Rs. 8/69—8/69—8/69—8/69—(8/69).

JUTES

Alliance—Rs. 135/00—135/00—135/00—135/00—(110/00).
Barnagore—Rs. 217/00—217/00—217/00—217/00—(187/00).
Clive ('A' Pref.)—Rs. 63/00—63/00—63/00—63/00—(52/00).
Fort Gloster—Rs. 275/00—276/00—275/00—276/00—(389/00).
Ganges—Rs. 13/12—13/12—13/12—13/12—(13/75).
Gourepore—Rs. 22/50—22/62—22/44—22/62—(22/62).
Do. (Pref.)—Rs. 90/00—90/00—90/00—90/00—(90/00).

Electric Construction—Rs. 13/62—13/75—13/44—13/62—(14/00).
English Electric—Rs. 13/00—14/06—12/90—14/06—(14/06).
General Tyres—Rs. 9/06—9/19—9/06—9/19—(9/12).
Goodyear India—Rs. 29/50—29/50—29/50—29/50—(39/00).
Hindustan Aluminium—Rs. 13/19—13/31—13/10—13/10—(13/94).
Hindustan Gas—Rs. 24/00—24/75—24/00—24/75—(24/75).
Hindustan Development—Rs. 3/97—4/12—3/97—4/12—(3/97).
Hilla Tea Estate & Ind.—5/35—5/35—5/35—5/35—(5/35).
Imperial Tobacco—Rs. 9/94—10/00—9/75—9/75—(10/62).
Indian Oxygen—Rs. 27/00 s.t.—27/00—26/75—27/00—(27/87).
Indian Wood Products—Rs. 29/50—29/50—29/50—29/50—(30/50).
Indian Tack & Nail—Rs. 10/25—10/50—10/19—10/19—(13/44).
Isaac Holdens—Rs. 13/62—13/75—13/62—13/75—(15/00).
Jardine Henderson—Rs. 78/00—78/00—78/00—78/00—(73/00).
J. K. Synthetics—Rs. 12/50—12/56—12/00—12/50—(11/50).
Jayashree Tea Industries—Rs. 14/37—14/37—14/37—14/37—(14/37).
Khandelwal Ferro Alloy (Pref.)—Rs. 94/75—94/75—94/75—94/75—(94/75).
Macneill & Barry—Rs. 94/00—94/00—94/00—94/00—(93/50).
Martin Burn—Rs. 28/00—28/12—28/00—28/12—(30/12).
Metal Distributors—Rs. 4/25—4/31—4/25—4/31—(5/25).
Metal Box—Rs. 31/25—31/62—31/25—31/62—(50/50).
National Insulated Cable—Rs. 23/12—23/25—22/94—22/94—(24/75).
National Tobacco (1st Pref.)—Rs. 64/50—65/00—64/50—65/00—(65/00).
National Pipes & Tubes—Rs. 28/75—29/25—28/75—29/25—(29/06).
Philips India—Rs. 27/25—27/50—27/12—27/25—(26/25).
Rallis India—Rs. 131/50—133/00—131/50—133/00—(130/00).
Rohtas Industries ('B' Pref.)—Rs. 54/50—54/75—54/50—54/75—(54/75).
Sirsilk—Rs. 9/12—9/19—9/12—9/19—(8/50).
Union Carbide—Rs. 24/00—24/00—33/12—33/37—(41/75).
Usha Martin Black—Rs. 15/87—16/56—15/87—16/56—(13/75).
Universal Cables—Rs. 11/62—12/12—11/56—12/00—(9/00).
Universal Electric—Rs. 9/00—9/19—9/00—9/12—(9/12).

DEBENTURE

6½ East Indian Coal—Rs. 96/75—96/75—96/75—96/75—(96/75).

London

PAYMENTS POSITION AFFECTS TRADING

GILT-EDGED LOWER ON INTEREST RATE FEAR

London, 19th February.

A SUSTAINED rally was recorded in the stock market prior to the week-end, but much of the improvement was lost subsequently. On balance, therefore, prices of industrial equities were only a little higher. Gilt-edged by contrast remained out of favour and recorded small losses on the week. The early improvement in industrials followed the return of buyers after their long absence. The subsequent reaction followed week-end comment on the payments position and talk of a rise in interest rates. Meanwhile, of course, political uncertainties continued as the most potent factor in the market. Business throughout was at a low level and the market remained very sensitive. Gains in leading industrials were reduced substantially in subsequent reaction, but prices then steadied to show small rises on the week. Banking and insurance shares moved similarly, but property shares had a quiet week. The strength of tin shares, which moved up sharply, was the outstanding feature of mines. De Beers made further headway, but lost most of the fresh rise following the unchanged dividend. Golds were somewhat better on balance, but coppers fluctuated narrowly. Early gains in leading oils were halved later. Rubbers were in better form, but tea shares drifted lower. Dollar stocks moved up in response to Wall Street, but the gains were reduced later.

ANNUAL GENERAL MEETING OF BENGAL CHAMBER

The annual general meeting of the Bengal Chamber of Commerce and Industry will be held at 3 p.m. on Friday, 21st February, in the Royal Exchange, Calcutta. Mr. A. R. Foster, president of the Chamber, will preside.

BOOKS RECEIVED

Corporate Finance, 1955-1961. By V. G. Kulkarni. (Published by G. R. Bhatkal, Popular Prakashan, 35-C Tardeo Road, Bombay 34. Price Rs. 20, pages 210.)

Kothari's Economic Guide and Investors' Handbook of India, 1963. (Compiled by Kothari and Sons, Oriental Buildings, 108 Armenian Street, Madras 1. Price Rs. 50+ Rs. 10 for packing and postage, pages 2591.)

Swarajya, Annual Number 1964. (Edited by Pothan Joseph and published by T. Sadasivan on behalf of Bharathan Publications Private Ltd, Kalki Buildings, Kilpauk, Madras 10. Pages 240.)

BANK CREDIT EXPANDS: HIGHER DEPOSIT RATES NEEDED

(BY A SPECIAL CORRESPONDENT)

There has been a big expansion in bank credit during the current busy season although deposits have fallen. Scheduled banks should try to attract more deposits by offering higher interest rates in order to strengthen their resources.

ACCORDING to the scheduled bank returns for the week ended 7th February, bank credit has increased by Rs. 23.7 crores to Rs. 1,712.5 crores. The sharp expansion in credit has taken place in spite of a fall of Rs. 12.6 crores in aggregate deposits to Rs. 2,265.7 crores. Time deposits have declined by Rs. 7.6 crores due mainly to the transfer of U.S. counterpart funds (Rs. 6 crores) from the State Bank of India to the Reserve Bank of India. The banks have had to

reduce their investments and borrow from the Reserve Bank to meet the shortfall in their resources. So investments are down by Rs. 27.4 crores and borrowings from the Reserve Bank have risen by Rs. 11.3 crores during the week. Since the commencement of the busy season in November 1963, bank credit has expanded by Rs. 243 crores, as against Rs. 126 crores in the corresponding period of the 1962-63 busy season. Thus credit expansion during the

current busy season is nearly twice that of a year ago.

The busy season usually attains its peak during April. April is still some six weeks away. The credit-deposit ratio is now hovering around 75 percent, as against 73 percent at this time last year. The current rate of credit expansion has taken the bankers by surprise. This is because credit expanded during the entire 1962-63 busy season by Rs. 204 crores,

whereas the credit expansion during only the first three months of this season has exceeded that figure. The accelerated credit expansion during the current busy season is not entirely unexpected. Industrial production has been running 7 percent to 8 percent higher than last year. Naturally, this has increased the demand for bank credit. It is also possible that some new projects have come to fruition during the busy season. Again, exports have been considerably higher than in the corresponding period a year ago. Above all, there has been an appreciable increase in the price level—the wholesale price index has gone up by more than 10 points since the last Budget. If the present rate of expansion continues, it is possible that bank credit will touch a new high of Rs. 350 crores during this busy season.

An explanation for the bigger credit expansion lies in the liberal policy pursued by the Reserve Bank on the eve of the 1963-64 busy season. The Reserve Bank has not only made credit easier by substituting a two-tier interest rate instead of the previous tiers but has also announced a policy of liberal credit for productive purposes. The Reserve Bank probably did not expect that credit would swell so much when it relaxed its policies. This is evident from the fact that it has had to impose restrictions on bank advances against paddy and rice. Unless the Reserve Bank reorients its policy to restrain credit in specific directions to check the rise in prices, it is likely that the credit-deposit ratio will rise rapidly. The higher liquidity ratio prescribed for the banking system by the Reserve Bank from September 1964 may then have to be postponed.

It is in this context that the Governor of the Reserve Bank has asked bankers to make an all-out effort to mobilise deposits. Unfortunately, some bankers seem to be complacent because they think they can blame the Reserve Bank if it does not help them with resources in time of need. It is clear that bank deposits are sensitive to interest rate changes. The experience of the State Bank and other banks with savings deposits illustrates the point. Savings bank deposits rose by Rs. 28 crores to Rs. 282 crores in 1960-61—the year when banks offered 2.5 percent interest in savings deposits. The rate was raised to 3 percent in March 1961. Savings bank deposits went up by Rs. 52 crores in 1961-62, by Rs. 59 crores in 1962-63, and by Rs. 65 crores in the first nine months of 1963.

In spite of the evidence, banking circles seem to be reluctant to step up the interest rates on bank deposits. Interest rates have remained practically stagnant since March 1961. But Bank rate was raised from 4 percent to 4.5 percent from 3rd January, 1963, and this was followed by an increase in the minimum lending rates from 6 percent to 6.5 percent. Several banks took advantage of this by raising their advance rates by an average of $\frac{1}{2}$ percent or 1 percent. In view of the keen demand for credit, banks experienced no resistance. They were able to lend larger amounts at higher rates of interest, and depended upon the interbank market, the investments portfolio and the Reserve Bank to make up the shortage of resources.

Bankers forget that they cannot attract resources from the public unless they offer a reasonable rate—a rate which bears some relation to the level of interest rates in the economy. It is necessary also to review the special treatment given to medium and small banks in allowing them to offer higher interest rates on deposits. With the institution of deposit insurance, a small bank

should be as good as a big bank. The experience of 1963 shows that medium and small banks enjoyed a higher rate of accretion in deposits than big banks. The medium and small banks, for instance, recorded an increase of 30 percent to 40 percent in deposits last year, compared with a rise of 10 percent to 15 percent in the case of big banks. The inter-bank agreement requires to be suitably revised without delay.

THE CALCUTTA MONEY MARKET

CONDITIONS TIGHT IN INTERBANK SECTION

Wednesday, 19th February.

THERE has been a fair increase in the general level of advances in the Calcutta money market during the past week. The credit given to the cotton and sugar mills, and to the iron, steel and engineering industries, is slightly higher. But the requirements of the foodgrains and seeds trade are unchanged, while those of the jute mills show a fair increase. In the interbank market, conditions have remained tight. The call rate has been steady at 6 percent, with stray transactions reported at 6½ percent.

The exchange market has been active, with a good supply of tea and gunny bills. The demand for remittances is fair. In the London market, sterling shows small losses in relation to most of the major currencies except the Belgian, Swiss and Danish.

SILVER WAS STEADY IN CALCUTTA during the past week. The price rose from the previous week's level of Rs. 264.25 to Rs. 265.50 a kilogram, quoted today. The London and New York prices stood at 111½d and 129.3 cents.

Gold was quiet and the price of 14-carat declined from Rs. 69.25 to Rs. 68.75.

DURING THE WEEK ENDED 14th FEBRUARY, Government of India Treasury bills for Rs. 96,75,00,000 were sold in favour of the Reserve Bank.

TENDERS FOR Rs. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 18th February. The total amount offered was Rs. 2,02,00,000. Tenders at Rs. 99.415 percent were allotted 99 percent. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 2.340 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 24th February.

IT IS STATED THAT 91-DAY INTERMEDIATE Treasury bills will be sold from 19th February to 22nd February at Rs. 99.431 percent. Sales can be stopped at any time without notice if the Government thinks it necessary. These bills sold from 12th February to 14th February amounted to Rs. 99.75 lakhs only.

RISES OF Rs. 9.29 CRORES TO Rs. 2,451.19 crores in active notes and of Rs. 9.24 crores to Rs. 2,464.31 crores in the total note issue, were notable features of the return of the Reserve Bank of India for the week ended 14th February, 1964. The currency expansion was covered by raising rupee securities of the paper currency reserve by Rs. 10 crores to Rs. 2,134.69 crores. Deposits of the Central Government dropped by Rs. 5.12 crores to Rs. 49.40 crores, while those of State Governments rose by Rs. 5.50 crores to Rs. 15.36 crores. Balances of scheduled banks at Rs. 83.31 crores showed a decline of Rs. 23 lakhs. Investments at Rs. 199.18 crores showed little change. Balances

held abroad rose by Rs. 1.62 crores to Rs. 20.89 crores. Loans to scheduled banks increased from Rs. 49.13 crores to Rs. 62.22 crores of which advances against usance bills amounted to Rs. 23.93 crores (Rs. 19.59 crores). Ways and means advances stood at Rs. 36.58 crores, against Rs. 38.62 crores.

THE RETURN OF THE STATE BANK OF India for the week ended 7th February, 1964, shows a drop of Rs. 10.39 crores to Rs. 600.09 crores in total deposits. Investments in Government securities are down by Rs. 26.31 crores to Rs. 244.86 crores, while other authorised investments remain unchanged at Rs. 8.94 crores. Advances, including loans, cash credits, overdrafts and bills discounted and purchased have increased by Rs. 9.42 crores to Rs. 324 crores. Cash and balances are, in consequence, shown at Rs. 22.59 crores or Rs. 2.44 crores higher.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 7th February, 1964, shows Demand and Time liabilities at Rs. 1,189.24 and Rs. 33.09 crores on account of borrowings from banks and Rs. 1,286.15 crores (Rs. 14.15 crores), compared with Rs. 1,196.43 crores (Rs. 35.44 crores) and Rs. 1,295.70 crores (Rs. 15.45 crores), respectively, in the previous week. Cash has declined Rs. 1.04 crores to Rs. 57.14 crores, while balances with the Reserve Bank have increased by Rs. 5.06 crores to Rs. 84.40 crores. There is a drop of Rs. 27.44 crores to Rs. 656.11 crores in Rs. 27.44 crores to Rs. 656.11 crores in investments. Advances and bills discounted at Rs. 1,724.26 crores show a rise of Rs. 26.49 crores. The ratios to total liabilities of cash and balances, and of advances and discounts are, in consequence, shown at 5.7 percent and 69.7 percent, against 5.5 percent and 68.1 percent.

The following is a statement of the cash balances of the Central Government on the last day of October 1963:

(1) At the Reserve Bank of India	Rs. 19,85,78,68,000
(2) At Treasuries in India (A)	(—) 60,34,000
(3) In England (Sterling converted at 18d the rupee)	94,25,000
Total	19,86,12,59,000
(A) Represents net of cash in Treasuries and remittances in transit.	

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 21-2-64.

Issue Date	Maturity Date	Amount (000's Rs.)	Average Acceptance Rate
21-2-64	24-5-64	2,00,00	Rs. 2.340%
14-2-64	17-5-64	2,00,00	Rs. 2.340%
7-2-64	10-5-64	2,00,00	Rs. 2.325%
31-1-64	3-5-64	2,00,00	Rs. 2.325%
24-1-64	27-4-64	2,00,00	Rs. 2.315%
17-1-64	20-4-64	2,00,00	Rs. 2.315%
10-1-64	13-4-64	2,00,00	Rs. 2.310%
27-12-63	30-3-64	2,00,00	Rs. 2.315%
20-12-63	23-3-64	2,00,00	Rs. 2.315%
13-12-63	16-3-64	2,00,00	Rs. 2.315%
6-12-63	9-3-64	2,00,00	Rs. 2.320%
29-11-63	3-3-64	2,00,00	Rs. 2.320%
22-11-63	25-2-64	2,00,00	Rs. 2.318%

(Monthly Maturities 000's omitted)	
February, 1964	2,00,00
March 1964	10,00,00
April 1964	6,00,00
May, 1964	8,00,00
Total	26,00,00

CLEARING HOUSE RETURNS

Week	Calcutta	Bombay
14-2-64	96,82.86	1,18.82
7-2-64	1,13.39	1,34.75
31-1-64	95,72.16	1,13.45
24-1-64	1,01.54	1,16.98

RESERVE BANK

ISSUE DEPARTMENT		Week Ended		
(In 000's of Rupees)		14-2-64	7-2-64	15-2-63
Liabilities—				
Notes in Banking Dept.	...	13,11.83	13,17.29	18,12.18
Notes in Circulation	...	24,51,19.37	24,41,90.09	22,08,53.31
Total Notes Issued	...	24,64,31.20	24,59,07.38	22,26,65.49
Assets—				
A. Gold Coin and Bullion	...	1,17,76.10	1,17,76.10	1,17,76.10
Foreign Securities	...	1,02,45.69	1,02,45.69	95,08.43
Total of A	...	2,20,21.79	2,20,21.79	2,12,84.53
B. Rupee Coin	...	1,09,40.46	1,10,16.15	1,17,36.75
Rupee Securities	...	21,34,68.95	21,24,69.44	18,96,42.21
Total	...	24,64,31.20	24,59,07.38	22,26,65.49

BANKING DEPARTMENT

Liabilities—				
Capital Paid-up	...	5,00.00	5,00.00	5,00.00
Reserve Fund	...	80,00.00	80,00.00	80,00.00
National Agricultural Credit (Long Term Operations) Fund	...	73,00.00	73,00.00	61,00.00
National Agricultural Credit (Stabilisation) Fund	...	8,00.00	8,00.00	7,00.00
Deposits—				
(a) 1. Central Govt.	...	49,39.53	54,51.96	36,37.94
2. State Govts.	...	15,36.05	9,80.61	8,94.50
(b) Banks—	...			
(i) Scheduled Banks	...	83,31.31	83,53.52	79,05.42
(ii) State Co-operative Banks	...	1,83.62	1,83.94	1,83.70
(iii) Other Banks	...	9.79	4.43	4.80
(c) Others	...	1,76,24.46	1,76,05.63	1,63,37.51
Bills Payable	...	33,04.86	34,27.35	30,52.84
Other Liabilities	...	60,93.73	60,19.20	60,37.12
Total	...	5,86,23.35	5,86,26.67	5,83,54.83
Assets—				
Notes	...	13,11.83	13,17.29	18,12.18
Rupee Coin	...	1.98	2.35	2.30
Small Coin	...	4.12	3.86	1.33
National Agricultural Credit (Long Term Operations) Fund				
(a) Loans and Advances to—	...			
(i) State Govts.	...	26,58.04	26,64.45	23,69.56
(ii) State Co-operative Banks	...	8,43.29	3,32.89	10,75.84
(iii) Central Land Mortgage Banks	...	...	...	...
(b) Investment in Central Land Mortgage Bank Debentures	...	3,79.36	3,59.36	2,04.88
National Agricultural Credit (Stabilisation) Fund				
Loans and Advances to State Co-operative Banks	...	...	...	...
Bills Purchased and Discounted—				
(a) Internal	...	...	...	...
(b) External	...	...	...	...
Govt. Treasury Bills	...	56,30.06	67,48.21	78,39.84
Bills Held abroad	...	20,89.01	19,07.35	10,00.65
Loans and Advances to Govt.	...	36,58.21	38,61.97	27,43.55
Loans and Advances to—				
(i) Scheduled Banks	...	62,22.05	49,13.00	37,55.20
(ii) State Co-operative Banks	...	1,27,71.39	1,28,36.40	1,32,35.17
(iii) Other Banks	...	2,59.72	2,53.97	1,42.57
(iv) Others	...	1,99,17.50	1,99,19.76	2,06,63.64
Investments	...	28,76.79	28,62.81	34,27.60
Other Assets	...	...	...	...
Total	...	5,86,23.35	5,86,26.67	5,83,54.83

SCHEDULED BANKS

(In 000's of Rupees)		Week Ended		
		7-2-64	31-1-64	3-2-63
(i) Demand Liabilities—				
(a) Demand Deposits	...	...	...	...
(1) From Banks	...	60,50.54	59,59.48	45,82.17
(2) From others	...	10,27,11.86	10,32,06.64	9,08,72.14
(b) Borrowing from Banks	...	33,09.05	35,44.20	19,16.01
(c) Others	...	68,51.10	69,35.07	58,24.44
(ii) Time Liabilities—				
(a) Time Deposits	...	...	...	...
(1) From Banks	...	22,77.45	23,35.68	22,49.50
(2) From others	...	12,38,53.87	12,46,18.14	12,20,82.96
(b) Borrowing from Banks	...	14,15.16	15,45.14	19,43.46
(c) Others	...	10,68.06	10,73.14	11,31.69
(iii) Borrowing from State Bank—				
(a) Demand Liabilities	...	...	...	...
(b) Time Liabilities	...	...	...	...
(iv) Borrowing from Reserve Bank	...	47,16.88	35,84.95	43,13.18
(v) Cash	...	57,14.40	58,17.93	50,67.00
(vi) Balances with the Reserve Bank	...	84,40.22	79,33.69	78,05.79
(vii) Balances with other banks in current account	...	26,12.13	27,80.71	18,00.97
(viii) Money at call and short notice	...	42,15.51	45,92.25	38,23.20
(ix) Investments in Central and State Govt. Securities	...	6,56,11.14	6,83,54.58	6,22,16.47
(x) (a) Loans Cash credits and Overdrafts	...	14,30,01.83	14,12,46.78	12,77,71.58
(b) Due from Banks	...	11,76.70	8,97.25	12,61.49
(xi) Internal bills purchased and discounted	...	2,20,46.46	2,15,96.03	1,80,23.11
(xii) Foreign bills purchased and discounted	...	62,00.70	60,43.96	51,45.65
(xiii) Total of X, XI and XII	...	17,24,25.69	16,97,77.05	15,22,01.83



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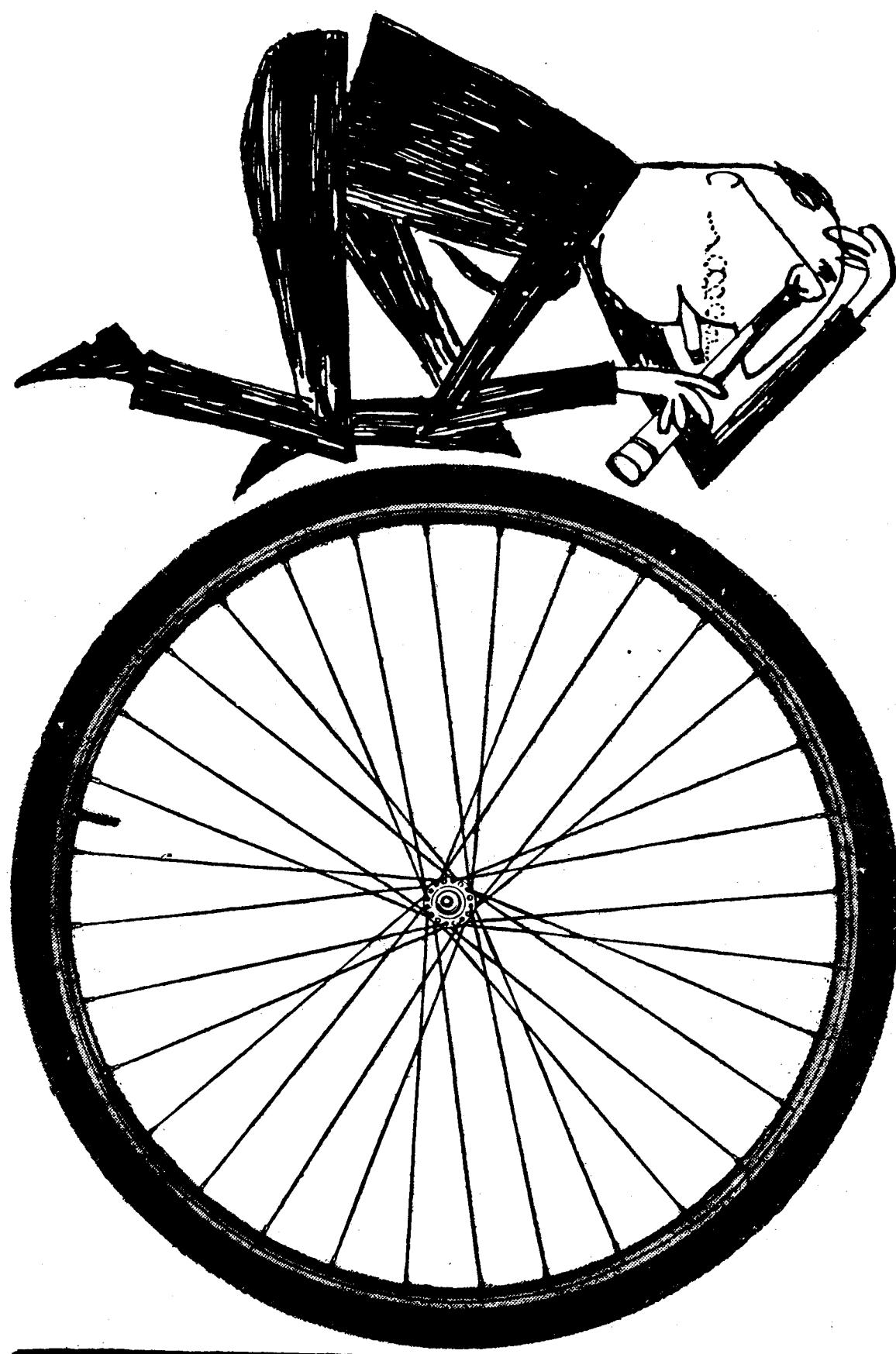
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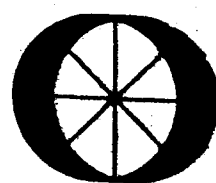
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DEVELOPING SMALL ANCILLARY INDUSTRIES IN INDIA

(FROM OUR NEW DELHI CORRESPONDENT)

AT its recent session in Bangkok, the E.C.A.F.E. heard an interesting paper on "measures to develop small ancillary industries in India". The author, Dr. B. L. Sharma, claimed that ancillaries in India had developed to feed the replacement market rather than the main assembler. These industries, according to Dr. Sharma, lack experience in manufacturing, and the quality of their technical know-how is low; nor can they remedy the situation by hiring experts, as the latter are often not available. The maturity which comes with experience is also lacking, so the growth of small ancillary firms does not get as much support from large industry as in advanced countries. An obvious answer to this situation is to find a means to enable small firms to gain the confidence, experience, maturity and technical competence "which allow ancillary relationships to forge ahead." All this will require time, so efforts should be directed towards reducing the period of apprenticeship for the small firms so that they may graduate into efficient sub-contracting units. It is in this direction that government policies and measures concerning ancillary growth become important.

The measures which might be initiated by Governments fall into various categories: (1) import restrictions to compel large-scale firms to buy parts and components from sub-contractors; (2) emphasis by the Government on large firms phasing out their dependence on foreign imports of specific items and finding alternative indigenous sources; (3) provision of catalytic agents such as cheaper credit facilities to import capital equipment and special raw materials to enable ancillary firms to become competent producers; and (4) provision of physical facilities for the efficient functioning of ancillary small units by establishing industrial estates in close proximity to the premises of large establishments, thereby creating a "natural pull" towards mutual relationship.

Dr. Sharma goes on to say: "In India, all the above measures have been applied in combination, and sometimes independently, to bring about the growth of ancillary firms. A functional definition has been adopted to make ancillary firms eligible for Government assistance. An ancillary unit in India is one which produces parts, components, sub-assemblies and tooling for supply against known or anticipated demand of one or more large units manufacturing or assembling complete products and which is not subsidiary to or controlled by any large unit in the negotiation of contracts for the supply of its goods to that unit. (This shall not, however, preclude an ancillary unit from entering into an agreement with a large unit giving it the first option to take the former's output.) In addition to the units manufacturing parts of a product for assembly or for the replacement market, this definition also covers establishments manufacturing castings and forgings for the parent unit. It is only the servicing units—repair shops and firms manufacturing general stock items—which are excluded.

"With the emphasis on industrialisation programmes during the successive five year plans, the small-scale sector has developed rather rapidly.

India provides a very large market for replacement and consumes large amounts of foreign exchange for the maintenance of machinery. The policy of ancillary development, therefore, is:

"(a) to classify the types of product and component which are required by newly established large plants for which capacity in the small sector already exists or can be developed.

"(b) to identify components and parts which are currently imported for maintenance and repair for machinery already functioning and further classify such of them as can be manufactured within the country, preferably by small firms.

"(c) to estimate the volume of products needed by the replacement markets."

By the end of 1961-62, contracts had been established with 20 undertakings in the public sector and 26 large units in the private sector for the promotion and establishment of more ancillary units, Dr. Sharma's paper says.

Public Sector

(1) **Hindustan Machine Tools, Bangalore**—This firm has made considerable progress in creating ancillary units. Twenty-five ancillary units have been established in addition to five already in existence, bringing the total number to 30. The firm's programme of expansion includes the establishment of another 20 units. Sixteen units are already in production and, in the case of 17 others, action has been taken to process the hire-purchase application with the National Small Industries Corporation and orders for the necessary machinery are being placed. Sufficient orders have been placed with the functioning units to procure as many finished and semi-finished parts as possible.

(2) **Heavy Electricals Ltd, Bhopal**—This undertaking has decided to create 50 ancillary units in the functional industrial estate being built up in an adjoining area of 132 acres. Sixteen units have already been chosen to act as feeder units; construction work on six sheds has been completed and four sheds have been allotted.

(3) **Praga Tools Ltd, Hyderabad**—This undertaking has sponsored five ancillary units to begin with. The entrepreneurs selected for this purpose have applied for machinery on a hire-purchase basis to the National Small Industries Corporation.

(4) **The Integral Coach Factory, Madras**—The director of Small Industries Service Institute, Madras, who is a member of the Regional Railway Equipment Advisory Committee, has been trying to procure as many items as possible for the small-scale sector. In consultation with the Small Industries Service Institute, Madras, 12 units have been selected to act as ancillary units for the supply of components and parts. Substantial orders have been farmed out to these firms by the factory.

(5) **The National Instrument Factory, Calcutta**—Fourteen ancillary units have been established as a result of the efforts made by the Small Industries Service Institute, Calcutta. The firm has agreed to farm out some of its items to the production-cum-training centre which is being

organised by the University of Jadavpur.

(6) **The Fertiliser Corporation Ltd, Sindri**—Two small-scale units are now working as feeder units supplying parts and components to the Corporation for its Sindri unit. One unit is being sponsored as an ancillary for the manufacture of chemicals required by the Corporation for its Nangal unit.

(7) **Hindusthan Antibiotics Ltd, Pimpri**—Five ancillary units are functioning on its ancillary industrial estate to feed it with parts and components. Two more units are being sponsored for the supply of additional components and parts.

(8) **Hindusthan Aircraft Ltd**—In consultation with the Rail Coach Division of Hindusthan Aircraft Ltd, a number of items which can be manufactured by the ancillary units were selected. For this purpose, ten units are to be established, namely, a tool room, forging shop, a unit to manufacture hardware, three units for precision machining work, one unit for the fabrication of aluminium windows, a sheet metal shop, a furniture shop and a sawmill. Hindusthan Aircraft Ltd will provide the proposed units with technical assistance so as to enable them to manufacture their items according to its standards and specifications.

(9) **Indian Telephone Industries, Bangalore**—As a result of the negotiations carried out with Indian Telephone Industries, a list of parts and components which it wants to procure from ancillary industries has been prepared. These items are being grouped suitably by the Small Industries Service Institute, Bangalore, for the purpose of sponsoring feeder units for them.

(10) **The Heavy Engineering Corporation, Ranchi**—Contacts have been established with this Corporation for the purpose of obtaining a list of items which it would like to farm out to small-scale ancillary units. The list will be furnished as soon as the production programme of the undertaking is finalised.

(11) **Indian Drugs and Pharmaceuticals Ltd, New Delhi**—The project authorities of the antibiotics plant in Rishikesh have been contacted. It is estimated that at least ten small-scale ancillary units may be established to manufacture various items which they would like the feeder units to supply. The details of the various items are being worked out.

(12) **Indian Oil Company, Bombay**—Originally, the undertaking contemplated establishing its own plants to manufacture drums and barrels for its requirements. As a result of the Company's efforts, it has agreed to get its supply of drums and barrels from small-scale units for its refineries in Barauni and Gujarat.

(13) **The Ministry of Defence: defence factories**—The small Industries Service Institute, Calcutta, is actively pursuing the selection of components and parts which can be manufactured in the small-scale sector required by the ordnance factory for the manufacture of tractors. It is expected that a large number of parts and components will be fabricated in the small scale ancillary units which can supply such parts not only to the ordnance factories,

but also to other tractor manufacturers in the private sector.

(14) **The Machine Tool Prototype Factory, Ambarnath**—Two ancillary units, a tool room and a machine shop, are being established to meet the requirements of components and parts for the factory in Ambarnath.

(15) and (16) **The Ministry of Railways: the Diesel Engine Plant, Varanasi, and the Chittaranjan Locomotive Works, Chittaranjan**—The Railway Board has been contacted to find out the requirements for various ancillary parts and components which can be developed in the small-scale sector for the production programme of the diesel engine factory in Varanasi and the Chittaranjan Locomotive Works, Chittaranjan. The Board has promised to furnish the details of such parts and components which can be manufactured by the small-scale units. The matter is being actively pursued.

(17) **Development of ejectors and steam brake valves**—Efforts have been made to develop these items in the small-scale sector for supply to the Indian railways; designs have been obtained from the Research Design and Standardisation Organisation, Ministry of Railways, Simla.

(18) **The Rehabilitation Industries Corporation Ltd, Calcutta**—The Corporation has helped to establish eight units on the industrial estate in Kalyani for the manufacture of ancillary parts to the following industrial establishments:

- (1) Jay Engineering Works Ltd;
- (2) Bata Shoe Company Ltd;
- (3) Dunlop Rubber Co. Ltd;
- (4) Sen-Raleigh Industries Ltd;
- (5) India Cycle Manufacturing Company;
- (6) Hindustan Motors Limited; and
- (7) National Instruments Ltd.

(19) **Hindustan Insecticides India Ltd**—As a result of the efforts made, this Company has agreed to purchase its requirements of packing cases from small-scale units.

(20) **Hindustan Cables Ltd, Burdwan**—The undertaking has agreed to establish a number of ancillary units to work as feeders of components and parts. To start with, a unit is being created as an ancillary for the supply of cable drums to this firm.

Private Sector

Greater attention has been paid by the Government to the development of ancillary industries in the private sector. In States where there is scope for development, special officers have been appointed exclusively for this work. The large units which will be served by ancillary units are: (1) Kirloskar Oil Engines, Poona; (2) Kirloskar, Harihar; (3) Ashok Leyland Ltd, Madras; and (4) Standard Motor Products Ltd, Madras.

The National Small Industries Corporation has been able to help in concluding arrangements whereby:

(1) a large sewing machine manufacturer of Calcutta is being supplied by several small units with components and parts;

(2) large-scale motor-vehicle manufacturers or assemblers are being served by several small firms with components and parts;

(3) manufacturers of machine tools are getting their castings from small foundries; and

(4) an oil refinery is being encouraged to get its supply of drums and containers from small manufacturers.

Problems and Remedies

"On the basis of India's experience", Dr. Sharma concludes, "some problems may now be highlighted. The most important among them is the lack of trust on the part of the large-

scale firms in the capacity of the small manufacturers to produce quality components and parts and to adhere to predetermined delivery schedules. Such confidence can only be built over time; what the Government can do in such cases is to bring highly efficient small firms closer to the large firms and enable the former through various means to fulfil their contracts. Such means will include supplying the right type of raw materials, technical counselling and testing facilities and a limited dose of finance. It will also be necessary to keep a watch on large firms so that they do not unnecessarily reject supplies made by the smaller units.

"Large-scale firms as a rule do not like to spare technical know-how, designs and inspection facilities to enable small firms to develop manufacturing to the desired standards. Although there are no satisfactory reasons for this, there is an element of resistance on their part which needs to be broken by persuasion and other indirect measures.

"The development of an ancillary relationship is also defeated by the presence of middlemen and merchants who act as financiers to the small firms and in turn take the entire production to be sold to the large assemblers. Apart from historical reasons, these relationships between the merchant-middlemen and the small manufacturers are sustained by the absence of industrial banking or by the unwillingness of commercial banks to lend to small manufacturers. The presence of the middlemen is felt much more in areas where industrial banking has still to develop. The dependence of small manufacturers on private financiers leads to unhealthy competition, price-cutting and consequent lowering of quality.

"The system of sub-contracting to be truly beneficial to small ancillary firms requires that there be: (a) a direct relationship between the ancillary and parent units; (b) a set flow of demand; (c) a period of sub-

contract sufficiently long to enable sub-contractors to invest in better machinery, tools, etcetera; and (d) arrangements for sub-contractors to get the required amount of inputs and technical assistance from the parent unit. It is only through such arrangements that ancillary relationships can develop on a lasting and firm basis.

"The measures taken by the Government of India towards the institutionalisation of credit and expansion of technical training facilities, the establishment of highly efficient machine tools industry, etcetera, are also expected to contribute to the growing ancillary relationships. To eliminate competition between large parent firms and the small producers in parts and components meant for the replacement market, a number of items for several industries are being demarcated for manufacture exclusively in the small-scale sector. Such measures together with others discussed earlier are expected to accelerate the pace of ancillary development.

"If the small-scale sector, which already suffers from various weaknesses, can be saved from the waste of undue internal competition through the establishment of ancillary relationships with main producers and assemblers. This will increase their stability. When small firms multiply in various fields, as has been the case in India, a natural tendency is for the large and small firms to get closer together. The distrust and lack of confidence which are noticeable in the early evolutionary history of the small sector, will fade away and a new era of co-operation and healthy growth will ensue.

"The advantages of sub-contracting to small firms, instead of establishing the needed capacity by the large firm itself, must be tested on the hard rock of costing; once savings can be expected on the basis of an ancillary relationship, no large firm will be further interested in carrying the load of expensive partially utilised equipment for the sake of the final

assembly. Similarly, no small firm likes to remain uncertain about the acceptability of its products in a market; certainty will enable it to plan its production on a more firm basis. The fact that cost consciousness requires time to develop in a developing country is yet another factor. Although there is some resistance in disclosing cost data among small-scale industries in India, it is felt that government counselling and assistance in working out a cost system for such firms will help to melt prejudices and to create steadier bonds of ancillary relationship."

COAL TRANSPORT

World Bank Study Team

Meetings of the Coal Transport Study Team sponsored by the World Bank will commence from 10th March, in New York to finalise its report. Members of the team have been in India to study the problems assigned to them. The study, it will be recalled, was undertaken at the instance of the World Bank, which has been a major financier for the development of the Indian railways, in addition to which it has provided funds for the modernisation of certain coalfields in India.

In addition to the Steering Committee consisting of Professor Edward Mason representing the World Bank and Mr. G. L. Bansil representing the Government of India, the Study Team consists of three economists including Mr. W. Malenbaum, one waterways expert, Mr. J. A. Jansen, one road transport expert, Mr. N. E. Carlson, and eight other specialists in various branches of transport including the railways. Mr. John Slater belonging to the well-known U.S. firm of consultants, Coverdale and Colpitts, is the leader of the group.

As provided in the contract, an interim report has already been submitted and is being examined by the Government of India. According to present indications, the Team will submit a draft report to the Government for its comments, in the light of which the final report will be submitted to the Government by the middle of this year. The interim report has already made some valuable suggestions, a summary of which was published in these columns. The final report is awaited with interest and should provide a good guide for the formulation of transport policy for the fourth five year plan.

SANDVIK ASIA

Expansion in Capacity

Sandvik Asia is planning to expand its capacity from 24 tons to 84 tons a year for the manufacture of hard metals in India. Its plan includes the expansion of manufacture of hard metal tips and tools.

FERTILISERS

Purchase through Interore

The Government is planning to buy a substantial quantity of fertilisers through Interore Ltd. The firm will be paid in foreign currency earned by the sale of sugar by this Company, it is learned.

SAURASHTRA

Cement Units to Expand

Cement factories in Saurashtra are planning to expand their capacity.

There is good calcareous sand in Saurashtra, but the major difficulty is fresh water. In fact, the inadequate water supply is the major handicap of both agriculture and industry in this part of India. The dry process may prove to be the best method of cement-making in Saurashtra.

INDUSTRIAL LICENSING

Swaminathan Report

The Swaminathan Committee, whose interim report on industrial licensing procedures has already been implemented, held another meeting last week. It will meet again on 24th February and on 10th and 24th March to finalise its report.

BOMBAY PORT

Finance from I.D.A.

The foreign exchange requirements of the development of Bombay port under the third plan are being financed by a loan from the International Development Association. One of the conditions of the loan agreement is that all contracts for the major construction works and for major items of imported materials and equipment required for the project will be awarded on the basis of international competitive bidding, having regard to sound engineering and financial practices.

In August 1963, the Bombay Port Trust invited applications by advertisement from firms of contractors in leading Indian and foreign newspapers and technical journals for particulars of firms interested in undertaking the following major development works at Bombay Port:

- (1) Extension of Alexandra dock.
- (2) Construction of a piled reinforced concrete jetty for the Konkan ferry traffic.
- (3) Extension of Ballard Pier to provide a deep water quay in block work placed under water.
- (4) Construction of a new passenger terminal-cum-transit shed and car park on a piled foundation.

Applications were received from 31 firms, of which six were Indian. On a scrutiny of the marine experience and financial resources of each of the applicants, the Trustees finalised a list of 16 firms on a global basis for being furnished with tender papers. One of the six Indian firms, namely, Messrs Hindustan Construction Company, has already informed the Port Trust that they will jointly tender for the work with Messrs Christiani and Neilsen of Denmark. Another firm, Steelcrete Ltd, has decided to tender jointly with Foundations Overseas Ltd of Canada.

The Port Trust is of the view that the other four Indian firms do not have adequate marine experience for independently undertaking a contract of the size involved in the project. Such of the marine works, which some of them have attempted, have been executed in collaboration with foreign firms. The type and scope of work carried out by them independently is not similar or comparable to that involved in the Port Trust's scheme.

The Port Trust, in the present case, had addressed the I.D.A. as to whether it could be stipulated that, if the principal contractors were a non-Indian firm, they should have as an associate an Indian firm of civil engineering contractors of repute. The I.D.A. did not agree to the condition but they added that if, in their own interest, a non-Indian firm wishes to associate with an Indian firm, there would be no objection, but they

should not be forced into such an association against their wishes. In these circumstances, the Port Trust could not stipulate collaboration with Indian firms as a condition. The Port Trust recently considered the matter further and has decided that tender documents should be furnished to the remaining firms if they want them for purposes of arranging collaboration with any of the selected firms.

MOTOR-VEHICLES

Expansion of Capacity

Expansion of capacity for the production of lorries and jeeps has been sanctioned. In the case of passenger cars, it has not been possible to sanction expansion of capacity so far due to foreign exchange and other difficulties. It is explained that the output of motor-cars during 1963 was less than that of 1962. This was due to the reduction in the allocation of foreign exchange, required for the import of essential components and raw materials.

Due to inadequate foreign exchange, no significant increase in output is possible until the indigenous content of the vehicles is substantially increased, say, to 90 percent. Necessary facilities have, therefore, been afforded to the manufacturers to step up the indigenous content.

The production of motor-vehicles in India in 1964 is likely to be as follows:

Name of manufacturer	Model of vehicles manufactured	Production capacity licensed (Nos./a year)	Likely production in 1964 Nos.
Hindustan Motors Ltd	Hindustan Ambassador car	10,000	10,000
Tata Engineering and Locomotive Co. Ltd	Tata-Mercedes-Benz commercial vehicles	24,000	16,000
Hindustan Motors Ltd	Bedford commercial vehicles	15,000	7,000
Mahindra and Mahindra Ltd.	Willys jeep vehicles including jeeps, utility vans (station wagons) and one-ton lorries	10,000	10,000
Ashok Leyland Ltd	Leyland "Comet" commercial vehicles	5,400	4,000
	"Beaver" heavy duty vehicles	2,000	—
Premier Ltd	Fiat cars	7,200	6,000
	Dodge and Fargo commercial vehicles	15,000	7,000
Simpson and Co. Ltd	Commercial vehicles (model not yet decided)	12,000	—

The estimate of demand for motor-vehicles by the end of the third plan period is as follows:

Commercial vehicles	60,000 a year
Cars	30,000 a year
Jeeps	10,000 a year

The percentage of the imported content of motor-cars manufactured in the country is as follows:

Standard car	39.82 percent
Ambassador car	23.09 percent
Fiat car	35.90 percent

The c.i.f. price of the imported pack (excluding Customs duty of each model) is as follows:

Standard car	Rs. 2,723
Ambassador car	Rs. 1,730
Fiat car	Rs. 2,000

MAHINDRA UGINE

Alloy Steel Plant

The International Finance Corporation, Washington, is providing assistance to the extent of Rs. 1.5 crores to Mahindra Ugine Steel Co. Ltd for setting up an alloy and

special steels plant in Maharashtra State. Of this, Rs. 40 lakhs is in the form of equity capital and Rs. 1.1 crore is a loan. The Government has approved of this arrangement. The clearances required by this project have been given. The plant is expected to go into production in the second half of 1966.

RAW WOOL

Import Reduced

The requirements of the country, on the basis of a target of 13 million kilograms for worsted yarn a year, are of the order of 20 million kilograms in terms of greasy wool. The annual consumption, however, was very much less because until December 1962, the woollen goods industry was working only 1.5 shifts, due to a reduced allocation of foreign exchange for the import of raw wool and wool tops. During the period 1962-63, total imports of wool tops were of the order of 5.3 million kilograms equal to 8 million kilograms of greasy wool. In addition, 6.3 million kilograms of raw wool were imported. In 1963-64 (April to October), the imports of wool tops were of the order of 5.9 million kilograms. A substantial quantity of the 6.3 million kilograms of raw wool has been used for worsted spinning. It is estimated that about 2.3 million kilograms of Indian wool blended with nylon has been used for the manufacture of worsted hosiery yarn. The Defence authorities are not satisfied

from India engineering goods, including tropicalised motors, diesel engines, pumps and sewing machines, drugs and pharmaceuticals, chemical products, cotton textiles, leather sandals (chappals) rolled steel products, tyres and de-oiled cakes apart from traditional items like tea, coffee, jute manufactures and shellac. India will continue to import from Bulgaria electric hoists, cranes, power cables, transformers, steel products, machine tools, ball bearings, mining locomotives, automatic looms, battery-operated trucks, pig iron, zinc, chemicals and capital goods.

CEMENT

Licences for New Plants

During the years 1961, 1962 and 1963, 17 licences were granted for setting up new cement factories or for effecting substantial expansion of existing units. Of these, two schemes relating, respectively, to a new unit and a case of substantial expansion, have been completed. Three licences have been revoked as effective steps were not taken by the parties. Eight schemes are likely to be completed in the next two years. The progress of the remaining schemes is being watched and licences will be revoked, should the parties show insufficient interest in executing the schemes.

RUBBER

Expanding Cultivation

In order to find additional areas of rubber cultivation, the Rubber Board, Kottayam, conducted surveys jointly with the State Governments of Kerala, Madras, Mysore, Maharashtra, Tripura and the authorities in the Andaman and Nicobar Islands, where conditions suitable for rubber cultivation are reported to exist. The surveys have shown that it may be possible to extend rubber cultivation to an additional area of about 300,000 acres in Kerala, Madras, Mysore, Tripura and the Andaman and Nicobar Islands.

TRACTORS

Imports to be Increased

The indigenous production of tractors in 1964 is estimated at 4,500. Arrangements have been made for import of 1,000 s.k.d. packs from Poland and 1,400 tractors for Russia during 1964 through the State Trading Corporation. It has also been decided to import an additional 1,000 packs from Poland. The question of importing more tractors from other east European countries is being considered.

ALLOY STEEL

Progress of Plan Schemes

The third plan target of production by 1965-66 for alloy, tool and special steels excluding electrical steel sheets, spring steels and free-cutting steels is 200,000 tonnes. The total demand including electrical steel sheets, spring steels and free-cutting steels has been estimated by the National Council of Applied Economic Research at 500,100 tonnes in the fourth plan period. At present, only about 29,000 tonnes of spring steel and 34,000 tonnes of electrical steel are produced. Including the public sector alloy steels plant in Durgapur, a capacity of about 600,000 tonnes has been licensed. It is expected that only a part of the licensed capacity

will have been created by the end of 1965-66.

FOUNDRIES

New Private Units

Some 21 foundries using pig iron have been established during 1963 in the organised private sector. No foundry has been established in the public sector during 1963.

IRON ORE PELLETS

Selling to Japan

A formal contract with the Japanese steel mills for the sale of iron ore pellets is being negotiated by a Goan firm which is also setting up a pelletisation plant for the purpose.

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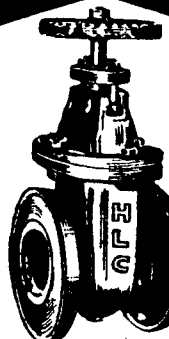


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KEEPING BRITISH SCIENTISTS AT HOME

(FROM OUR LONDON CORRESPONDENT)

LAST week saw the appearance of a regular spate of announcements of leading British scientists, working on valuable research projects, who are to leave Britain for better paid posts in other countries—mainly the U.S.A. In one case, a whole research team is to emigrate. Not surprisingly, this development has given rise to concern in many quarters which has been crystallised in the debate in the House of Commons on the functions of Mr. Quintin Hogg, Minister of Education and Science, and just how civil scientific research is to be organised. At the same time, it has served to revive interest in the Trend Report dealing with this vexed question.

Of immediate importance is the question as to whether anything can be done to stop what is referred to as the "brain drain". According to the prospective emigrants themselves, more money is not the attraction—more important, they say, is the better facilities afforded to research workers by American institutions. The Government's position is rather difficult, for it would seem that it has yet to finalise its policy on scientific manpower and organisation, although it is believed that most Ministers are broadly in favour of implementing the recommendations of the Trend Committee. It has been found that science cannot be separated from higher education—hence Mr. Hogg's overlord appointment for both departments with Sir Edward Boyle relieving him of the regular routine connected with education alone.

Ministers deplore as much as anyone the loss of trained scientists. They feel compelled to conclude that the attraction of American salaries and conditions is an economic fact of life which Britain must accept. It is difficult to see how Britain can match the terms which lure scientists from many European countries. In her spending on science per head of population, Britain equals France and West Germany put together, but she is particularly vulnerable to American counter-attractions because British scientists need not be deterred by language difficulties. In the Government's opinion, the true basis of the comparison is the proportion of the gross national product which a country spends on research and development. In Britain it is about 2.5 per cent, against 2.7 in the United States. This suggests that Britain is not doing too badly.

Student Population Doubles

It is pointed out that in the last decade, Britain's student population has doubled. Under the Robbins plan it will rise by another 50 per cent in the next four years. Short of doub-

ling scientists' salaries and granting them unlimited finance for their departments, it would appear that the only way to be sure of keeping them in Britain would be to withdraw their passports. The Government has no intention of restricting their movements, however acute the problem.

If the scientists' contention that better facilities, not higher salaries, are the main attraction that America has to offer is true, it is interesting to examine the Trend Report to see what it is proposed Britain should do in this matter. The report has been written with the assumption that there is going to be a continued growth of scientific research in Britain. In the concluding paragraphs the Committee says that it has supposed the "Government's intention to reinforce the growth of the economy by an intensification of the effort devoted to scientific research and development in the civil sector and, therefore, to put at the disposal of the agencies involved resources on a sufficiently generous scale to ensure that they do not lack the means to realise their full potentials."

Among the more striking recommendations in the report are the following:

The Department of Scientific and Industrial Research should be broken up into three new research agencies.

There should be a new autonomous Industrial Research and Development Authority to be responsible for most of the Government's present responsibility for industrial research, including the work of the National Research and Development Corporation.

The Minister for Science should be given more power, especially in allocating money to the various agencies concerned.

The chairmen of the research councils should be full-time appointees, professionally qualified.

The Ministry of Science should have a stronger staff.

The report starts from a review of the present arrangements for supporting civil research with public money, and the Committee has evidently been impressed with the speed at which this has grown. In the financial year 1945-46, the report says, total public spending on civil research and development was £6.58 million, but by the year 1962-63, this had grown to an estimated £151.6 million.

A review of existing arrangements for supporting civil research leads the Committee to the conclusion that the pattern of organisation is not

"coherent and articulated," and that the arrangements for co-ordinating the Government's scientific effort and for apportioning resources rationally are "insufficiently clear and precise." For one thing, the report says, the growth of scientific activity has blurred the old distinction between the universities and the research councils, with the result that the universities have tended to become less self-sufficient in promoting research.

The Committee considers that the Agricultural and Medical Research Councils have "stood the test of time," but there is a lack of co-ordination in the support of newer developments such as nuclear physics and space research. It draws attention to the way in which the Nature Conservancy supports ecology but not fisheries research, oceanography and hydrology, and says that the most striking example of divided and obscured responsibility is the fact that the Admiralty retains responsibility for the Royal Observatory even though the D.S.I.R. is responsible for all other forms of astronomical research.

Industrial Research

In its criticism of the arrangements for supporting industrial research, the Committee doubts whether the D.S.I.R. can continue to be responsible for the general support of scientific research (as at the universities) as well as for promoting and stimulating research by industry itself. It says that the efforts of the D.S.I.R. are not properly co-ordinated with those of other bodies, and it goes on to say there "is a clear need for greater concentration of effort and for some means of ensuring that research is enlisted in support of those activities which are the most important for the economy as a whole."

Generally, the administration of Government support for civil research is said to lack both concentration and flexibility.

The Committee has some polite things to say about the Advisory Council on Scientific Policy, whose function is to advise the Minister for Science, but then goes on to complain that the Council is prevented from doing its job "by several organisational defects," including the way it is not concerned with finance, its mixed membership of official and unofficial representatives, and the small size of its secretarial staff.

Accordingly, the Committee says that the time has come to redefine the relationship between the Minister for Science and the agencies for which he is responsible, and it also calls for arrangements to provide him with advice "which will be not merely authoritative but also effective." The report goes on to consider in turn the detailed arrangements that should be made in various fields:

The Committee considers that university research should be supported, as at present, out of more than one purse, largely because "centralised provision carries with it the serious risk that potentially fruitful ideas may be nipped in the cold winds of chance or of academic prejudice."

granted with the teaching programme of a university should be supported out of money provided by the University Grants Committee, and by which additional work is supported by earmarked grants from one or other of the research councils.

The suggestion that the U.G.C. should support all research, or that the councils should do so, are specifically rejected, although the Committee does draw attention to the need of criteria (on the lines worked out for the current university quinquennium) for deciding when the U.G.C. should assume responsibility for work begun with subventions by the research councils.

The Committee's criticism of the research councils are concerned not so much with the principle that these bodies should be responsible for most Government support of civil research, but with the deficiencies of the existing arrangements for seeing that these tasks are done. The D.S.I.R. is most affected by what the report has to recommend. The essence of the case against the present arrangement is, according to the Committee, that the responsibility for supporting research in the physical sciences and for encouraging industrial research is too great to be handled by one body.

As far as the support of scientific research is concerned, the Committee recommends the creation of two new research councils (to have the same constitutional status as the Agricultural and Medical Research Councils): one of these would be the Science Research Council, and the other the Natural Resources Council. According to the Committee, the Science Research Council should be responsible for applied as well as pure research at the universities, for the National Institute for Research in Nuclear Science as well as for the British commitment to the European Centre for Nuclear Research (C.E.R.N.) at Geneva; for space research and for the Royal Observatories, Meteorological research should stay with the Air Ministry, the report decides.

The Natural Resources Research Council should include the functions of the present Nature Conservancy as well as for research into hydrology, fisheries and "related aspects of aquatic biology"; the Geological Survey and the Soil Surveys; long-term forestry research and research into oceanography (although the Admiralty would remain financially and administratively responsible for the National Institute of Oceanographic Research).

Public Support

The main proposal for increasing the effectiveness of public support for industrial research is that there should be created an Industrial Research and Development Authority, standing in the same relationship to the Minister for Science as the research councils, and equipped with something resembling commercial independence. In particular, the Authority should take over most of the research stations now run by the D.S.I.R. The Authority would also support applied research at universities and other such institutions; would be responsible for the co-operative research associations now run by the D.S.I.R. and would be expected to decide how (and whether) these should continue; and would make "techno-economic surveys" of industries.

The work of the Authority will impinge most directly in industry through the proposal that it should be responsible for research and development contracts with industry, and the mechanism suggested is tantamount to a fusion of the present grant-giving functions of the D.S.I.R. with the work of the National Research and Development Corporation.

PAKISTAN BANS CULTIVATION IN BORDER AREAS

THE East Pakistani Government has reimposed the ban on cultivating jute in the five-mile border belt with India, except in certain areas where quality fibre is grown and where the cultivation of an alternative crop is not feasible. The decision has a two-fold objective. First, to stop the smuggling of fibre to India which, according to Pakistani sources, has resulted in a sharp decline in that country's jute exports to India. Secondly, the abundant supply of low-grade fibre, generally grown in the border areas, has caused "some difficulty" in disposing of jute in Pakistani markets.

Unions bordering the Indian State of Tripura, where very good quality jute is grown, will be exempted from the ban. But anti-smuggling measures will be tightened there, and arrangements will be made to mop up the entire produce. River banks on the border will also be allowed to grow jute as it is not possible to cultivate other crops there. The Government proposes to encourage the cultivation of *aus* paddy and sugarcane in the prohibited areas by providing substantial agricultural loans to farmers. However, for domestic consumption, they will be allowed to grow jute on 3.125 per cent of their basic acreage, subject to a maximum of 0.16 acres.

Although a similar ban was imposed for the current season, it could not be effectively implemented and substantial lots of contraband jute reportedly entered the Indian markets across the long frontier. The smuggled fibre passed off as high-grade Daissee jute, and was exchanged for rice and paddy, which were available at lower rates on this side of the border. Jute circles in Calcutta feel that any unilateral action is not likely to produce the desired effect. Since both Governments are anxious to prevent smuggling, they should be able to evolve satisfactory measures after mutual consultations.

I.J.M.A. Annual Meeting

The annual general meeting of the Indian Jute Mills Association will be held at the Royal Exchange, Calcutta, on 20th March at 12 noon.

Gunny Production Falls

Working at the maximum level for 216 hours in January, against 208 hours in the preceding month, mills reporting to the I.J.M.A. produced 101,600 tonnes of gunnies last month, compared with 107,300 tonnes in December. Hessian output shrank by 3,900 tonnes to 42,600 tonnes, sacking by 2,300 tonnes to 41,400 tonnes and carpet-backing cloth by 700 tonnes to 8,200 tonnes, while miscellaneous goods registered a small increase of 1,200 tonnes to 9,400 tonnes. The decline in production was due to the dislocation in working caused by the communal disturbances in Calcutta. The fall in hessian production is attributed to the comparatively small export demand for the fabric, and the diversion of hessian looms to sacking due to the seasonal rise in the internal demand for heavy goods. In January 1963, the mills worked at the same level for 208 hours, producing a total of 103,100 tonnes of jute goods, of which 45,100 tonnes were hessian, 44,700 tonnes sacking, 5,400 tonnes carpet-backing and 7,900 tonnes other goods.

Fibre Market Quiet

Sluggish conditions have persisted in the raw jute market for some time

now. There was a shortlived firmness early this month, induced by the brisk purchases made by mill agents in upcountry markets in selected grades for all positions against the February quota of 540,000 bales. Subsequently, mills have shown little interest. The slackness is a seasonal phenomenon at this time of year. With their warehouses in Calcutta and in the agencies overflowing with fibre stocks, mills are now hardly in a position to buy any appreciable quantity of jute.

Moreover, with the disposal of practically the entire output of better-grade fibre, there is a glut of lower-grade stocks with holders. The small quantity of better-grade jute still left over is with strong holders. Due to the small interest shown by mills in off-grade stuff, some selling pressure has developed in the market and prices have tended to soften a shade below the official floor level. Early in the month, when prices had hardened somewhat, lower-grade fibre too looked up since it was felt that the mills would have to buy poor quality jute to complete their quota. But instead of accepting high prices, the mills slowed down their offtake since the quota was a small one.

Opening the season with a carry-over of 1.96 million bales, the mills purchased 5.57 million bales by the end of January, making a total of 7.53 million bales. Out of this, consumption up to the end of that month was 4.21 million bales, leaving a closing stock—in Calcutta, uncountry areas, and in transit—of about 3.32 million bales. Together with the J.B.S.A. stock of 775,000 bales, the opening stock for February was roughly around 4 million bales, which will last for more than six months at the present rate of consumption of around 625,000 bales a month. Besides, the stocks now require to be turned over. So the mills would like to go slow with their new purchases. Market circles fear that it will be difficult to clear the heavy glut of lower-grade fibre.

THE JUTE MARKETS

Manufactured Goods: Dull conditions prevailed in the Calcutta gunny market during the past week. Holders became nervous due to the lack of overseas interest. Mills also seemed to be worried over the accumulation of stocks. Some of them emerged as keen sellers for all positions even at current levels, thereby depressing Indian Government tenders for about 4,000 bales of B Twills for ready and near delivery, routine transactions were reported. Reports of congestion caused by about 18 vessels at Sandheads due to the shortage of shed berths in the Calcutta docks slackened the offtake of ready goods by ship. Mills were experiencing difficulty in guaranteeing alongside delivery because of the shortage of lighters. The sluggishness in the spot market affected as well. Tired long futures market induced by end-of-account liquidation and some bear-selling considerations and some bear-selling caused a severe setback to sentiment and prices fell to new lows. Small and business was reported at lower levels in May contracts. The contango in spot market and moderate in the futures market. The undertone was hesitant at the close.

Wednesday's quotations were as follows:

	Feb.	Mar.	Apr.-June	July-Sept.
40in. 71oz.	34.00	34.55	34.25	34.10
40in. 8oz.	37.15	—	—	—
40in. 10oz.	45.89	45.85	45.95	45.90
B Twills	119.75	110.25	111.40	111.70
Corn sacks	115.75	115.25	114.50	114.50
Heavy Cees (Plain)	110.00	110.00	111.00	111.25
A Twills	137.50	135.00	134.00	134.25
Liverpools	125.75	125.75	125.75	125.75

Raw Jute: Trading was dull in the raw jute market during the past week due to the holidays and the slackness in mill offtake. Weak holders of lower-grade fibre were keen on disposing of their stocks, and prices softened in Assam Bottoms and Northern Bottoms in the spot section both in Calcutta and in the agencies. Small transactions of a routine nature were done around the lower levels. Holders of Daissee jute were not inclined to offer discounts and so its price was well maintained. In the futures market, interest slackened in Upper Assam White Bottoms for March due to the approach of the due date, and the price reacted to the official floor level of Rs. 30 a maund. Turnover was small and the undertone easy at the close.

Wednesday's quotations were as follows:

Landed at Mills (Basis Bottoms)	Current Prices		T.S.D. Minimum Prices	
	Rs. A Qu.	Rs. A Md.	Rs. A Qu.	Rs. A Md.
Assam-Agartala	20.38	20.60	20.38	20.60
Jute	79.04	29.50	79.04	29.50
Northern Jute	75.02	28.00	75.00	27.70
Western Desal	91.09	34.00	93.74	32.00
Jute Selected	87.08	32.50	83.05	31.00
Daissee	—	—	—	—
Assam-Agartala	63.32	25.50	72.34	27.00
Tossa	63.32	25.50	72.34	27.00
Mesta:	62.96	23.50	66.98	25.00
Assam-Northern	—	—	—	—
Local Daissee	—	—	—	—
Bihar Dist.	—	—	—	—

THE U.K. JUTE MARKETS

(FROM OUR DUNDEE CORRESPONDENT)

Very little change took place in the raw jute markets in Pakistan during the past week. Prices in Dundee were all more or less at the previous levels. Prices of loose white jute were tending to rise, but this was not reflected in offers being made. Shippers were anxious for business and the lower grades were available at well under minimum export rates.

Dundee spinners were not showing much interest, but there was always some movement taking place in the fibre. During the first seven months of the season, registered sales to the U.K. were approximately 532,000 bales, and it is estimated that during the remainder of the season, buying will have to average 10,000 bales weekly. The fire in No. 2 hold of the *City of Dundee* which was discharging jute at Dundee has not been so bad as expected. Most of the bales appear to be in near sound condition, although some of them may be damaged by water. There were 7,000 bales in No. 2 hold.

Offers made were very irregular with the lowest rates at £141 for Mill Firsts, at £111 for Mill Light-

nings, at £95 10s for Mill Hearts and at £81 for Grade Hearts, c.i.f. U.K., for February-March. Grade Tossa-2/3 was available at £125 and Grade Tossa-4 at £107. Output Tossa-2/3 was at £94 5s and Output Tossa-4 at £94, February-March. Cuttings were firm at £57 for S.N.C. and at £49 for N.C. Offers of mesta became rather scarce at £84 5s for A, at £73 10s for B, at £66 for C and at £48 15s for cuttings, c.i.f. U.K., February-March.

The Siam jute market was firm but irregular. There were sellers of grade A at £78, of grade B at £69 10s and of grade C at £64 5s, delivered mill Dundee for February-March shipment. Cuttings were not being offered.

The Calcutta goods market fluctuated within narrow limits. A fair amount of buying took place for early shipment. Quotations were at 71s for 40in. 10oz. and at 53s 7d for 71oz. a 100 yards l.o.b. Calcutta for February shipment, at 71s and 53s 4d March and at 71s and 52s 8d April-June. B Twills were at 172s 7d, 173s and 174s 3d for the respective shipment periods.

Dundee spinners and manufacturers were busy and further orders were being received for forward delivery. Yarns in particular were very difficult to obtain and many spinners have been running late with deliveries. This is slowing down cloth production in some instances. The carpet trade continued to take regular deliveries of both yarns and cloth and there was every indication that this would continue. The heavy end of the trade is also well supplied with orders and narrow sacking is only available in the forward position.

THE PAKISTANI JUTE MARKETS

LITTLE ACTIVITY IN FIBRE

(FROM OUR Dacca CORRESPONDENT)

THERE was absolutely no change in any sector of the jute market last week, and this week few are expected. On account of the Idd holidays and others, all offices and business premises will remain closed for five days.

While the market remained unmoved due to heavy stocks here and overseas and purchases were limited, transport problems continued to grow. Rail bookings to port were stopped spasmodically. The port is so congested that there are 35 vessels waiting outside to enter. Yet it is frequently impossible to find a vessel which will lift the specific Continental destinations. Fortunately from now on, the traffic in jute to ports begins to fall off, which may help to relieve the congestion. There has been no improvement in the port and certainly by the increase in traffic, it begins to look as if the time is not so far away when the port will come to a standstill and the jute trade will be very seriously affected both in shipping manufactures and raw materials.

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Commodity Markets

STEADY DEMAND FOR TEA AT LOWER RATES

(BY A SPECIAL CORRESPONDENT)

THE Calcutta auctions continue to dispose of about 100,000 packages of tea including dust a week. Tippy teas sell well and so do dusts, but the price range is somewhat disappointing in view of the mounting costs. Up to sale No. 33 in early February, 79½ million kilograms were sold at Rs. 5.31 a kilogram. The comparable figures for last year were 81.4/5 million kilograms at Rs. 5.40 a kilogram. So with lower prices, less production, higher costs and taxation, dividends may be lower. The comparison of dust sales shows the same downward tendency in price, but the amount actually disposed of is slightly higher this year.

The total world crop has not been as big as was expected. The production figures for the past three years are:

(In million lbs)		
1963	1962	1961
1,419	1,408	1,418

The weather report for January was published on 14th February. The I.T.A. reports favourable weather in Upper Assam, and except in Doom Dooma, the prospects for an early opening look good. In the central area conditions are fair, but rain is wanted in Lower Assam. The weather is abnormally cold in Cachar, a comment which applies to the entire Dooms. Darjeeling reports normal conditions. It is somewhat early to guess how the 1964 crop will be, but the above report does not suggest a very early surplus.

Some interesting comments on selling Indian tea come from Brussels, the headquarters of the European Common Market. It is stated that a sustained and systematic effort will be necessary if any worthwhile trading is to be done. The Continent remains a coffee drinking area and habits are difficult to change. Even in Britain tea is losing ground to coffee. Furthermore, Indian tea is not yet available everywhere in Europe. In West Germany and Austria, Ceylon has already established connections. European drinkers are guided by cost and the inferior qualities available are spreading further the generally poor impression about tea.

While the British take tea mixed with milk and sugar, the Europeans prefer it with lemon. The Indian Tea Board has been offering free tea with a dash of orange. There is no doubt that the Tea Board is going all out to popularise Indian tea by serving it freshly brewed or cold at fairs, parties and social occasions. But there does not appear to be any strong move by the trade to get new markets. The business is already said to be firmly in the hands of established distributors, but no mention is made of the steps being taken by the U.K. blenders to secure markets in western and eastern Europe.

Another important point is preparing tea. New users do not take kindly to the long time for preparation when instant coffee is freely available. According to news from Brussels, a powdered tea with carbohydrate additions and instant infusion has not so far produced encouraging results.

Finance for Development

Frequent references have been made to the high cost of Government

finance for the development of tea gardens. The Assam Government has constituted a committee to look into this question. The main issue is development finance for tea estates and the security on which loans should be granted. Companies depend for their working capital on advances from local banks which are given against hypothecation of crops together with first charge on the fixed assets of the debtor garden. To obtain development loans borrowers will have to be simultaneously indebted to the Tea Board. The industry has worked on the present *pari passu* credit arrangement for some time and it has proved satisfactory.

The new development loans relate to irrigation schemes, replacement of machinery and housing of plantation labour. The Tea Board administers the irrigation, replantation and machine replacement loans and holds that some banks had agreed to *pari passu* arrangements. The industry stressed the point that all the scheduled banks providing credit for working capital of the tea industry had not agreed to such an arrangement.

The point again came up when the State Government's Town and Country Planning Department reported that the grant of loans under the plantation labour housing scheme had not made much progress because of the question of the security to be furnished by the tea estates for loans had not been finalised. A mortgage on the land on which housing schemes are carried out or on the houses built under such schemes has not been found practicable, as the first charge on the fixed assets of the gardens is held by the scheduled banks which advance the working capital. There is no legal provision for a continuing second charge on the same assets and companies or *pari passu* often have to enter into other arrangements with banks or other financing institutions other than the Government. The Assam Government, therefore, thinks that the only practical solution is to route its own housing loans through the Tea Board, which already holds a second charge through the *pari passu* arrangement.

The Assam Co-operative Apex Bank made a demand at the recent committee meeting that it should be put on the same footing as the scheduled banks for the purpose of *pari passu* arrangements under the Tea Board's loan schemes.

As for irrigation of tea gardens, little progress was reported. There had been no survey to assess the water needs of the gardens or to locate the sources from which the needs could be met. The Government of Assam pleaded that it had neither the technical personnel to survey irrigation possibilities nor the funds to undertake any irrigation project for the gardens. The Committee, therefore, came to the conclusion that tea interests should themselves carry out the survey for the irrigation projects. The Tea Board informed the Committee that the Central Government had agreed to a crore of rupees being earmarked for loans for sinking deep tubewells for irrigation. Rs. 1 lakh would be the ceiling on loans to any individual tea garden for tubewell projects.

COTTON TEXTILES

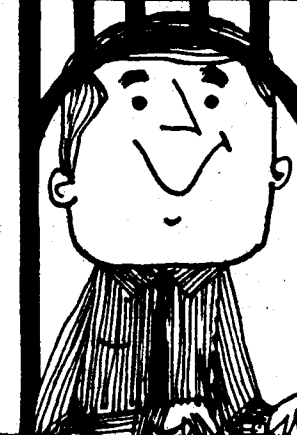
U.K.-Hongkong Agreement on Imports

THE representatives of the British and Hongkong cotton industries have negotiated a new agreement on the categorisation of imports. To a highly complex problem, a solution has been found which is probably as simple as could reasonably be expected, and it is apparent that those con-

cerned contemplated and provided for most of the contingencies that are likely to arise when the arrangements are in operation.

The effect of the arrangements is that all exports of cotton products from Hongkong from 1st January, 1964, shall be classified into 34 separate categories including three for yarn, 15 for piecegoods and 16 for made-ups and garments. So far as piecegoods and made-up goods are concerned, 18 of the 31 categories are immediately affected. In six of these,

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the new controlled level will be 115 percent of the 1963 performance, while in a further eight categories, the permitted level will be 130 percent of 1963 shipments. Special arrangements have been agreed for four further sensitive categories.

As far as the remaining 16 categories are concerned, no restrictions are to be brought into force at the present time, but the new arrangements provide that similar restrictions may be imposed for 1965 on any one category in which exports reach the equivalent of 3 million square yards or more during 1964. As for cotton yarns, on which there is already an overall limitation of 6.3 million lbs a year, it has been agreed that not more than 81.5 percent of this total quantity may be shipped annually as folded yarn and that not more than 5 percent may be exported as processed yarn.

For the purpose of bringing the new arrangements into force, 1964 is to be regarded as a transitional year and only 50 percent of the total 1964 cotton quota will be affected by the categorisation scheme. For 1965, the new arrangements will apply to the whole of the annual quota. The Cotton Board considers that the present arrangement, which in effect is a modification of the cotton undertaking between the Hongkong and the U.K. Governments, represents, together with similar arrangements being negotiated with other exporting countries, a practical and constructive step towards greater stability in the British domestic market. It should inspire greater confidence and provide a firmer basis for the future. The Cotton Board, accordingly, feels it right to place on record its appreciation of the realistic and co-operative attitude displayed throughout the negotiations by Hongkong.

One especially satisfactory aspect of the new arrangement is that it sets a precedent and should thus facilitate the drafting and adoption of similar schemes for regulating imports of cotton goods from India and Pakistan. If this can be done, the danger of especially severe hardship in particular sections of the Lancashire industry should be greatly reduced—there should be no sudden large influx of cheap imports of one class of goods which threaten the existence of the domestic producers of those goods.

ZINC

More Liberal Imports Urged

In his presidential address at the annual general meeting of the Indian Zinc Oxide Manufacturers Association, held in Calcutta last week, Mr. D. P. Kajaria pleaded for a more liberal policy concerning zinc imports. The metal is the principal raw material for the zinc oxide industry, the existing capacity of which is not being fully utilised. Referring to imports of zinc being allowed mostly from the D.L.F. sources, Mr. Kajaria observed that U.S. sources were not able to offer timely supply of this raw material. Even where they were prepared to supply, the price was considerably higher than that prevailing in the general licensing area. He suggested that larger imports of the metal from the general licensing area would not only enable the manufacturers to import a comparatively large quantity of zinc for the same value of licence, but at the same time, would help increase production and effect necessary economies to keep the price at a reasonable level. Mr. Kajaria also urged the Government to consider and introduce annual licensing for the zinc oxide industry. This would help the manufacturers to plan the shipments in such a way that their production programmes were not affected.

COMPANY AND PUBLIC NOTICES

DALMIA IRON & STEEL LIMITED

NOTICE is hereby given that the Eighth Annual General Meeting of the Company will be held at the Registered Office of the Company at Rajgangpur (Dist: Sundergarh, Orissa State) on Wednesday the 25th March, 1964 at 3 p.m. to transact the following business:—

1. To receive and consider the Directors' Report, the Auditors' Report and the Audited Statement of Accounts for the year ended 30th September, 1963.
2. To declare dividend.
3. To elect a Director in place of Shri Mohanlal Goenka who retires by rotation and is eligible for re-election.
4. To elect a Director in place of Shri N. C. Roy who retires by rotation and is eligible for re-election.
5. To elect a Director in place of Shri J. P. Kejriwal who was appointed as an Additional Director on 29th April, 1963 and who holds office as such upto the date of the Eighth Annual General Meeting. Notice has been received from a shareholder under Section 257 of the Companies Act, 1956 proposing his candidature for the office of Director.
6. To appoint Auditors and to fix their remuneration.

By Order of the Board of Directors.

For DALMIA IRON & STEEL LIMITED,
K. NATH & CO.
Secretaries.

30th January, 1964.

NOTES:—

(a) Every shareholder entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him/her and such proxy need not be a shareholder. The proxies should, however, be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.

(b) The Register of Members & Share Transfers of the Company will remain closed for accepting Share Transfer Applications from 10th March to 25th March, 1964, both days inclusive.

(c) The dividend when sanctioned will be paid to those shareholders whose names would appear in the Register of Members on 25th March, 1964. Dividend Warrants are expected to be posted by 20th April, 1964.

(d) Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 for item No. 5 of the Agenda is being forwarded to the members of the Company.

CHITAVASAH JUTE MILLS COMPANY, LIMITED

Annual General Meeting

NOTICE

NOTICE is hereby given that the Share Transfer Books of the Company will be closed from 27th February, 1964 to 12th March, 1964, both days inclusive.

By Order of the Board,
McLEOD & CO. LTD.,
S. HOCKLEY,
Director.

Managing Agents.
3, Netaji Subhas Road,
Calcutta-1.

12th February, 1964.

PUNJAB MINERALS COMPANY, LIMITED

NOTICE is hereby given to the Members of the abovenamed Company that an Annual General Meeting of the Company will be held at the Registered Office, Chartered Bank Buildings, Calcutta, on Friday, the 20th March, 1964, at 11 A.M. for the following purposes:—

1. To consider and approve the Audited Accounts of the Company for the year ended 30th September, 1963, and to receive the Directors' and Auditors Reports thereon.
2. To appoint a Director in place of a retiring Director.
3. To appoint Auditors and to fix their remuneration.

As Special Business

4. To consider, and if thought fit, to pass with or without modification, the following resolution of which a notice has been received by the Company from one of its members in terms of Section 257 of the Companies Act, 1956, and which will be proposed as an ordinary resolution:—

“RESOLVED that Mr. P. K. Ray Choudhury be and is hereby appointed a Director of the Company whose period of office shall be liable to termination by retirement of Directors by rotation.”

The Share Transfer Register of the Company will be closed from 5th March, 1964 to 20th March, 1964, both days inclusive.

By Order of the Board,
P. PRASHAD,
Chairman

Registered Office:
Chartered Bank Buildings,
Calcutta, 31st January, 1964.

Notes: (a) A member entitled to attend and vote at this Meeting may appoint a proxy to attend and vote instead of himself. A proxy need not be a member of the Company.

(b) The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of the Special Business set out above is being sent to the members.

BIRDS INVESTMENTS LIMITED

NOTICE is hereby given that the Twenty-seventh Annual General Meeting of the Shareholders of the Company will be held at the Registered Office, 4, Lyons Range, Calcutta, at 11-15 a.m. on Thursday, the Nineteenth day of March, 1964, for the following purposes:—

1. To consider and approve the Audited Accounts of the Company for the year ended 30th September, 1963, and to receive the Directors' and Auditors' Report thereon.
2. To declare the dividends recommended by the Directors.
3. To elect Directors in place of Mr. D. L. V. Rowe and Mr. K. K. Dutt who retire at the Meeting.
4. To appoint Auditors and fix their remuneration.

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

The Share Transfer Registers of the Company will be closed from 5th March, 1964 to 19th March, 1964, both days inclusive.

By Order of the Board,
LOVELOCK & LEWES,
Secretaries.

Registered Office:

4, Lyons Range,
Calcutta-1.
14th February, 1964.

NOTE: Dividends, if declared, will be paid to registered Shareholders or their mandatees only.

ESCORTS LIMITED

26, Faiz Bazar, Delhi-6.

FINAL CALL NOTICE

THE Board of Directors in their meeting held on 24th January, 1964 have decided to call the balance sum of Rs. 2/- per share on 5,60,000 Equity Rights Shares of Rs. 10/- each allotted on 27th January, 1962 thus making the shares fully paid up with effect from 1st May, 1964. Notices to shareholders are under despatch. The amount is payable upto 30th April, 1964, either by a Demand Draft or cheque drawn on a Delhi or New Delhi bank or by Money Order to the Company's Bankers, the National & Grindlays Bank Limited, H-Block, Connaught Circus, New Delhi. No amount is to be sent to the Company direct. Interest at the rate of 9% per annum shall be chargeable with effect from 1st May, 1964 on all amounts remaining unpaid in terms of this call till the date of actual payment.

By Order of the Board,
P. L. Jaitly,
Secretary.

February 10, 1964.

(CPH-Z/R/1100)

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	L.S.T. Hours
Durbhanga Sugar Co. Ltd.	26-2-64	10-30 a.m.
South Karanpura Coal Co. Ltd.	28-2-64	10-45 a.m.
Alkali & Chemical Corp. of India Ltd.	4-3-64	2-30 p.m.
Eastern Investments Ltd.	11-3-64	4 p.m.
State Bank of India Birds Investments Ltd.	12-3-64	4 p.m.
Punjab Minerals Co. Ltd.	19-3-64	11-15 a.m.
Dalmia Iron & Steel Ltd.	20-3-64	11 a.m.
	25-3-64	3 p.m.

DIVIDENDS DECLARED OR PROPOSED

ED.—Indian Aluminium Co. Ltd.—10 p.c.
(f) (o), subject to tax; Dalmia Iron & Steel Ltd.—10 p.c. (o), subject to tax.

BOOKS RECEIVED

Eastern Economist, Annual Number 1964. (Edited by V. Balasubramanian and published by Ram Narayan Sinha on behalf of the Eastern Economist Ltd, United Commercial Bank Building, Parliament Street, New Delhi. Price Rs. 10, pages 1270-1532.)

"CAPITAL" STOCK AND SHARE LIST THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

Official quotations of the Calcutta Bombay Madras London Stock Exchange Associations and other sources
Figures given after stroke (/) mean Naye Paisa.

BANKS

Wednesday, 19th February, 1964.

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NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		19-2-64	12-2-64	A year ago		1960	1961	1962		19-2-64	12-2-64	A year ago
Allahabad Bank P.	18	18	15	100	250/00	250/00	396/00	Indian Overseas Bank	14	14	14	146/00	146/00	161/00	
Bank of Baroda	17	17	16	50	91/00	91/00	93/50	National & Grindlays Bank	13½	14	16 sh	sh. 33/3	sh. 32/1 sh. 33/4½		
Bank of India	20	20	20	50	105/00	105/00	112/00	Punjab National Bank	20	20	20	10	19/06	19/06	19/00
Central Bank of India	20 2/5	20	20	25	45/50	46/00	59/30	Union Bank of India	11 2/5	11 2/5	11 2/5	5	6/20	6/16	6/32
Chartered Bank	15	15	15	£1	sh. 54/6	sh. 55/-	sh. 59/6	United Bank of India	4½	6	6	10	8/34	8/37	7/44
Hindustan Commercial	Nil	Nil	Nil	50	13/50	13/50	17/12	United Commercial Bank	12	12	12	90	71/50	71/50	75/25
Hindustan Mercantile	Nil	Nil	Nil	50	12/37	12/37	15/62								
Hong Kong & Shanghai	£39	£39	£31 1/5	HK\$225	£20	£19½	£17½								
Indian Bank	15	15	14	100	137/00	137/00	174/39								

*1962

JUTE MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up Share per	Latest Market Quotations as available until					
	1960	1961	1962		10-2-64	12-2-64	A year ago		1960	1961	1962		Rs.	Rs.	Rs.	10-2-64	12-2-64	A year ago
Agarpara P.	10	2 1/2	2 1/2-12*	10	10/00	10/00	10/62	Hukumchand P.	28 1/2	28 1/2	26 1/2-26 1/2*	7 1/2	21/00	21/00	26/12			
Alexandra P.	44	15	42 1/2	100	300/00	300/00	305/00	India	14	12	8-22 1/2*	12 1/2	15/37	15/37	18/50			
Alliance P.	6	Nil	10	100	135/00	135/00	110/00	Kamrabbhaty P.	0	Nil	20	100	193/00	193/00	173/00			
Anglo-India P.	20	7	10-12*	100	183/00	183/00	217/00	Kankarrat P.	Nil	Nil	10	100	129/00	129/00	140/00			
Auckland P.	27	13	Nil-15*	100	138/00	138/00	155/00	Kelvir P.	15	15	5	100	181/00	181/00	204/00			
Bally P.	25	25	25	100	250/00	250/00	280/00	Khardah P.	20	5	12 1/2-12*	10	17/81	17/81	18/25			
Barnagore P.	25	10	10-10*	100	217/00	218/50	187/00	Kinnisar P.	20	7	Nil-10*	100	128/00	130/00	145/00			
Bengal P.	6	6	6	25	8/00	8/00	10/25	Kansdowne P.	Nil	Nil	Nil-Nil*	100	98/00	98/00	120/00			
Birsa P.	15	15	15-15*	10	34/81	34/25	29/44	Lawrence P.	7	15	10-10*	100	101/00	101/00	124/00			
Budge Budge P.	10	Nil	12	100	140/00	140/00	169/00	Magna P.	12	12 1/2	Nil-22*	10	12/62	12/61	13/50			
Calcutta P.	12	12	12	100	4/12	4/12	4/00	Nahat P.	10	10	10	100	104/00	104/00	90/00			
Caedonian P.	12	6	Nil-40*	100	175/00	175/00	220/00	Naskarpura	10	10	10	100	6/00	6/00	9/06			
Champany P.	10	5	Nil-40*	10	22/87	22/87	22/50	Natona P.	7 1/2	Nil	10*	10	21/37	21/37	25/37			
Cheviot P.	Nil	5	25	10	21/25	21/25	22/50	Nellimaria P.	3	6	15	10	11/62	11/37	11/00			
Chitavalisab P.	8	Nil	6	10	10/00	10/00	11/00	New Central P.	15	15	Nil	10	12/81	12/87	14/00			
Clive P.	1	1	1	10	9/00	9/00	9/37	Northbrook P.	30	30	20-35*	10	28/00	28/00	31/87			
Dalhousie P.	12 1/2	7 1/2	12 1/2	10	131/00	131/00	139/00	Nudge	8	6	5-10*	50	62/25	61/00	60/25			
Delta P.	12 1/2	7 1/2	12 1/2	100	151/00	151/00	173/00	Presidency	8	6	10	10	5/31	5/31	5/31			
Empire P.	25	10	12 1/2-20*	100	17/75	17/75	17/19	Rameshwara P.	Nil	Nil	Nil-Nil*	10	9/20	9/20	9/44			
Fort Gloster P.	25	10	12 1/2-20*	100	276/00	295/00	399/00	Tellance P.	Nil	Nil	Nil-Nil*	10	8/87	8/06	7/06			
Fort William P.	25	10	12 1/2-20*	10	24/75	24/75	26/00	Tannugger P.	1	Nil	10	10	10/40	10/40	10/50			
Ganges P.	10	10	15-20*	10	13/12	13/12	13/75	Shree Ambica P.	1	6	Nil	10	35/00	35/00	25/00			
General Industrial	40	10	13	10	16/00	16/00	17/87	Soorah P.	25	25	25	10	22/50	22/50	25/25			
Gourenore P.	30	25	20-20*	10	22/62	22/25	128/00	Pitangui P.	5	Nil	13	10	11/4	11/4	10/50			
Hastings P.	6	6	6-6*	100	128/00	128/00	128/00	Junior P.	25	1	Nil-20*	100	153/00	153/00	163/00			
Hochly P.	10	20	7 1/2-10*	10	16/37	16/37	20/00	Victoria P.	5	Nil	10	10	10/4	10/4	10/50			
Howrah P.	12 1/2	10	Nil-10*	10	18/50	18/50	18/87	Waverley P.	30	30	60	1	9/00	9/00	5/94			

* 1963

COAL COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		Ra.	Ra.	Ra.		10-2-64	12-2-64	A year ago Ra.		1960	1961	1962
Amalgamated	10	12 1/2	15	30	24/75	24/75	24/81	Mundulpur	10	10	10	10	2/69	2/69	2/69
Bengal	25	21	21	100	254/00	255/00	299/00	Nazim	7 1/2	Nil	Nil	10	6/25	6/25	5/12
Bengal Bhatdee	10	10	10	10	3/48	3/48	3/48	New Meerbhoom P.	10	10	10	10	16/31	16/31	19/94
Bengal Naxpur	10	10	10	10	22/00	22/00	22/00	New Meerbhoom	7 1/2	9	12	10	15/25	15/25	13/75
Bhaigora	10	10	10	10	4/25	4/25	5/00								
Bharat Collieries P.	10	10	10	10	3/44	3/44	3/53								
Bhuanbarah	10	10	10	10	10/00	10/00	12/90	North West	20	20	20	10	19/75	19/75	19/75
Bokart & Ramgur	10	10	10	10	11/19	11/19	11/19					7 1/2	18/00	18/00	18/00
Borra P.	10	10	10	10	21/00	21/00	23/62								
Burrakur P.	13	13	13	10	16/37	16/31	15/62	Ondal P.	10	7 1/2	10	10	13/50	13/50	13/00
Central India	8	10	10	10	9/56	9/56	10/00	Parasur P.	13	13	10	10	14/00	14/00	16/00
Central Kurkend P.	10	10	10	10	3/44	3/44	8/00	Pencer Valley	10	10	10	10	18/31	18/31	19/06
Chauruli	8	10	10	10	3/06	3/06	3/06	Pur Satahar	10	10	10	10	8/00	8/00	8/00
Dharm Main	Nil	Nil	10	10	4/50	4/50	5/04	Raneegunge	15	17	17	10	13/56	13/56	15/00
East Indian	7 1/2	15	20 1/2	21	28/81	28/75	37/00	Rewa	20	20	10	10	28/50	28/50	29/12
Ennabable P.	15	10	10	10	22/75	22/75	25/87								
Ghustik & Muslia	Nil	Nil	Nil	10	13/00	11/00	15/00	Samsi	10	10	10	10	8/00	8/00	10/03
Gundar Kajora	10	10	10	10	2/47	2/47	2/03	Searsale	Nil	Nil	Nil	2 1/2	1/25	1/25	1/84
Hurtladih	10	10	10	10	5/75	5/75	8/12	Seethpora	42 6/7	42 6/7	Nil	10	34/75	34/75	45/00
								Sendra	10	10	10	10	5/00	5/00	5/75
								South Karanpura	24	Nil	Nil	10	8/06	8/06	8/56
								Standard	15	10	10	10	11/87	11/87	16/00
Karanpura Development	8	8	10	100	11/25	11/25	11/62								
	15	15	10	10F				Union	10	10	10	10	10/25	10/12	10/37
Karanpura Collieries P.	7 1/2	10	10	10	16/00	16/00	18/00	Western Bengal	10	7 1/2	10	10	8/69	8/75	8/97
Katras Sherlah	95	40	25	10	33/75	33/75	48/75		Nil	Nil	10	10	4/00	4/00	9/37
Khas Kajora P.	10	10	10	10	17/62	17/62	18/75								

COTTON MILLS

NAMES	Dividends per cent			Latest Market Quotations as available until	19-2-64	12-2-64	A year ago	NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until	19-2-64	12-2-64	A year ago
	1960	1961	1962						1960	1961	1962					
	Ra	Ra	Ra						Ra	Ra	Ra					
Basant P.	..	..	..	10	13/37	13/37	12/75	Elgin P.	11 1/2	17 1/2	17 1/2	10	22/19	21/75	19/87	
Bengal Luxmi	..	..	..	40	30/00	30/00	28/00	J. K. Cotton (Rayon) P.	12 1/2	..	..	10	12/50	12/50	14/75	
Bengal Nagpur P.	Nil	..	..	10	2/44	2/44	2/50	Jay Shree	10	..	..	10	16/19	16/06	14/75	
Bharat Commerce	..	15	15	10	22/75	22/75	23/25	Muir P.	..	..	..	10	74/50	74/50	135/00	
Birla Cotton	10	20	20	10	27/00	27/00	22/75	New Victoria P.	Nil	..	..	10	1/50	1/50	1/56	
Boreah P.	10	20	15	10	23/44	23/44	23/81	Orissa Textiles P.	Nil	Nil	..	10	4/75	4/75	9/00	
Cawnpore Textiles	7-1/2	10	10	5	6/81	6/56	6/94	Rampore Cotton	3	Nil	..	10	13/00	13/00	12/00	
Delhi Cloth & Genl. P.	12	13	13	25	45/82	45/82	48/00	Swadeshi (Kanpur) P.	5.51	..	..	100	12/00	12/00	11/50	
Dunbar	20	20	15	10	28/87	28/87	26/87					100	6/37	6/37	6/56	

BOMBAY COTTON MILLS

NAMES OF MILLS	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until	18-2-64	10-2-64	A year ago	NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until	18-2-64	10-2-64	A year ago
	1960	1961	1962							1960	1961	1962					
	Ra	Ra	Ra							Ra	Ra	Ra					
Ahmedabad Advance P.	16	12	..	100	140/00	140/00	170/00	Indian	23 1/5	25	..	250	875/00	840/00	760/00		
Apollo	Nil	Nil	..	2	1/94	1/94	1/96	Indore Malwa United	9 1/2	10	7 1/2	100	205/00	205/00	192/00		
Benarhat Ramcharan	Nil	Nil	..	100	134/00	127/00	82/50	Khatav Makani P.	32	10	..	100	201/25	200/00	370/00		
Bombay Dyeing etc.	14	14	14	25	63/30	62/50	59/00	Konnoor	15	18	..	100	334/50	336/00	275/00		
Bradbury P.	10	25	..	50	151/00	157/00	150/00	Lakshmi Vishnu P.	5 1/2	6	..	100	102/00	101/00	107/50		
Century	30	30	..	100	690/50	699/50	524/00	Moraree Goculdas P.	21 1/2	24	24-20 1/2	100	384/00	375/00	441/00		
Central India P.	Nil	Nil	Nil	100	97/00	96/50	95/00	Mysore Spg. & Mfg. P.	14	14	..	50	42/25	42/00	54/00		
Coorla	11	11	..	100	162/50	162/50	150/00	New City of Bombay	Nil	Nil	..	100	176/00	180/00	142/50		
Dawn	30	30	..	50	152/50	153/00	140/50	New Great Eastern P.	Nil	12	..	100	178/00	178/00	270/00		
Edward Textiles	9	9	6	200	390/00	285/00	325/00	Phoenix	15	20	..	100	231/00	232/00	202/00		
Elphinstone P.	18	22	18	50	98/00	98/00	96/00	Sassoon & Alliance	Nil	Nil	..	10	11/00	11/00	13/00		
Finlay	22	23	..	100	318/00	318/00	310/00	Simplex	15	Nil	22-16*	50	124/00	123/00	138/50		
Gokak	14	18	..	100	174/50	175/00	176/50	Shree Niwas P.	17	19	14	100	272/00	272/00	256/00		
Hindustan	50	50	..	250	950/00	950/00	965/00	Swadeshi P.	36	21 3/5	17	100	249/50	249/00	230/00		
India United	8	14	..	10	22/00	22/00	23/52	Tata	20	22	20	25	57/00	56/50	57/20		
	13 1/2	37 1/2	..	100	2/52	2/56	2/72	Western India	46 2/5	25	..	250	847/50	847/50	835/00		

* 1963

BOMBAY MISCELLANEOUS COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until				
	1960	1961	1962		18-2-64.	10-2-64	A year ago		1960	1961	1962		18-2-64.	10-2-64	A year ago		
																Ra.	Ra.
CEMENT ENGINEERING & METAL																	
Associated Cement	12½	12	12	100	146/25	146/00	141/00	British India General	..	..	..	10	12/64	12/24	11/60		
ELECTRIC LTG. POWER																	
Ahmedabad Electricity	7	6	..	100	96/50	96/50	93/00	Jupiter General P.	..	..	..	15	7/00	7/00	12/52		
Andhra Valley Power P.	5½	5	..	1000	1,043/75	1,035/00	1,005/00	New India	38	38	..	15	48/25	48/50	58/30		
Bombay Suburban Elec.	8	8½	8½	100	104/50	105/00	101/00	Vulcan	20	20	..	10	16/00	16/00	16/40		
Tata Hydro Elec. Power P.	5½	5	..	100	111/25	111/00	102/00										
Tata Power P.	5½	5	..	1000	1,105/00	1,095/00	1,057/50										
MISCELLANEOUS																	
Alcock Ashdown	17	22½	..	100	303/00	305/00	310/00	Belapur Sugar	58	50	..	50	234/50	231/00	201/00		
Jost's Engineering	8	10	10-11½*	50	56/00	56/00	98/00	Bombay Burmah Trading	30	33	33-33 1/5*	25	60/70	60/70	..		
Larsen & Toubro P.	12½	18	14-14½*	10	23/00	22/92	24/92	Hindustan Lever	28	28	12	10	46/75	46/75	45/00		
Mckenzie's	10	12	14	100	150/00	137/50	140/00	Industrial Inv. Trust	12½	12½	..	100	74/50	75/00	72/00		
Premier Construction P.	43 1/3	33 1/3	..	300	170/50	168/00	128/00	Kem. (Chemists)	22	..	..	200	275/00	275/00	305/00		
Tata Eng. & Locomotive P.	12½	14½	14½-14½*	100	291/75	293/00	284/00	National Rayon	8	3	3	100	421/50	432/00	387/00		
Tata Iron & Steel P.	9.1	10.36	10.36-11*	750	144/75	146/50	118/25	Scindia Steam Navig.	8	..	..	20	15/80	14/56	10/04		

* 1963

TEA COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		19-2-64	12-2-64	A year ago		1960	1961	1962		19-2-64	12-2-64	A year ago
	Rs.	Rs.	Rs.		Rs.	Rs.	Rs.		Rs.	Rs.	Rs.		Rs.	Rs.	Rs.
ASSAM GARDENS															
Amuluckie	Nil	10	7½	10	17/25	17/25	20/00	Brooke Bond P.	15	10	7½-7½	10	11/75	11/75	11/50
Anandabag P.	30	32½	20	10	33/25	33/25	33/25	Dejok Valley	15	26	30	10	60/00	56/00	49/25
Bazmari	Nil	15	7½	10	13/37	13/37	18/50	Deesa & Furbutta	Nil	10	15	100	200/00	200/00	141/00
Barduar Tea	..	..	..	..	8/50	4/50	8/50	Dibarkhai	12½	10	..	10	20/87	20/87	20/00
Basmatia	35	25	20	10	27/25	27/25	27/25	Dihruagarh	40	40	30	10	11/87	11/87	15/00
Batali	40	45	30	10	15/25	15/31	18/00	Dumakur P.	25	20	25	10	32/00	32/00	32/50
Betlan	13	13	20	10	30/12	30/12	32/62	Dumakur P.	25	20	25	10	21/62	21/62	21/87
Bishnauth	Nil	12	13	10	17/37	17/50	17/25	East India	Nil	Nil	..	10	27/87	27/87	27/87
Bokakhat	13	13	13	10	13/12	13/12	13/70	Gillipokri	25	20	15	10	15/12	15/12	18/87
Bornam Jan P.	15	15	15	10	13/00	13/00	16/12	Johann	Nil	5	20	10	27/56	27/56	25/44
Bor Pukhuri	Nil	Nil	10	10	11/25	11/25	11/75						14/69	14/69	13/31

* 1962

TEA COMPANIES—Contd.

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		19-2-64	12-2-64	A year ago		1960	1961	1962		19-2-64	12-2-64	A year ago
Job	6	6	6	10	7/00	6/94	8/06	Singell	Nil	Nil	Nil	100	86/75	86/75	86/75
Hoograjuli (Assam)	20	20	17	10	27/62	27/62	27/12	Singtom	8	Nil	2	10	3/50	3/50	3/50
Hoonglooree	10	7 1/2	20	100	200/00	200/00	190/00	Soom	50	40	40	10	40/00	40/00	31/00
Jullibari	20	20	20	10	31/50	31/50	32/00	Sungma	15	15	20	10	14/19	14/19	12/75
Kingsley Golaghat P.	25	25	...	100	125/00	125/00	212/00	Teesta Valley	Nil	Nil	8 1/2 7-10*	10	14/37	15/87	12/25
Kotamullai P.	Nil	Nil	Nil	6	9/75	9/75	10/31	Tukvar	Nil	Nil	=	10	6/00	6/00	6/00
Krishnabehari	15	8	10	10	11/80	11/80	10/50	DOOARS							
Kyang Tea	Nil	..	..	10	8/06	8/06	8/06	Banarhat P.	22 1/2	21	21	100	233/00	233/00	255/00
Ledo	Nil	Nil	Nil	19	13/75	13/75	17/25	Baradighat	30	25	25	10	23/89	23/89	25/88
Maud Tea & Seed	10	7 1/2	7 1/2	10	12/00	12/00	14/81	Bhatkawa	15	15	20	10	17/25	17/25	17/37
Methoni	8	14	20	10	15/25	15/25	18/50	Birpara P.	17 1/2	12 1/2	17 1/2	100	162/00	162/00	151/00
Moheema	Nil	Nil	..	10	11/50	11/50	11/50	Carroo	20	5	7 1/2	100	161/00	161/00	145/00
Mothola	20	20	25	100	507/00	507/00	507/00	Choonabbuti P.	32 1/2	20	20	100	211/00	211/00	262/00
Murphulan (Assam)	5	15	25	10	26/50	26/50	26/50	Ellenbarrie	5	5	10	100	134/00	134/00	184/08
	10.63	30.63	30.63	10	26/87	26/87	28/75	Engo	30	30	40	100	136/00	136/00	136/00
Naga Hills	10	10	10	10	21/25	21/25	22/69	Ethelbari	5	5	7 1/2	10	11/87	11/87	13/12
Namburnadi	12	12	..	10	12/87	12/87	14/56	Gairkhata	25	20	11	10	21/50	21/50	21/50
New Chinnotollah	Nil	Nil	Nil	100	455/00	455/00	302/00	Gopalpur	15	5	10	25	20/00	20/00	20/00
Raigarh	40	13 1/2	17 1/2	10	18/50	18/50	21/37	Hantapara P.	17	..	15-15*	100	107/00	107/00	103/00
Sapor	22 1/2	20	10	10	18/25	18/25	19/87	Hastama P.	22 1/2	..	19-27/11*	10	12/62	12/62	13/37
Seajuli	22 1/2	15	30	10	25/12	25/12	21/12	Huldbari	10	Nil	Nil	10	12/25	12/37	13/62
Telotjan	25	25	25	10	22/12	22/12	27/75	Jaybirpara	25	15	15	10	8/62	8/62	11/06
Tengpani	20	30	22 1/2	10	35/75	35/75	35/00	Killcot	10	6	10	10	15/50	15/50	17/38
Texpore P.	20	12 1/2	..	10	14/50	14/75	15/56	Manabarrie	25	15	15	100	180/00	140/00	169/50
Tongani	Nil	Nil	..	10	5/31	5/31	6/50	Nagaurasree	55	20	14 1/2	100	232/00	232/00	258/00
Tycoon	10	15	25	10	27/75	27/75	34/37	New Dooars P.	12 1/2	7 1/2	..	100	13/37	13/37	14/25
CACHAR								Oodlabari	Nil	Nil	Nil	100	125/00	125/00	12/13
Arcuttipore	Nil	5	6	10	7/00	7/00	7/00	Phaskowa	Nil	Nil	6	10	12/00	12/00	12/00
Baitakhal	2 1/2	2 1/2	..	10	7/75	7/75	6/59	Raisabbat	35	15	7 1/2	10	12/75	12/75	16/75
Central Cachar	5	7 1/2	5	100	73/00	75/00	73/00	Rancherra	25	20	25	10	25/75	25/75	27/31
Eastern Cachar	Nil	..	..	100	4/56	4/56	4/12	Ryda	40	40	40	10	36/31	36/31	36/25
Kallinugger Khoreel	Nil	..	..	100	87/00	87/00	87/00	TERAI							
Hattikhira	6	2	..	10	7/75	8/00	9/44	Atal	5	..	..	10	8/34	8/34	6/75
Kuncanapore	Nil	Nil	..	10	6/00	6/00	6/00	Beigach	20	20	..	100	20/25	20/25	20/50
Loobab	Nil	Nil	Nil	10	4/69	4/69	5/00	Gungaram	20	12 1/2	12 1/2	100	131/00	131/00	158/00
North Western	30	20	10	100	175/00	175/00	114/00	Hansqua	20	15	17 1/2	10	20/00	20/00	20/00
Pathemara	Nil	Nil	Nil	10	7/50	7/50	13/62	New Jhumta	15	..	12 6/7-20*	10	20/37	20/37	33/50
Roopacherra	Nil	10	Nil	10	9/94	9/94	50/00	New Terai	22 1/2	10	15	10	23/00	23/00	36/00
Runkamattee	6	5	5	50	50/00	50/00	50/00	Patnagoodiab	20	20	2 1/2	10	14/37	14/37	31/12
Sonal River	Nil	Nil	..	10	5/06	5/06	9/12	Patinbaree	14	14	..	10	45/00	45/00	45/00
DARJEELING								Tiribhannab P.	40	60	60	10	49/00	49/00	49/00
Bloomfield	Nil	..	..	10	3/19	3/19	3/25	CHITTAGONG							
Chamong	Nil	10	10	10	9/00	9/00	10/25	Kodala	Nil	Nil	..	10	9/25	9/25	9/25
Darjeeling Tea & Chin.	30	26	30	100	197/00	197/00	195/00	Kornatuli	Nil	Nil	..	10	9/31	9/31	13/06
Dilaram	8	..	..	100	102/50	102/50	102/50	Oodaleab	Nil	Nil	..	10	8/00	8/00	8/00
Gielle	Nil	..	8 1/2 7-15*	10	16/06	16/06	11/69	SYLHET							
Lingia P.	15	10	17 1/2	10	14/00	14/00	14/56	Chundeecherra	Nil	Nil	Nil	10	26/00	26/00	23/00
Lonsview	12 1/2	10	10	10	8/25	10/00	11/00	Dauracherra	22 1/2	22 1/2	20	10	11/87	12/81	7/31
Margaret's Hope	15	15	15	10	12/09	12/09	11/62	Kaliti	Nil	Nil	..	10	10/00	10/00	10/00
Mim	22 1/2	27 1/2	27 1/2	100	191/50	191/50	191/50	New Samanbagh P.	25	Nil	Nil	10	18/37	18/37	18/37
Nagri Farm	20	25	35	10	29/62	29/62	27/00	Patrakola	32 1/2	40	15	100	135/00	137/00	148/00
Oasayi	85	25	25	100	600/00	600/00	595/00	Rainagar	Nil	Nil	Nil	10	9/56	9/56	9/56
Osakob	10	Nil	..	10	7/87	7/87	7/50	Tellapara	22 1/2	22 1/2	10	100	94/50	94/50	99/00
Poobong	Nil	Nil	5	10	7/62	7/62	8/87								
Pussimbing P.	Nil	Nil	Nil	10	336/00	336/00	336/00								
Sunley Runglit	20	20	7 1/2	100	8/60	8/60	8/50								
Renzok	20	20	..	10	8/60	8/60	8/50								

MISCELLANEOUS COMPANIES—Contd.

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until				NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			
	1907	1901	1902		Rs.	Rs.	Rs.	A year ago		1907	1901	1902		Rs.	Rs.	Rs.	A year ago
ENGINEERING & METAL																	
Arthur Butler (Muzaffarpore) P.	NH	NH	10	10	21/25	21/25	14/50	J. K. Synthetics	..	5	NH-10%	10	12/50	12/06	11/50		
Bhartia Electric Steel	10	10	12 1/2	10	14/44	14/40	14/00		..	..	..	50	2/75	2/75	2/75		
Brathwaite India	25	25	14	10	32/50	32/50	30/50	James Wright P.	..	..	..	1Dd	00/40	00/43	00/43		
Bridge & Roof	30	30	30	10	52/25	52/25	52/25		..	..	..	100	78/00	78/00	73/00		
Britannia Building & Iron P.	NH	NH	NH	10	3/37	3/37	3/65	Jardine Henderson Ltd. P.	7	7	6-7%	100	14/37	14/25	15/19		
Britannia Engineering P.	10	10	10	10	10/25	10/12	10/37	Jay Shree Industries P.	14	12 1/2	..	10	28/12	27/15	27/06		
British India Electric Cons.	45	20	15	10	29/12	29/12	33/12	Kesoram Industries P.	5	12	12-15%	10	14/37	14/25	15/19		
Burn P. (Engineering)	28 1/2	28 1/2	28 1/2-29	100	302/00	302/00	504/00		..	..	..	100	6/69	6/69	7/50		
Calcutta Steel	15	15	15-12 1/2	10	13/50	13/56	13/69	Macfarlane & Co.	..	..	..	1Dd	1/94	1/94	2/50		
Dalmia Iron	10	10	10	10	11/69	11/75	11/87		..	..	..	100	94/00	90/00	93/50		
Guest, Keen, Williams	16	14	14	10	27/37	26/87	32/25	Macneil & Barry Ltd. P.	8	8	7 1/2	100	28/12	28/06	30/12		
Hooghly Docking	NH	NH	12 1/2	50	101/00	101/00	102/00	Martin Burn Ltd. P.	27 1/2	27 1/2	25	10	206/00	206/00	215/00		
Indian Iron & Steel P.	15	16	16-15 1/2	10	25/20	25/08	21/10	McLeod & Co. P.	15	15	18	1000	206/00	206/00	215/00		
Indian Malleable Casting	NH	..	..	50	6/00	6/00	6/00	Metal Box Co. of India Ltd. P.	25	25	19	10	31/25	31/50	50/50		
Indian Standard Wagon P.	NH	..	..	10d	2/06	2/06	2/50	National Insulated Cable P.	25	25	25-18%	10	22/94	22/75	24/75		
	28 1/2	28 1/2	28 1/2-29	10	36/62	36/19	30/50	National Pipe & Tubes P.	20	20	20	10	29/25	27/81	29/06		
Indian Steel & Wire Products	23	24	23-28%	100	33/50	35/37	49/00	National Rolling & Steel Ropes	13	15	15-15%	10	19/75	19/75	19/50		
Industrial Containers	NH	10	10	10	20/00	20/00	22/00	National Rubber P.	NH	6 1/2	8	10	12/75	12/75	11/87		
Jay Engineering	17 3/20	17 3/20	15-10 1/2	10	19/87	19/87	24/25	National Tobacco P.	16	7	7	10	12/00	12/00	11/50		
J. K. Steel P.	20	20	10	10	18/06	15/87	15/00	New India Investment Corp.	8.7	..	..	75	45/00	45/00	90/00		
Jessop & Co. P.	8.58	8.58	8.58	10	23/94	23/56	23/25		..	..	..	10	9/19	9/25	8/50		
Kumardhubi Engineering P.	10	11 1/2	15	3	9/20	9/12	7/19	Octavius Steel P.	10	7 1/2	7 1/2	100	..	..	..		
Marshall Sons (India)	NH	NH	NH	2	2/00	2/31	3/37	Philips India	12	12	13	10	27/25	26/56	25/25		
National Iron and Steel	NH	NH	NH	10	6/19	6/06	4/00	Publicity Society	75	75	50-50%	4	22/62	22/62	26/19		
Saran Engineering	8 1/2	10	12 1/2-10 1/2	4	8/12	8/12	7/65	Rallis India P.	4	8 1/2	8 1/2	100	132/50	130/00	130/00		
Steel Containers	30	20	20	10	28/12	28/12	19/75	Rontas Industries P.	20	10	8-9%	10	12/37	12/09	11/75		
Textile Machinery	10	10	..	10	27/95	27/70	21/10	Sirsilk P.	NH	..	..	10	9/19	9/25	8/50		
SUGAR BREWERIES ETC.																	
Balrampur Sugar	8	8	4-NH	2 1/2	1/75	1/75	2/00	Sen-Raleigh Industries P.	8	8	8	10	15/12	15/19	13/19		
Beisund Sugar	18 1/2	10	62/3	7 1/2	7/37	7/37	9/62	Shaw Wallace P.	15	15	7 1/2	10	17/00	17/00	18/19		
Bharat Sugar P.	..	..	..	10	16/00	16/00	13/00	Spencer's Hotel	2 1/2	18	12 1/2	10	0/59	0/59	0/44		
Carew (Sugar) P.	NH	NH	NH	10	11/50	11/50	12/62	Union Carbide	18	18	12 1/2	10	33/37	34/25	41/75		
Cawnpore Sugar P.	NH	NH	NH	10	9/12	9/12	11/12	Walford Transport	30	20	30	10	2/69	2/69	2/25		
Champaran Sugar	15	12	NH-NH 1/2	5	12/62	12/62	15/87		20	30	..	10	3/97	3/97	3/50		
Durbhanga	4	NH	5	10	9/87	9/87	8/12	Concord of India	20	20	20	5	9/87	9/87	11/00		
New Savan Sugar and Gur	..	..	..	10	4/50	4/50	5/25	Hercules	22 1/2	26 1/2	26 1/2	10	23/25	23/25	25/00		
Purtabpur Sugar P.	..	..	..	10	10/81	10/81	11/50	Ruby General	10	13 1/2	15 1/2	8	10/00	10/00	9/69		
Rammugger Cane & Sugar P.	30	35	30	10	29/31	29/31	30/35	Standard General	..	..	..	10	6/12	6/12	8/00		
Raza Buland	12 1/2	10	10	10	10/25	10/25	9/75	Triton	45	50	50	25	130/00	130/00	131/00		
Ryam Sugar P.	..	..	..	10	4/50	4/50	8/06	FLOUR MILLS									
Samastipur Central Sugar	..	..	..	10	4/10	4/10	9/62	Bengal	40	25	25	10	34/12	34/12	34/25		
Shree Krishna Gyanoday Sugar P.	15	..	..	10	7/50	7/50	7/75	Delhi P.	..	..	..	10	14/00	14/00	14/00		
Shree Sitaram Sugar	..	..	..	10	7/12	7/12	7/12	Ganesh P.	..	..	..	10	13/75	13/75	15/75		
Sitalpore Sugar	4	NH	NH	10	3/69	3/69	6/12	United	15	NH	NH	10	19/75	19/75	19/75		
United Provinces	15	5	NH	10	11/00	11/50	10/62		35	10	7 1/2	10	37/81	37/81	30/00		
Upper Ganges Sugar P.	72 1/2	72 1/2	72 1/2	10	85/00	85/00	60/00	OIL COMPANIES									
MISCELLANEOUS																	
A. Firpo (Restaurateur)	7 1/2	10 1/2	5	10	5/00	5/00	5/90	Attock Oil	13 1/2	13 1/2	..	21	sh. 36/-	sh. 36/-	sh. 33/3		
Aluminium Corporation P.	12	12	12-5%	10	12/19	12/19	14/00	Burmah Oil P.	9-2/5	..	..	21	sh. 62/4 1/2	sh. 62/4 1/2	sh. 47/7 1/2		
Anderson Wright Ltd. P.	11 1/2	NH	..	10	11/50	11/50	11/50	Indo Burmah Petroleum P.	30	25	22 1/2	10	21/75	21/69	23/44		
Angelo Bros.	25	28 1/2	28	10	26/81	26/82	24/87	Tide Water Oil	30	35	35	10	33/19	33/19	28/00		
Assam Match	18	20	20	10	27/37	27/37	28/75	PAPER MILLS									
Assam Saw Mills & Timber	NH	NH	3	3	2/59	2/59	2/50	Bengal P.	32	27 1/2	20	10	27/50	27/25	31/75		
Associated Battery	25	15	15	10	24/12	25/37	26/50	India Paper Pulp	15	13	12-15%	10	18/25	18/25	18/69		
Associated Hotels of India P.	NH	10	10	10	10/31	10/31	10/31	Orient Paper P.	22 1/2	22 1/2	22-26%	10	38/10	37/70	36/10		
Balmer Lawrie & Co.	25	25	25	100	257/00	256/00	257/00	Shree Gopal Paper P.	17-8/7	17-8/7	17-6/7	10	25/81	25/80	22/56		
Baracca Coke	NH	NH	15-15%	10	22/06	22/06	21/87	Sirpur P.	6 1/2	8 1/2	8 1/2-5%	10	12/56	12/56	11/62		
Birds Investments P.	24	10	10	10	10/44	10/44	11/50	Star Paper P.	NH	NH	NH	10	9/12	9/12	10/00		
Britannia Biscuit P.	25	30	25-21%	10	50/25	50/25	43/87	Titaghur P.	16	13	13-13%	21PO	3/44	3/44	5/75		
British India Corporation P.	4	7	9	5	8/44	8/41	9/15	West Coast P.	25	20	10-10%	10AO	15/94	16/12	17/81		
British Paints	12 1/2	15	10	10	21/37	21/25	19/19		25	20	10-10%	10BO	16/10	16/13	17/81		
Calcutta Silk Manufacturing P.	NH	NH	..	10	6/94	6/94	7/15	PRESSING COMPANY									
Clive Row Investment	8	7 1/2	7 1/2	10	8/37	8/31	8/15	Camperdown	11	11	..	100	105/00	105/00	100/00		
Duncan Brothers & Co. Ltd. P.	14	14	14	100	131/00	131/00	150/00	REAL PROPERTY STORAGE									
Dunlop Rubber Co. (India) P.	21 1/2	20	15	10	37/62	37/00	35/75	Bengal Bonded Warehouse	11	8	8-8%	A500	900/00	900/00	1,050/00		
Dyer Wexins (Breweries)	25	30	..	5	31/62	31/62	28/69	Calcutta Safe Deposit	..	..	..	B62 1/2	125/00	125/00	135/00		
Eastern Investments Ltd. P.	14	14	12	100	117/00	117/00	129/00	Rumayan Properties P.	NH	..	..	C100	186/00	186/00	122/00		
Electric Construction	10	10	10	10	13/62	13/62	14/00	Midnapore Zemindary P.	NH	NH	NH	D12 1/2	45/00	45/00	14/72		
French Motor Car	20	20	..	28	31/75	31/75	35/12	..	..	..	100	7/75	7/75	7/75			
Ganges Rope	17 1/2	20	20	100	236/00	236/00	236/00	SEAWAYS & STEAMER									
General Investments Trust P.	5	5	5-5%	15	43/00	43/08	43/00	Bengal Assam Steamship P.	7 1/2	7 1/2	..	100	128/00	128/00	102/00		
Gillanders Arbuthnot & Co. Ltd. P.	14	14	11-11%	10	13/25	13/15	13/62	Calcutta Landing & Shipping	26	26	22	10	34/00	34/00	35/00		
Gladstone Lyall & Co. Ltd. P.	4 1/2	..	..	10	28/12	28/12	33/25	Calcutta Steam Navigation	10	NH	NH	10	8/87	8/87	8/87		
Godfrey Phillips (India) Ltd. P.	40	40	30	10	236/00	236/00	241/00	Calcutta Tramway P.	..	..	..	21	10/50	10/50	11/00		
Great Eastern Hotel	8	6	..	280	..	..	..	India General Nav. Railway P.	NH	..	..	..	9/87	9/87	9/87		
Hindustan Aluminium P.	NH	..	..	10	13/10	12/94	13/99	Indra Steamship P.	10	NH	NH-NH 1/2	10	42/00	42/00	41/75		
Hindustan Motors P.	9	12	12 1/2-11%	10	19/19	19/08	17/12	Port Shipping	NH	NH	NH	10	6/87	6/87	6/87		
Hindusthan Pilkington	..	..	..	10	16/19	16/15	16/25		..	..	..	..	16/25	16/25	16/25		
Hindusthan Pyrites P.	NH	NH	NH-NH 1/2	10	13/25	13/15	13/50		..	..	..	..	16/25	16/25	16/25		
Isaacs Miller & Co. Ltd.	6	6	..	10	5/12	5/32	6/31		..	..	..	..	16/25	16/25	16/25		
Imperial Tobacco	8	8	8-9%	10	9/75	9/75	10/62		..	..	..	..	16/25	16/25	16/25		
Indian Aluminium Co. Ltd. P.	15	15	17 1/2	10	31/75	29/75	32/00		..	..	..	..	16/25	16/25	16/25		
Indian Cable P.	22 1/2	22 1/2	22 1/2-22 1/2	10	37/50	36/81	33/75		..	..	..	..	16/25	16/25	16/25		
Indian Oxygen	15	15	12	10	27/00	27/50	27/87		..	..	..	..	16/25	16/25	16/25		
Indian Rubber Manufacturers P.	20	20	20	10	30/00	30/00	21/05		..	..	..	..	16/25	16/25	16/25		
Indian Wood Products	30	30	30	10	29/50	29/37	30/50		..	..	..	..	16/25	16/25	16/25		
Isaac Holdens	..	NH	..	10	15/78	13/44	15/00		..	..	..	..</					



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CAPITAL

A Weekly Journal of Commerce, Industry and Finance
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76th YEAR OF ISSUE

CALCUTTA, 27th FEBRUARY, 1964.

VOL. CLII 379

CONTENTS

Editorials	
Budget Priorities as Seen from the Economic Survey	281
Problems of the East	... 282
West Bengal Shows Deficit	... 283
Current News and Comment	283-86
State Budgets of Bihar and Andhra	
Surplus for Maharashtra	
Problems of Collective Bargaining	
Import Licences for Natural Rubber	
Fuel Efficiency Service	
Quickening the Pace of Growth	
A Ditcher's Diary	... 287
Guide for Investors	... 289-90
Abolishing Registration Fee for Share Transfers	
Birds Investments	
Chitavalasah	
E.I.D.-Parry	
English Electric	
Hindusthan Gas Industries	
India Sugars and Refineries	
National and Grindlays	
New Samanbagh Tea	
Phalton Sugar	
Punjab Minerals	
Tezapore Tea	
Thirumbadi Rubber	
New Capital Issues	
The Stock Markets	... 291
Chairman's Statement	
National and Grindlays	... 296
Special Article	
Commodities Prices Soar in spite of Government Effort	294
Newsletters	
New Delhi	... 297
London	... 299
Sections	
Money	295
Jute	... 301
Commodities	

BUDGET PRIORITIES AS SEEN FROM THE ECONOMIC SURVEY

THE *Economic Survey, 1963-64*, presented by the Central Finance Minister, Mr. T. T. Krishnamachari, to Parliament last Friday makes a faintly encouraging assessment of the outlook for the economy. If newspaper reports are to be believed, business men are pleased, and the pleasure is reflected in the fact that the stock markets have risen. A closer reading of the *Economic Survey*, however, indicates that the qualifying adverb "faintly" may be more important than the adjective "encouraging" in relation to the assessment which is presented. This is because not only is almost the entire narrative historical in nature; it gives only the vaguest possible idea of what the Government thinks is likely to be the progress of the economy during the coming financial year. Mr. Krishnamachari is to be complimented on his decision to publish the *Economic Survey* eight days earlier than usual, instead of letting it be drowned in a flood of papers issued on Budget day itself. But the main advantage of the change—that a wider public should have the time to understand the economic background against which the Budget is presented, and to gain an insight into the Government's thinking—can be realised only if the document is a lot more forthright and unequivocal than it is. There is no reason to suppose that something more specific and detailed than the Finance Ministry has presented would amount in a vague, undefined way to "a Budget leakage". The Finance Minister is entitled to take Parliament and the country into confidence on the specific aims of policy, without necessarily disclosing until Budget day itself the precise measures through which the aims are to be achieved.

The remark in the *Economic Survey* which has attracted the most attention is that "the overall picture is one of promise of rising growth rates in the basic fields of industry, though these rates at present are somewhat below the expectations in the (third) plan. It will be necessary in the months and years to come to strengthen the forces which contribute to higher levels of growth not only in industry but also, and more fundamentally, in agriculture". From this conclusion, which appears at the end of Part I, the deduction has been drawn that the Finance Minister is determined to accelerate the expansion of the economy; and so the Budget due on Saturday this week will be bursting with incentives for all and sundry. Since *Capital* has to its regret not been sent an advance copy of the Budget papers, it would be rash to decide straightaway whether the optimists are right or wrong. But three minor qualifications perhaps need to be borne in mind. One, this is not the first time Mr. Krishnamachari has highlighted the need to accelerate economic growth; on the contrary, that has been the basic theme of his speeches since he took over as Finance Minister five months ago, although the emphasis has not been accompanied by corresponding action. Two, the theoretical devotion to quicker growth is now common enough to be almost an epidemic among politicians the world over; it does not mean that while lip-service is paid to one set of aims, political pressures will not

another and entirely contrary set of aims. Three, on the evidence offered in the *Economic Survey* alone, there is no reason to suppose that Indian economic growth in the coming year will automatically be much faster than it has been in the last three; the optimism reflected in the document, in other words, can largely be written off unless the Budget on Saturday is as bold and imaginative as many hope it will be.

How disappointing the progress so far has been is evident from a few simple statistics. According to the *Economic Survey*, India's population has been rising by about 2.3 percent a year. During the first two years of the third plan, the annual increase in national income is estimated to have been a minute fraction above that figure; the increase in average *per capita* income has thus been negligible. The *Economic Survey* claims "there are indications that the rise in national income in real terms will be higher in 1963-64 than in the first two years of the current plan." One hopes the prophets in the New Delhi Secretariat are right, although one notices that they are cautious enough not to say how much bigger the rise is likely to be. Their optimism seems to be based primarily on a recovery in agricultural production. It does not, however, appear to take account of the fact that while the *kharif* crops may have been fairly satisfactory, latest reports indicate that the same cannot be said of the *rabi* harvests this year. In any case, the Government's agricultural statistics and forecasts are achieving new heights of unreliability. As the 1963 experience showed, not until several months after the agricultural year has ended does the Government itself have the foggiest idea what the production during that year has been. The statistics relating to industrial production are more reliable; but they indicate that the rate of increase during 1963-64 is likely to be around 8.5 percent, or only fractionally higher than the average annual increase in the first two years of the third plan. The evidence thus suggests that if the increase in national income during the current financial year is going to be bigger, it is unlikely to be much bigger than in the previous two.

A major defect of the *Economic Survey* is that it seeks to gloss over this fact, and it does so in a way that is not only familiar but disingenuous. Rarely are achievements compared with the targets for the year. Instead, a long list of soporifics is offered, to the effect that the production of A rose, the installed capacity for B increased, or the investment in C expanded. On this basis, the impression is sought to be created that everything in the garden has been lovely, even though in overall terms the poppies the Government has picked for special mention are small and rather unimportant ones. Odd though it may seem, some thinly-disguised pleasure is expressed over the fact that the shortages of coal, transport and power have been greatly eased. The point is barely mentioned that in almost all three cases the easing is due to the economy having expanded far less rapidly than it was expected to.

or could be, taken to stimulate agricultural and industrial production. Unfortunately, most of the measures mentioned are old and familiar ones which have failed to yield the expected results in recent years. In the case of agriculture, it is stated that a greater irrigation potential will be created, and more of it will be used. The supply of fertilisers, better seeds, pesticides, bulk storage facilities and credit will also be expanded. To the extent that there is any new emphasis, it is on increasing the production of commercial crops like cotton, oilseeds and jute, and on extending the network of price-support schemes to give farmers more incentives. But, in practical terms, none of this amounts to very much. The Government is in the convenient position of being able to talk freely about price-support schemes at a time when they cost it very little—since prices in many cases are already well above the support level because of the inflationary policies it has followed. It remains to be seen whether the glib talk will have any meaning if those prices ever fall. Only then will the organisational deficiencies and the fabulous cost of implementing price-support schemes show up.

As far as industry is concerned, the authors of the *Economic Survey* appear to imply that the progress of the agriculture-based industries will be promoted by an increase in farm output. The easier supply of coal, transport and power will help. Finally, it is suggested that the production of capital goods and import substitutes is going to increase rapidly. Unfortunately, it does not look as if the substantial increase in exports during the past year will permit any major liberalisation of imports of raw materials, spare parts and components. Most of the extra export earnings will apparently be used instead to meet the rising obligations relating to the servicing of foreign debts. The policy of depressing domestic consumption in order to create exportable surpluses will, therefore, be continued.

The *Economic Survey* does, however, reflect certain noteworthy shifts in emphasis in the Government's policy on industrial expansion. The first and most important is that price and distribution controls are being reviewed so as to ensure that they do not discriminate against basic industries and thus divert investment to less essential ones. The second is that controls over industrial licensing and capital issues are being relaxed so that an overburdened bureaucracy can cope with them. The third is that the Government now seems slightly more aware of the decline in the inflow of private foreign capital, and also of the difficulties in raising domestic capital for launching new projects. The preference in the latter case nevertheless seems to be for increasing the flow of institutional finance rather than reviving the capital market as such. But it remains to be seen whether, after the recent changes in company law, the foreign collaborators Mr. Krishnamachari might wish to attract will invest substantially in enterprises which otherwise have to depend heavily on Government-owned institutions for rupee finance.

Whatever one might think of the *Economic Survey's* assessment of agricultural and industrial prospects, one of its major shortcomings is that it does not highlight adequately the acute inflation from which the economy has been suffering. The causes of the past year's inflation are mainly three. The first is that agricultural production, particularly the output of foodgrains, has been extremely disappointing. The second is that, however proud the authors of the *Economic Survey* may be of the Budget which Mr. Morarji Desai presented a year ago, it has played havoc with the economy by leading to a sharp increase in costs. The third is that industrial expansion has been sluggish, and the proportion of idle capacity has not been appreciably reduced. It is realistic of the Government to concede that the main way in which the rise in prices can be checked is by increasing production and productivity. There is a large element of self-delusion, however, in implying that last year's Budget was not inflationary since (1) it avoided large increases in indirect taxation on items of mass consumption; and (2) it helped to mop up "excess" purchasing power in the economy. The Government must by now know as well as anybody else that the large and indiscriminate

dose of indirect taxation last year, on top of a heavy dose of direct taxation, could not be anything but highly inflationary.

Whatever it may or may not have done to suppress demand, the last Budget raised costs sharply and thus created a strong disincentive for raising production. To pretend that inflation can now be checked by reducing middlemen's profits, and opening consumer co-operatives along with fair-price shops, is eye-wash. The first steps towards bringing prices down will necessarily have to be Budgetary ones, and only on Saturday will it be known whether Mr. Krishnamachari has the courage to take them. To say that there is little scope for reducing taxes since deficit financing has to be restricted is no answer to the problem. Whatever the political pressures may be, the re-

PROBLEMS OF THE EAST

THE essential identity of interests among business, industry and the people in dealing with the problems facing eastern India was highlighted by Mr. A. R. Foster's presidential address to the Bengal Chamber of Commerce and Industry last Friday. The 8-percent decline in rice output in the 1962-63 agricultural year, which has raised prices to a level one-third above that of a year ago, is indeed a matter of vital concern, not only to the man in the street but also to industry operating in the region. Ugly eruptions of violence—whatever the immediate cause—can often be traced back to the distress and frustration which acquire an explosive character in a period of high prices. Occasional food shortages can perhaps be met by arranging for supplies from other parts of the country but there is no reason why eastern India as a whole should so frequently be in deficit. Mr. Foster made the valid point that the region has in Orissa, Assam and parts of West Bengal some of the best rice-producing areas of the country. In some tracts, water supplies may occasionally fall short, while in others drainage may be inadequate. But the region on the whole has adequate rainfall and a productive potential in its rich, deltaic soils that should make it possible to raise yields to something like the level of Japan.

Too much has been made by academic economists of the disadvantages of a high man-land ratio, and the consequent smallness of individual holdings. That this situation does not automatically preclude high productivity is evident if one looks at the record of the best farms, the yields from which are several times the regional average. The fact suggests that effort needs to be concentrated on bringing to the farmer the knowledge and the means of better agriculture through adequately organised extension services. Simultaneously, a programme of rural works to build or renovate community assets like bunds, tanks and feeder roads could help both to relieve distress by providing gainful employment and to create a greater productive potential. All this is, or should be, well understood in State Secretariats but the problem, as has been suggested, is not amenable to solution at the administrative level alone. The work of the block development officers and the extension agents needs to be backed up by a community consensus, which is largely lacking in the absence of initiative at the political level. The situation is not peculiar to eastern India; in spite of the steps taken already to create *panchayat raj* institutions in most States, organisational deficiencies persist because political activity remains largely an urban phenomenon. One hopes, however, that the tremendous challenge facing eastern India will elicit the requisite response and a new dynamism will be found to change life in the villages.

Apart from its wider interest in political stability and social cohesion, industry in eastern India has a direct stake in agricultural progress. Take raw jute, for instance, as the starting point for West Bengal's largest industry. Although supplies have been plentiful since 1961, this comfortable situation has come about largely through the extension of acreage at the cost of paddy, rather

covery of the economy calls for cuts in both taxation and deficit financing, which in turn implies the need for a drastic reduction in Government expenditure. Any remaining deficit thereafter will need to be covered at least partially through a more ambitious programme of public borrowing. If New Delhi thinks that interest rates should rise to "reflect adequately the real cost of capital to the economy", the implication presumably is that the interest rates paid by the Government on its loans ought to rise too. That should make a rather more vigorous and ambitious borrowing programme possible than has been the case so far. Mr. Krishnamachari's dilemma may thus be less acute than it seems at first sight, assuming that his seriousness about accelerating economic growth is as great as the *Economic Survey* claims it to be.

than through any significant increase in yields. The farmer, as anxious as anyone else to improve his lot, understandably wants a better return for his labours than in the past. If this is not to undermine the industry's competitive position in world markets, he has to be shown how he can help himself by getting a higher output or better quality from his fields. The Indian Jute Mills Association is already working to this end through its demonstration plots, but State initiative is obviously required both to carry the message further and to ensure that the physical inputs, chief among them being fertilisers and improved seeds, reach the farms in time.

Assistance from the State, judiciously and discriminatingly applied, could be of great benefit to industry in the eastern region. The social costs of further development in the greater Calcutta area are now so prohibitive that the creation of subsidiary centres of industry is, as Mr. Foster put it, a pressing need. The rapid growth of Durgapur illustrates what the State could do by way of developing land and providing certain basic facilities like power, water and an economic fuel supply. Although the new township is still a long way from attaining its full potential, there is no reason why a start in the same direction should not be made elsewhere also. Asansol provides a case in point because its growth has perhaps gone as far as it can within the existing framework of facilities. The same may be said of Dhanbad and even of Jamshedpur, although the latter is incomparably better off in many ways than other industrial centres. Rourkela too offers immense scope but it seems surprising that no effort has yet been made to attract ancillary industries to this new town. The only unit—a major engineering workshop—is located some 16 miles away, almost deliberately sacrificing the external economies that may have been gained by moving it closer to the steelworks. It is not clear whether this is attributable to the personal preference of the workshop's sponsors or to the absence of an overall plan for wider development of Rourkela? These are matters which could be looked into by a regional planning agency, an embryo of which exists in the Calcutta Metropolitan Planning Organisation. The agency has been examining not only the sanitation, sewerage and civic amenities but also the larger problems of industrial dispersal over the entire five-State area which Calcutta port has as its hinterland.

No matter how successful the future dispersal is, the immediate need is to redevelop and restore Calcutta itself. As Mr. Foster appropriately pointed out, the fate of Calcutta and of industry in the eastern region is so closely linked that neither can be discussed in isolation from the other. Calcutta's problems and their significance for the rest of the country are beginning to be recognised in New Delhi, as is evident from the recent assurances offered by Mr. Gulzarilal Nanda, Central Home Minister. But while Central support is undoubtedly needed—the problem is too large to be solved otherwise—one is entitled to ask whether enough is being done nearer home. Calcutta Corporation continues on its wayward career and the temporary expedient of reinforce-

ing its administration by the loan of State Government personnel has almost failed. The legislative reforms which have to precede purposive planning for the entire metropolitan complex have yet to be initiated. In part, the delay may be the result of the other pressing tasks foisted

WEST BENGAL SHOWS DEFICIT

THE most disturbing feature of the West Bengal Budget for 1964-65, presented in the Legislative Assembly last week by Mr. S. K. Mukherjee, State Finance Minister, is the decision of the Government to dissipate its limited resources by increasing the emoluments and other benefits of Government employees. Since inflationary pressures in the economy have caused a great deal of suffering to all, the wisdom of granting relief only to Government employees, who constitute a small part of the total population, is open to question. The efficiency of Government departments, in spite of their being over-staffed, has declined to distressingly low levels in recent years. It is improper to fritter away resources at a time when the finances of this problem-ridden State are severely strained by the influx of refugees from East Pakistan.

Although the present inflation is largely due to the failure of the Central Government to create conditions for raising production, the West Bengal Government cannot escape blame. The sharp rise in food prices has been principally due to the shortfall in agricultural production in this State. Farm output has declined steadily since 1961-62. Although more than 25 percent of the total budgeted expenditure has been allocated for agriculture and the development of rural areas, there are no signs of farm production improving to any worth while extent. Since there is practically no cultivable waste land in the State, agricultural production can be stepped up only by more intensive cultivation. The size of the harvests is now mostly determined by weather conditions, and no great improvement can be expected unless the reliance on rainfall and weather is reduced by introducing scientific methods of cultivation. Although money is being spent on developing scientific methods, benefits of research have not reached farmers due to the absence of a good agricultural extension service.

West Bengal has already incurred about 64.7 percent of the third plan expenditure which is claimed to be the highest proportion among all States. But progress cannot be measured only in terms of outlays. Besides, like other States, West Bengal has not been bold enough to raise sufficient resources from the rural sector, although this sector has benefited much from the plan outlays. The State Finance Minister has introduced changes in land revenue to raise more funds, but the effort is far too small in relation to the revenue potential of the agricultural sector. Along with changes in land revenue, he has levied a higher stamp duty on transfers of immovable property and similar transactions and has increased registration fees in order to cover the Budget deficit of Rs. 2.47 crores. But he has given no indication as to how he will meet the additional recurring expenditure of Rs. 4 crores a year as a result of the benefits granted to Government employees.

As for plan outlays, West Bengal, in common with other States, relies greatly on financial assistance from the Centre. The State's outlay during the third plan was formerly fixed at Rs. 250 crores, but has now been raised to Rs. 327 crores in view of some new projects and the rising prices of equipment and raw materials. It is not yet known whether the Central Government will give more money to West Bengal for financing a bigger plan. Although financial assistance from the Centre may be necessary, there is no reason why State Governments should not be asked to raise more money from the rural sector. As far as the implementation of plan projects is concerned, the West Bengal Government has rightly laid emphasis on developing electric power resources to sustain industrial development. The shortage of power is a major obstacle to rapid industrialisation. If the various power projects are completed in time, it is expected that the shortage will be overcome to a

on the State by events outside its control, but opposition from vested interests has been a not inconsiderable factor too. An enlightened public opinion could greatly strengthen the Government's hands at this juncture, a task to which those in a position to help should apply themselves.

large extent by the end of 1966. It is to be hoped that the Central Government will grant foreign exchange expeditiously to import the equipment needed for power projects.

The effort of the West Bengal Government to develop the industrial complex of the State is understandable since the basic resources in terms of raw materials and labour are abundant. The rationalisation and expansion of the facilities at Calcutta Port, combined with the building of a new port in Haldia, should stimulate industrial development. But attention has to be paid to the fact that industrial enterprises can be attracted only if vigorous efforts are made to maintain law and order. West Bengal's claim for special financial facilities from the Central Government cannot be overlooked. The influx of refugees from East Pakistan has placed a great strain on the State Government. As a result of the big expansion of industries in Calcutta and the growing population, the civic services in the city have almost reached breaking point. The density of population in Calcutta is 145 an acre, compared with 45.1 in London and 33.7 in New York. The Calcutta Metropolitan Planning Organisation has been

working on surveys and investigations to tackle the staggering problems of health, sanitation, drainage, water supply and transport. The maintenance of law and order has also posed a big problem.

The financial results of important commercial or semi-commercial enterprises belonging to the West Bengal Government have been disappointing. They have incurred losses for 1962-63 and their working will, it is feared, show a further deterioration in 1963-64. These undertakings are run inefficiently, and there is as yet no serious attempt to make them profitable. If the Government exercises greater vigilance, there is no reason why they should not be well managed and yield fair profits. The slow growth of small industries in this State has largely been due to the unsympathetic attitude of the Government. The working of the State Aid to Industries Act has been unsatisfactory since many deserving applicants have not obtained financial assistance on reasonable terms. The policy which the State Government and the Rehabilitation Industries Corporation have been following in relation to industrial estates, is far from satisfactory too. The terms and conditions on which space is allotted in these estates are haphazard and do not take into account the paying capacity of small-scale units. Besides the Government has not encouraged such industries, particularly those producing engineering goods, by buying their products for its own use. There has also been no serious effort to develop ancillary units in the small-scale sector. The heavy incidence of excise duties and sales tax has hit small industries. Many of them have had to close down because of their inability to pay taxes or to comply with the regulations concerning sales tax.

WEST BENGAL BUDGET

	(In thousands of rupees)			
	Actuals, 1962-63.	Budget, 1963-64	Revised, 1963-64.	Budget, 1964-65.
Receipts				
Opening Balance	1,70.14	1,50.39	3,04.67	11.53
Revenue Receipts	1,07,51.17	1,17,05.47	1,28,63.74	1,35,52.11
Receipts from Debt Heads—				
Loans	43,36.41	60,41.58	66,87.12	74,19.77
Receipts from Contingency				
Fund and Public				
Accounts	2,89,11.53	2,50,42.06	2,76,96.74	2,68,91.86
Total	4,41,69.25	4,29,39.50	4,75,52.27	4,78,75.27
Expenditure				
Revenue Expenditure	1,13,53.08	1,09,78.79	1,20,83.31	1,29,90.95
Capital Expenditure	34,44.74	33,43.33	34,30.96	40,93.80
Expenditure on Debt Heads—				
Loans	22,58.04	51,32.74	52,13.83	47,32.62
Expenditure on Contingency				
Fund and Public				
Accounts	2,68,08.72	2,44,06.62	2,68,12.62	2,63,04.52
Closing Balance	3,04.67	—9,21.98	11.53	—2,46.62
Total	4,41,69.25	4,29,39.50	4,75,52.27	4,78,75.27
Net Results				
(a) On Revenue Account	—6,01.91	+7,26.68	+7,20.43	+5,61.16
(b) Outside Revenue Account	+7,36.44	—17,99.05	—10,73.57	—8,19.31
(c) Net excluding Opening				
Balance	+1,34.53	—10,72.37	—2,93.14	—2,58.15
(d) Net, including Opening				
Balance	+3,04.67	—9,21.98	+11.52	—2,46.62

Current News and Comment

State Budgets of Bihar and Andhra

Bihar and Andhra are among the State Governments which have presented their Budgets for 1964-65 during the past week. Both would have managed to produce revenue surpluses for the year. But since they have decided to incur additional expenditure on "social security" schemes or on increased emoluments and other benefits for their employees, the surpluses will disappear. Therefore, the Chief Minister of Bihar, Mr. K. B. Sahay, who also holds the Finance portfolio, has warned that although the Budget does not contain any taxation proposals for the time being, the State will have to raise fresh resources through

taxation and loans and "through more economical operation of commercial and semi-commercial schemes of the Government". The Finance Minister of Andhra, Mr. Brahmananda Reddy (who is now Chief Minister), has however, declared that he will not resort to additional taxation later; all the extra funds which may be required for introducing social security measures for Government employees, and for implementing the plan schemes, will be raised through market borrowings, better collection of taxes and economies in expenditure.

The Bihar Budget for 1964-65 estimates revenue receipts at Rs. 197.27 crores and total revenue

expenditure at Rs. 196.76 crores, thus leaving a small revenue surplus of Rs. 51 lakhs. But on the capital side of the Budget a gap of Rs. 3.75 crores has been left uncovered. The provision for plan schemes is Rs. 75.17 crores, as against an outlay of Rs. 78.92 crores. The Chief Minister has pointed out that even this provision of Rs. 75.17 crores may have to be scaled down as the State will have to implement the recommendations of the Pay Revision Committee concerning its employees. Additional resources will, therefore, have to be found. Looking ahead, Mr. Sahay has said that for the next year as well as the year after, which is the final year of the third plan, the Government will have to consider augmenting its resources, not only for development projects but also for meeting the increase in non-plan expenditure. But he has not indicated when exactly the Government will announce fresh taxation or other measures to raise

additional resources. Perhaps it will wait until the financial implications of the recommendations of the Pay Revision Committee have been worked out fully.

A major part of Bihar's revenue will be spent on education, medical and public health, industries, irrigation, compensation to landholders and public works; the main emphasis, however, will be on education and rural development, including agriculture. The allocation for industries has actually been reduced. Co-operation also gets a smaller sum, compared with the provision in the previous Budget. A sum of Rs. 1.14 crores has been allocated for employees' pensions and retirement benefits, but this will have to be increased later when the decision on the recommendations of the Pay Revision Committee is taken. A more liberal family pension scheme will be introduced for Government employees from the next financial

year. (Under the new scheme, the widow of a Government servant who has put in at least one year's service at the time of death will get a pension for life at varying rates subject to a minimum of Rs. 25, depending on the salary of the deceased.) The Government also proposes to raise the pension of all categories of employees whose pension is not more than Rs. 100 a month, and who retire before a certain date, by amounts varying from Rs. 8 to Rs. 10 a month.

In the Andhra Budget, Government servants get an increase in dearness allowance, with perhaps more to follow later. This will cost the exchequer an additional Rs. 1.94 crores, and will more than eat up the nominal surplus of Rs. 15 lakhs in the Budget, which would have emerged after estimating the revenue for the next financial year at Rs. 136 crores and providing for an expenditure of Rs. 135.85 crores. When transactions outside the revenue account are considered, there will be an overall deficit of Rs. 5.29 crores. The State's actual expenditure on third plan schemes during 1963-64 stood at Rs. 63.78 crores, as against the original provision of Rs. 49.87 crores. For the next financial year, the outlay has been fixed at Rs. 72.54 crores as against which the anticipated Central assistance is Rs. 43.05 crores. The balance of Rs. 29.49 crores will have to be found by the State from its own resources. Mr. Reddy has indicated that this will have to be raised through the usual methods of open market borrowings, better collection of taxes and economies in expenditure. As a matter of fact, Andhra, it is claimed, has been able to raise Rs. 11.53 crores more of revenue during 1963-64 than the estimated Rs. 118.35 crores through improved collection of excise duty, sales tax, stamp duty and from bigger Central grants-in-aid. It hopes to collect Rs. 6.95 crores more during 1964-65 from the same sources.

Discussing the State's economic conditions, the Finance Minister has said that it is on the whole satisfactory, but Andhra must raise food production further. Some 70 percent of the area under rice in the State has already been covered with improved varieties, against an average of 15 percent for the entire country. It is hoped that the whole paddy cropping area in the State will be covered with better seeds by the end of the third plan period. Package programmes and intensive dry farming schemes are being vigorously implemented. Mr. Reddy expresses some disappointment at the delay in the execution of the two fertiliser projects—in Kothagudem and in Visakhapatnam—and says that the State Government has already agreed to guarantee up to Rs. 75 lakhs to the Industrial Development Corporation for underwriting the capital issue of Coromandel Fertilisers. The co-operative sugar factories in the State are not working satisfactorily as cane supply is short. The Government is trying to remove this difficulty. It has also asked the Centre to sanction six more co-operative sugar factories and six more co-operative spinning mills in Andhra. The State will subscribe to their share capital when licensed by the Central Government. Industrial production in the State has been maintained at satisfactory levels, but the main obstacle to further progress is the high cost of power. The Government has, therefore, offered concessional power rates to new industries being established in the State. Emphasising the importance of the Nagarjunsagar project to Andhra's economy, Mr. Reddy says that since the capital cost of this scheme is heavy—Rs. 90 crores will have to be spent by the end of the third plan and another Rs. 50 crores in the early years of the fourth plan to complete only the first phase—the Central Government should take over the entire financial responsibility.

Surplus for Maharashtra

Maharashtra's Budget for 1964-65 presented by the Finance Minister, Mr. S. K. Wankhede, shows a small surplus of Rs. 51 lakhs, the revenue receipts being estimated at Rs. 138.45 crores and revenue expenditure at Rs. 137.94 crores. The Budget contains no new taxes; instead, the Finance Minister has announced measures for providing some relief to the common man. If past experience is any guide, the budgeted surplus of Rs. 51 lakhs is likely to turn out to be a gross underestimate. The accounts for 1962-63 reveal a surplus of Rs. 3.22

crores, against the revised estimate of Rs. 40 lakhs, and the revised estimate for 1963-64 indicates a surplus of Rs. 5.43 crores, against the originally estimated figure of a mere Rs. 4 lakhs. The large revised surplus for 1963-64 is attributed by the Finance Minister principally to an improvement in the growth rate of the taxation obtaining in 1960-61, to the doubling of the 1-percent rate of Central sales tax by the Government of India and to better yields from the taxation introduced during the first three years of the current plan.

A development programme of Rs. 98.01 crores has been approved for 1964-65, comprising Rs. 30.86 crores of revenue outlay and Rs. 67.15 crores capital. The financial picture presented by Mr. Wankhede points unmistakably to the strengthening of the State's economy. He thinks that the buoyancy reflected in the State's revenues would enable the Government to assess the progress of the current plan schemes and to reshape them where necessary, imparting wider dimensions or an increased pace of implementation. During the first three years of the current plan, the outlays on agriculture, community development, irrigation and power, industries and mining, social services including education and scientific industrial research have already exceeded Rs. 198 crores, as against just over Rs. 225 crores for the whole of the second plan. The State, says Mr. Wankhede, is likely to exceed the original third plan investment target of Rs. 390 crores by 7 percent, which indeed, is a creditable performance.

Reviewing the economic growth in the last few years, Mr. Wankhede said that the State's income (at 1955-56 prices) had risen from Rs. 1,004 crores in 1955-56 to Rs. 1,400 crores in 1962-63—an increase of 39.5 percent. The per capita income during the same period rose by 17.5 percent, from Rs. 292 to Rs. 343. The triennial average of foodgrain production for 1961-62 was about 30 percent higher than that for 1952-53. A significant indication of the growth of the rural economy is the increase in the number of irrigation pumps worked on electricity from 1,750 in 1961-62 to 2,145 in 1962-63 and the figure is expected to rise to 2,500 by the end of the current year. The number of working factories has risen from 6,979 in 1956 to 8,762 in 1962, and the number of workers employed has increased from 687,000 to 810,000. The road length will have increased from 33,800 kilometers in 1956 to 43,000 kilometers in March 1964. The student population has gone up from 3.64 million in 1955-56 to 5.87 million in 1962-63, and the number of hospital beds has risen from 16,000 in 1957 to 24,000 in 1962. This is not a poor showing, although the State has yet to go a long way towards bringing to a reasonable level the standard of living. This will undoubtedly continue to cause a severe strain on the State's resources. So the Finance Minister has found it difficult to give any big concessions in his Budget for 1964-65. The relief measures include raising the sales tax exemption limits for meals in hotels, ready-made garments and certain medicinal preparations, increase in dearness allowance to low-paid Government employees and certain benefits to pensioners. The limit of exemption from sales tax on meals served in hotels and canteen has been raised from Re. 1 to Rs. 1.50 and that for ready-made garments from Rs. 5 to Rs. 10 a piece. Sales tax on alcoholic medicines has been reduced from 30 percent to 15 percent and that on non-alcoholic drinks from 5 percent to 3 percent. These concessions will cost the exchequer Rs. 25 lakhs. The additional temporary increase in the basic pension of 37,000 pensioners drawing less than Rs. 60 a month will cost another Rs. 11 lakhs. Government employees drawing Rs. 250 or less a month will get an increase of 5 percent in their dearness allowance. All these relief measures will cost Rs. 2.5 crores. The Finance Minister has also proposed conditional rebate equal to the sales tax on diesel oil consumed in agricultural operations as also grants-in-aid for increasing the dearness allowance payable to secondary teachers of non-Government schools and municipal employees.

While one must thank the Government these days even for small mercies, it would be idle to pretend that the relief measures proposed by the Finance Minister will make the lives of ordinary citizens more easy, particularly when the value of money is being eroded rapidly by the rising trend in prices. Some of the measures announced by Mr. Wankhede are aimed at boosting agricul-

tural production, which holds the key to price stability, and at strengthening the co-operative structure. With a view to encouraging cultivators to make fuller use of the water potential available from Government irrigation works, the Finance Minister has proposed a two-thirds reduction in the irrigation rates for a selected range of crops. The proposal for setting up a price stabilisation fund in order to indemnify co-operatives dealing in *jowar*, rice and wheat against losses through price fluctuations, is sound and its progress will be watched with interest. A new scheme for distributing consumer articles in rural areas through 230 marketing societies is proposed to be undertaken during 1964-65. Rural works schemes now covering 68 blocks are to be extended to another 100 blocks and organisation of co-operative processing of agricultural produce is to be given greater attention.

Problems of Collective Bargaining

In a paper presented at the annual conference of the Indian Institute of Personnel Management in Jamshedpur last week, Mr. P. N. Krishna Pillai, Personnel Manager of Indian Aluminium Company, drew attention to the problems of collective bargaining in this country. He pointed out that although the prevention and settlement of disputes through voluntary negotiations had been emphasised in the Government's labour policy, collective bargaining had not worked well in practice. Barring a few exceptions, it has not even developed in many industrial units. The terms and conditions of employees are frequently determined by court decisions, statutes and Wage Board awards. A study of some 114 collective agreements by the Employers Federation of India over a year ago revealed that as a factor in determining wages and working conditions of industrial workers, "the influence of collective bargaining is only marginal".

Mr. Pillai said that the reason for the failure of collective bargaining in this country was State intervention in the form of conciliation and compulsory adjudication, legislation and decisions of tripartite bodies. He suggested that conciliation services should not come into play in industrial disputes unless voluntary negotiation was first tried out. It should be the duty of conciliation officers to set up machinery needed for collective bargaining both at industry and plant levels. Disputes should go for compulsory adjudication only in rare cases, since outside agencies without intimate knowledge of the disputes could not suggest satisfactory methods for ironing out employer-employee differences. The speaker also stated that when recourse is had to adjudication, the tribunal should decide issues purely on merit and not take judicial notice of the concessions made by the parties to the dispute during prior negotiations or conciliation. This is necessary to encourage parties to be frank and yielding during negotiations. Mr. Pillai deprecated the spate of labour legislation in recent years. In many of the spheres usually covered by joint negotiations, legislative enactments stipulate the terms and conditions rigidly. As a result, the minimum wages fixed by statutory bodies in certain industries frequently become the maximum wages.

Mr. Pillai felt that tripartite bodies should mainly confine themselves to laying down broad, national policies. He mentioned that in the case of a few companies, which had adopted collective bargaining with some success, the decisions of tripartite bodies disturbed the entire arrangements evolved by employers and employees. The Bonus Commission's recommendations, for instance, would upset mutually-agreed arrangements under which bonus is linked to productivity over which workers have control and not to profit over which they have no control. Similarly, a company which wanted to introduce a pension scheme for its workers would now hesitate to do so due to present retirement benefits laid down by legislation and the talk of future enactments on the subject.

Import Licences for Natural Rubber

The Indian Rubber Industries Association is fully justified in protesting against the Government of India's arbitrary decision to link the

grant of import licences for natural rubber with the producer's purchase of indigenous synthetic rubber. While there is every need to encourage the use of indigenous raw materials, it is equally necessary to keep in mind the general interests of the rubber products manufacturers. Synthetics and Chemicals Ltd, Bareilly, produces only three grades of styrene butadiene rubber, whereas the Indian industry uses several grades of S.B.R. not manufactured in India. Moreover, as against the total requirements of natural rubber and S.B.R. estimated for 1964 at 83,000 tonnes, the supply of S.B.R. of the types which Indian industry is able to use would be nearly 15,000 tonnes. This combined with the estimated production of 42,000 tonnes of natural rubber in the country gives a total supply of nearly 57,000 tonnes, thus leaving a gap of 26,000 tonnes in supply.

The result of linking the imports of natural rubber with the use of S.B.R. produced in India would be to force the Indian rubber goods producers to work below capacity. To cover the gap in raw material supplies the Association has suggested that licences for importing 26,000 tonnes of natural rubber should be granted to different producers in proportion to their estimated requirements. A conference of rubber goods producers in India could then be called to ascertain the maximum proportion of S.B.R. which could be used in various products and the total amount of S.B.R. produced by the Bareilly firm, which the Indian rubber goods producers could use without lowering the quality of their goods and without increasing their production costs. It is feared that if rubber goods manufacturers are deprived of their import quota, they will try to buy as much indigenously produced natural rubber as they can, and this will push up the prices of natural rubber, to the detriment of the consumer.

While imposing restrictions on imports of natural rubber, it is also necessary for the Government to take vigorous measures to increase internal production. It has been estimated that by the end of the third plan period, as against an annual demand of 171,000 tonnes for all kinds of rubber, domestic production would not exceed 75,000 tonnes if the output of natural rubber in the country is assumed at 45,000 tonnes. This would leave a big gap in supplies. If efforts are made to increase the yield of natural rubber an acre and if planters in the main rubber-producing areas in the country—Kerala, some districts of Madras State, Andamans and Nicobar Islands—are encouraged to replant high yielding clones it should be possible to increase the indigenous supply of natural rubber. According to one estimate the production of natural rubber in India could be increased to 65,000 tonnes by the end of the fourth plan and 100,000 tonnes by the end of the fifth plan, if proper efforts are made.

Fuel Efficiency Service

The National Productivity Council inaugurated a fuel efficiency service on 15th February in Bombay, which is the first zone chosen for this purpose. There can be no two opinions on the importance of economising the use of fuel in India. This leads to cutting of industrial costs, lessens the strain on the country's transport system and helps in the conservation of scarce coal and other fuel resources. A team of two members of the National Fuel Efficiency Service of the U.K., Messrs C. A. T. Plummer and B. R. Addicott, submitted a report on fuel efficiency to the Indian Government more than one year ago. But the Government is implementing the recommendation only now.

After visiting some 60 establishments in various parts of India, the team found that there was no single unit which did not offer scope for at least 15 percent economy in fuel, while some units offered as high a scope as 50 percent economy, provided suitable measures were taken. Even such elementary "first-aid" measures as lagging and thermal insulation, prevention of steam leakage and the use of steam at low pressure could offer substantial economies. In the case of Lancashire boilers used in this country, a saving of at least 15 percent in coal consumption could be made by fitting mechanical stoker and economiser. The introduction of mechanical handling of coal would result in an economy of its utilisation. In some units, proper measuring instruments were altogether lacking and even those establishments

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which at first installed such instruments had since neglected to keep them in good repair.

Inaugurating a seminar on the occasion organised under the combined auspices of the National Productivity Council, the All-India Manufacturers Organisation, the Millowners Association, Bombay, and the South India Steam Users Association, Mr. H. V. R. Iengar, chairman of the N.P.C., pointed out that in India proper efforts had not been made at fuel economy, such as has been the case in the U.K. and other countries, because the Indian producers enjoyed a sheltered internal market. If measures for fuel economy were adopted in this country, they would not only reduce industry's production costs, but would also reduce the strain on the country's transport system. Mr. N. K. Bhojwani, executive director of the N.P.C., explained that the fuel efficiency service would offer three types of service—plant survey, advisory service, training and information service. The work in the first instance would be confined to coal, but later on, other types of fuel would be taken up. He expressed the view that since 72 million tonnes of coal is being used in the country annually, a 10-per cent economy in coal utilisation would easily mean a national saving of Rs. 38 crores a year.

It cannot be denied that, by and large, the Indian producers are indifferent to fuel economy, but it must be mentioned that all the fault is not theirs. As the team of British experts pointed out, since the Indian producers valued coal only by what they paid for it rather than by its intrinsic worth, the faulty price structure of coal as fixed by the Government is partly responsible for the reckless use of coal, especially metallurgical coal by Indian producers. It would of course be wrong to argue that coal should be made more costly to Indian industry in order that coal prices might reflect its true value in the national economy, but it is necessary to change the price structure suitably in order to encourage Indian producers to use inferior quality coal where they can do without the metallurgical grades and to economise the use of all grades. Moreover, it would be all right in so far as fuel economy is possible by proper maintenance of boilers and other fuel consuming plants and by preventing steam leakage, but in order to make effective economies in fuel utilisation, some machinery, spare parts and components will

have to be imported and new mechanical devices installed in most units.

Quickening the Pace of Growth

That the rate of economic growth and the pace of social change have been slow in India is now widely known. The first three years of the third plan have, no doubt, helped to diversify and deepen the economy further but the potentials created remain to be realised. It is obvious that the country will need to achieve a much higher rate of growth in order to improve the living standards of the people. As pointed out by Mr. Asoka Mehta, deputy chairman of the Planning Commission, in his inaugural address at the annual meeting of the Indian Merchants Chamber, even to aim at the modest target of a family income of Rs 100 a month by 1975 it will be necessary to have an annual growth rate of 7 per cent; that is, twice the rate achieved during the past decade. A 7 per cent growth rate would require, among other things, a progressive increase in the rate of savings and investments by over 1 per cent of national income every year for the next decade. The decade of development will have to be "a decade of dedication." If adequate surpluses, can be produced, the difficulties of the underprivileged can be lessened by redistribution of incomes. But in India, these possibilities are limited because of the smallness of the surplus available and the vastness of the numbers needing amelioration. India, says Mr. Mehta, has, therefore, to concentrate mainly on a faster rate of growth, certain alterations in the process of income generation itself and only marginally rely on benefits through income re-distribution.

"The perspective before us" he says, "is of accelerated development, that is, of providing our economy and social structure with, as it were, built-in spurs, which would demand increasing investments and imparting of employment orientation to the development measures. The perspective also requires curb on the growth of income and consumption at the higher levels of living and considerable boost to the living standard of the poorer segments of the society". Few people will, in principle, disagree with Mr. Asoka Mehta's views, but the question is how to reconcile the two

conflicting goals of economic growth and social justice. It is, however, gratifying to hear the deputy chairman of the Planning Commission emphasise that the country needs both a high rate of investments and a high enough rate of profit on the investments made. The question of return on investment has not so far received the attention it deserves from the authorities. Basic industries have been starved of funds because of the inadequate returns allowed on investments. Mr. Asoka Mehta has done well to stress that adequate margins of profits will make possible larger doses of investment and will also make for efficient use of inputs. He points out that in the modern sectors of the economy, including those public-owned and operated, a 10 per cent rate of return has to be insisted upon. And if a particular service or a commodity has to be provided at lower than the full economic rate, it has to be through the provision of a subsidy. But such a subsidy will be an exception, not the rule. The rate of investment will be significant only if the marginal rate of saving is high. The impact of a policy which aims at an increasing rate of investment must necessarily fall more on the higher income groups. It follows that the country must learn to live with increasing burdens, because then alone will rising incomes be channelled to development to ensure continuing increases in income.

The deputy chairman of the Planning Commission, however, did not answer certain crucial questions raised by Mr. G. D. Somani in his presidential speech. Mr. Somani had asked whether in drafting the fourth plan and looking into the perspectives, the old long-term projections concerning investment and resources are to be continued, or whether the techniques of planning should not be examined afresh and perspectives reassessed. Do the scales of priorities correctly reflect the objectives for the future? Are best efforts being made to streamline the administration, on the institutional side? Has sufficient effort been made to generate mass enthusiasm for participating in this great experiment and whether an environment has been created for the resources—human, physical and economic—to be mobilised at higher and higher levels? Is the country moving towards a new momentum in economic effort, an expanding environment for production, or is it moving into a situation of excessive control and complicated institutionalisation? If Mr. Mehta did not answer them, the Government should. It should at least seriously ponder over the questions.

CALCUTTA MUNICIPAL BUDGET

THE Budget of the Calcutta Municipality for 1904-05 estimates the Revenue and Expenditure as under:

	Revenue	Expenditure
	Rs.	Rs.
General Fund ...	37,57,137	36,33,930
Water Supply Fund ...	16,60,795	17,69,909
Lighting ...	4,93,145	5,81,192
Sewage ...	5,58,745	6,31,223
Cart Registration ...	92,650	92,650
Hackney Carriage ...	24,200	24,900
Jute Warehouse ...	33,400	33,300
Total ...	66,20,672	68,17,104

This means an excess expenditure over revenue of Rs. 1,97,032, which can hardly be called healthy. The actual receipts in 1902-03 were Rs. 59,91,590 and the expenditure Rs. 62,75,992, leaving a deficit of Rs. 2,84,402; while the estimated revenue in 1903-04 was Rs. 63,45,198, and the expenditure Rs. 66,75,462, or a deficit of Rs. 3,30,264. The deficits for the three years are thus Rs. 8,11,698! We notice that a debenture loan of 30 lakhs has been budgeted for Drainage Works, and 5 lakhs for Water-supply, while Land Sales are put down at 2 lakhs, making the receipts on account of capital at Rs. 37,00,000. The expenditure against the first loan is put down at Rs. 34,34,607 and against the second loan at Rs. 6,95,179, while Plague Expenditure is put at Rs. 20,445 or in all Rs. 41,50,231. Here again there is a large excess of expenditure, but as this is on capital account it is not so important. We cannot say that this continued excess of expenditure over revenue favourably impresses us.

FROM

CAPITAL
3rd March, 1904

A Ditcher's Diary

YES, YOU COULD CALL VERRIER ELWIN AN ECCENTRIC in the great British tradition—provided you remembered the inherent discipline in his life without which none could have combined a full administrative career with creative authorship, plenty of journalism and an abundant social life. Organised religion and Verrier Elwin fell apart early on; conflict with the Establishment could not be far behind. The spell of Gandhi was real enough; but he was not unobservant of the less solemn aspects of life in Sabarmati; none could tell stories of the period more tellingly. His estrangement with the British Government left not a trace of rancour, for he was ever capable of laughing tolerantly at the prude and the pompous. It is, however, his complete identification with the tribals of India that will be remembered the longest; as I read of Elwin's death, I was wondering whether most of the people who would miss him most had heard the sad news, for they read no newspapers and heard no A.I.R. news bulletins. For these simple folk Elwin's love had a certain Christian quality, although I am not sure that he would have fully approved of the phrase. His subject for the Patel lectures was the aptest, "The Philosophy of Love"; love is what he gave to anyone who was fortunate enough to know him. If there is a more precious gift to give, I do not know of it. Not many men in history have blended in their lives high intelligence with transparent goodness; Verrier Elwin was one of those few. I have seldom known anyone carry his learning so lightly as Elwin; and a delightful conversationalist he was. Those who think of Elwin only as a great anthropologist, which he of course was, know but little of the immense range of his intellectual interests; I remember the letter on Wodehouse he wrote to the *Times Literary Supplement* goodness knows how many years ago; the address, if I am right, was some obscure place in what used to be the Central Provinces. I shall never forget Elwin's account of a conversation with Mr. Nehru. Subject? Nabokov's *Invitation*. There you have two great men of our time, in two different fields of endeavour, with one thing in common: humanity.

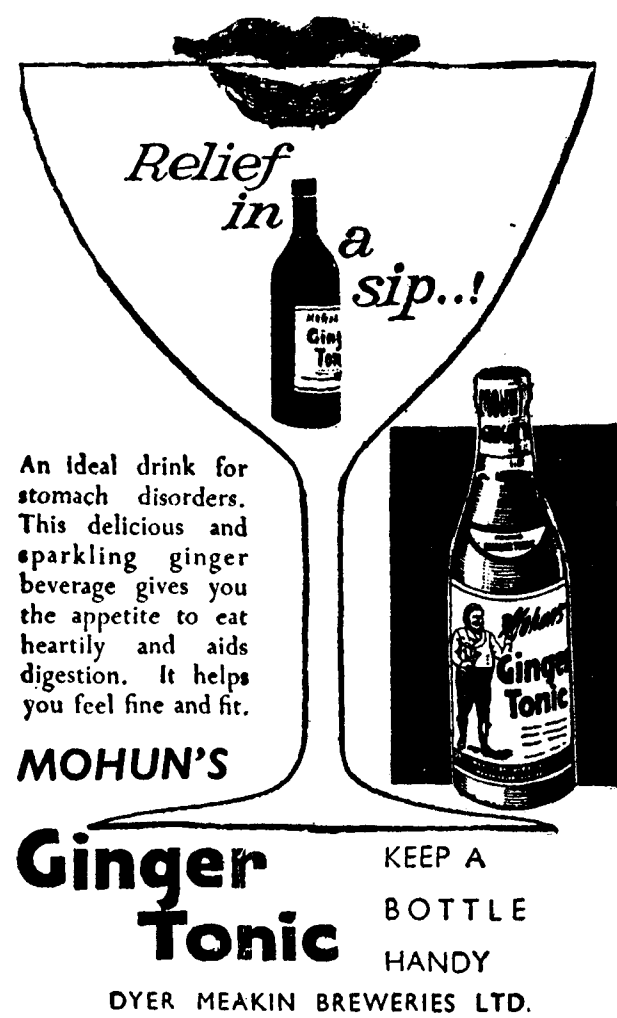
I THOUGHT IT A RATHER SURPRISING ASIDE WHEN Mr. Chagla told the Security Council that the recent disturbances in Srinagar were ascribable to the unpopularity of the State Government; the point he was obviously trying to make was that confidence in New Delhi was complete. It is altogether too early to say that Mr. Lal Bahadur Shastri has sorted out the mess; and a mess there has been in Srinagar for the past ten years of Bakshi Ghulam Mohammed & Frère. I cannot help feeling that the National Conference

itself is not all that popular; and Bakshi Ghulam Mohammed still presides over the Party. Coming changes in the Government of Kashmir have not been announced as I write; but I saw it suggested somewhere that it is Bakshi Ghulam Mohammed again who is going to propose the changes. Well, that doesn't look like the sort of change the situation apparently demands, does it? New Delhi is terribly sensitive on the subject of Sheikh Abdullah; perhaps there are very good reasons for it. But a foreign correspondent told me on his return from Kashmir that the Sheikh might one day conceivably change his mind and choose to play a constructive rôle in the politics of the State. Meanwhile, an effort to explore the mind of the prisoner under trial might, quite possibly, offer useful clues. On a problem like Kashmir's, official face is surely not the ultimate factor. Although Mr. Lal Bahadur Shastri apparently laboured hard lately in Jammu and Srinagar, I am not sure that the Kashmir question too has not got bogged down somewhere in the immobility that has in recent months been unmistakable in New Delhi. I do not mind confessing that I have no easy and simple answer to the problem of Kashmir; my failure is no greater than the United Nations'; what is distressing is that certain parties involved do not seem even to try for an answer.

THERE IS MUCH TO BE SAID FOR THE RECENT proposal that stockbrokers in Britain should in future serve a three-year "apprenticeship" and pass a written examination. It may possibly add to the profession's exclusiveness, and perhaps to its fees as well. But clients should benefit from being able to count on truly professional attention from a body of advisers who are notorious, in London if not in Calcutta, for having been recruited chiefly from the "public-school proletariat" on the basis of wealth and family connections rather than for either their talent or their appetite for the job. I have been wondering whether the same sort of thing ought to be adopted here. Perhaps not yet; the stockbroker in Britain is now far more of a specialist than he has yet become in India. In a profession where the functions of judgment have largely been taken over by the investment analyst, and where specialisation is fast becoming the rule, there is no room now either for the one-man firm or the unqualified amateur. Investment in the West today is mainly in the hands of large institutions whose judgment of the market is based on their own statistical and economic research; little scope is left for the peddling of personal hunches or the useful application of "inside information". Accordingly, the main functions of the stockbroker are tending to become the purely mechanical ones

of running an office. This does not mean that the personal element will be eliminated altogether; that can rarely be done in any business. But in future it is liable to be restricted to such matters as handling jobbers and dealing with the general public on the basis of information supplied by specialists. Things have not gone that far in India yet, although no doubt the trend is discernible. I am rather less convinced by the argument that jobbers in Britain too should have to pass examinations. It has always seemed to me that the profession of jobbing must remain a highly personal one if it is to continue to function properly. Anything which tends to make the jobber less individually accountable for his judgment and actions weakens his usefulness to the market. There is some evidence this is already happening in Britain. To try to make jobbing into an occupation dependent on professional qualifications, and the objective and impersonal standards these imply, might only accelerate the trend.

THE WEST BENGAL GOVERNMENT IS SAID, AT TIMES, to be extraordinarily sensitive to pinpricks of criticism; insults delivered with the force of a sledge-hammer are nevertheless accepted with a calmness that pachyderms might envy. By virtually compelling Mr. S. B. Ray to ask to be relieved of his duties at Calcutta Corporation, the city fathers have, not for the first time, succeeded in showing up the pusillanimity of Writers' Building at its worst. The surprise is that Mr. Ray should have suffered the stupidity and intransigence of the Corporation Councillors for so long; if his admirable efforts to perform a thankless task have been frustrated, the State Government is no less to blame than the Councillors themselves. Calcutta is prone, often and justly, to complain of neglect by the Centre; but I wonder whether the city realises the harm it suffers by maintaining a reputation for organisational chaos, of which the Corporation is the supreme example. In New Delhi, there is a deep suspicion that even if all the money required for improving civic amenities were provided, no great improvement would follow, for the political leadership and the administrative strength is lacking. I do not imply that New Delhi can, therefore, be absolved of blame for Calcutta's condition; the Congress Party, after all, rules at the Centre as it does in the State and in the Corporation, and it is the selfishness of the Party together with the cowardice of its leadership which is responsible for nothing being done. Had another group been in control of the Corporation, supersession would have come years ago. As things are, a Congress rump is allowed to run the organisation and line its pockets because supersession might be bad for the Party image and the Party treasury. Mr. Kamaraj has spoken against the factionalism which forces the Congress to contemptible compromises; Mr. Nanda has in turn spoken volubly against corruption. But will they ever find the courage to demonstrate their sincerity



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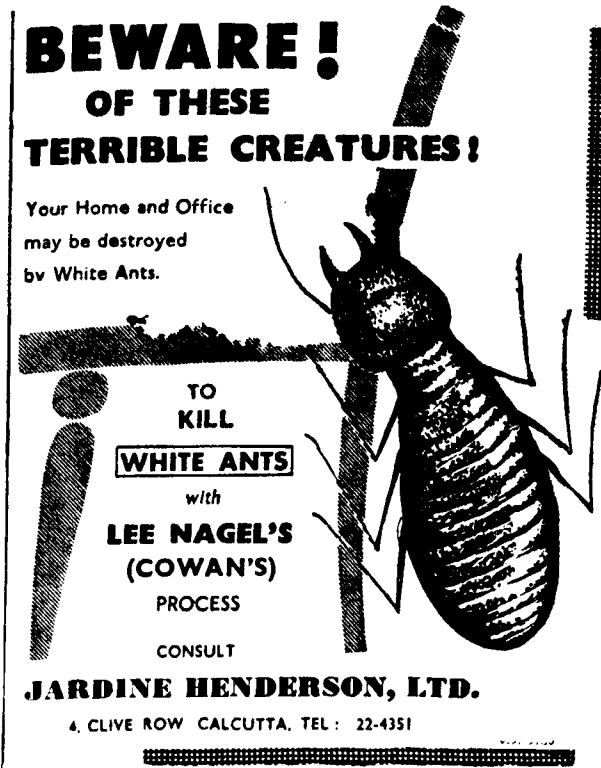


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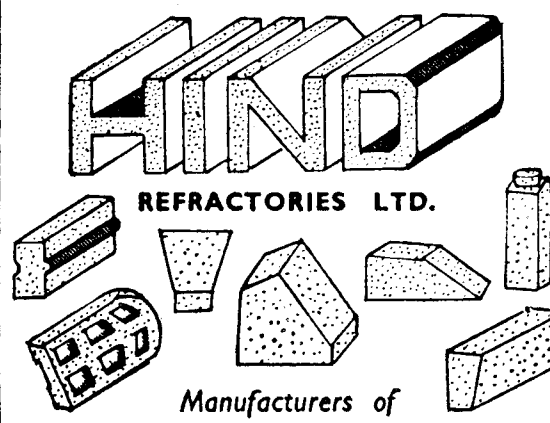
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by cleaning, for a start, even a minor organisation like Calcutta Corporation, where both are seen at their flagrant worst?

WHEN I WAS TOLD BY A FRIEND THE OTHER DAY THAT the modern dachshund is peculiarly susceptible to slipped discs, I thought he was pulling my leg. When he went on to say that treatment included a small four-wheel trolley to carry the weight of the dog's middle region, I was convinced that was what he was trying to do. Now I am beginning to wonder, because I am told that pedigree dogs these days are developing numerous serious and painful hereditary abnormalities due to indiscriminate in-breeding aimed at achieving the "fine points". I have seen reports that almost all the breeds with high entries at this year's annual Crufts Show in London have one or more of these defects. The Show favourite, the alsatian, has several, and indeed British alsatians are now no longer considered suitable for training as police dogs in their own country. The main complaint with this breed is hip dysplasia, from which Labradors and boxers are also frequent sufferers. The most common all-round defect is described as "excessively abnormal temperament", and this affects several top breeds. Other conditions include "prolonged soft palate" where a dog's skull has been shortened by selective breeding without any corresponding shrinkage in the palate, which tends to block the throat. Pekinese, pugs and bulldogs are common sufferers from this. Then there are ingrowing eyelids (chows, spaniels and golden retrievers), slipping kneecaps (miniature and toy poodles, Yorkshire terriers and griffons), and progressive retinal atrophy, or growing blindness (miniature poodles and Labradors). The British Small Animals Veterinary Association recently concluded research into 120 breeds of dog, only 17 of which were found to be without hereditary defects, with a further 20 showing "relatively insignificant" abnormalities. The rest were seriously affected. None of the breeds given a clean bill of health, I am told, were popular ones in that country.

TO DESCRIBE A PLAY AS A MODERATE SUCCESS IS sometimes interpreted as being a polite way of damning it with faint praise; that, however, is not what I intend to do when I describe the Amateurs' production of *The Glass Menagerie* last week as enjoyable, interesting and fairly imaginative. For a non-professional group, the play offers certain advantages, the chief being that the cast is small and so can be thoroughly rehearsed. But to portray, with finesse and delicacy, the tremendous emotional conflicts of Tennessee Williams' drama is not given to all amateur actors, or producers; and from this point of view Pritam Mayadas's production had its weaknesses. The story concerns the tribulations of a lower middle-class family in the American South which has fallen on bad days. Deserted by the father, it is left with a son as the sole breadwinner who, through the humdrum existence of a warehouse worker, remains a dreamer with a poetic soul seeking escape from the realities of life. The contrast to this somewhat insipid character, played by Xerxes Mehta, is provided by Pamela Perks as the dominating and ambitious mother; her preoccupation in life is to nag her son into finding "a gentleman with a good position" as spouse for her daughter, a forlorn cripple who has sought refuge from a cruel world among the collection in her glass menagerie. The clash of personalities inherent in so impossible a situation leads inevitably to the appointed climax when the son feels compelled to desert the family too. The paths of the story and the tenseness of the atmosphere were faithfully conveyed in the Amateurs' presentation, for which credit is due primarily to Pamela Perks; Meera Bhagat gave admirable expression to the moods of a crippled spinster alternating constantly between escapism and despair. The variety of accents may not have contributed to the success of the play, but Ernani Giambuzzi's management of the stage was imaginative in a way amateur efforts not often are. The Amateurs are to be complimented on having striven hard and offered theatre-goers a pleasant evening in a city where intelligent drama is altogether too rare.

THE DITCHER

Guide for Investors

ABOLISHING REGISTRATION FEE FOR SHARE TRANSFERS

(BY A SPECIAL CORRESPONDENT)

THE presidents of Indian stock exchanges, at a meeting held nearly a couple of years ago, decided to persuade joint stock companies to abolish the fees charged for registering share transfers. At present there is no uniformity in these fees. Some companies do not charge any fee, while others have prescribed varying rates. The move to abolish the fee has become strong since it is argued that if many companies could dispense with it, there is no reason why others should not do so. Anyway the registration fee is far too small an amount to bother about. The Calcutta Stock Exchange has succeeded in persuading 189 of its listed companies to abolish the fee. The authorities hope that many more companies will follow suit in the near future. In the case of new companies, the waiving of the registration fee is being insisted upon as a condition of enlistment.

Considering that the annual general meeting of the Calcutta Stock Exchange Association Ltd to pass the annual accounts is drawing near, it is relevant to focus attention on a reform which is long overdue. It may be recalled that at the last annual general meeting the accounts could not be finally adopted because member-shareholders did not make up their mind about whether the Association should or should not pay a dividend. Since the stock exchange is a public institution, which is expected to promote primarily the interests of the investing public, it should be run as a non-profit-making body. It is, therefore, rightly urged that any profit which the Association makes should not be dissipated in the form of dividends, which will benefit only member-shareholders. The profit should be used for promotional activities which will benefit the investing public. The absence of information relating to companies has been a major handicap to investors. So they will be greatly benefited if the Stock Exchange organises statistical information on corporate matters and maintains an informative library. In many industrially-advanced countries, the stock exchanges have earmarked funds to compensate investors in case they suffer losses due to the default of any member or broker. It will be a good idea for the Calcutta Stock Exchange Association to use its profit for such purposes.

E.I.D.-Parry Cuts Dividend

THE directors of E. I. D-Parry Ltd have recommended a final dividend of 10 6/7 percent on ordinary shares for the year ended September 1963, making a total of 18 percent (against 21 3/7 percent). According to the preliminary statement for the year, the net profit before taxation amounts to £564,181 (against £648,473). Out of this, the provision for U.K. taxation amounts to £862 (against £299). Provision for Indian income tax and super tax amounts to £97,897 (against £364,318). Transfer to taxation equalisation reserve amounts to £78,500 (against a transfer of £20,250 from the reserve in the previous year.) Taxation adjustment relating to the previous year amounts to £11,250 (against £37,194). Thus the total provision for taxation amounts to £189,509 (against £381,561). The

net profit after taxation, therefore, amounts to £374,672 (against £266,912).

After deducting from the net profit, a sum of £14,625 (against £14,625) being interest of outside shareholders of the holding company, there is a balance of £360,047. Adding to this net profit, a sum of £125,999, unappropriated profits of the previous year of £21,999 and the transfer (1963 only) from dividend equalisation reserve of £104,000, the total surplus available for appropriation comes to £486,046. Out of this surplus, £165,300 is transferred to development rebate reserve. £229,672 in the previous year at 21 3/7 percent. A balance of £21,999 is carried forward, against £21,999 brought in. The free reserves of the group as at 30th September, 1963, amounted to £2,236,842, of which £743,332 were capital reserve and £1,493,510 were revenue reserves.

Chitavalsah Results Disappoint

COMMENTING on the disappointing results of Chitavalsah Jute Mills Co. Ltd for the year ended July 1963, the directors mention unfavourable trading conditions as the main cause. With the loss of certain foreign sacking markets to Pakistani jute mills, the Calcutta mills have had to enter the south Indian market and sell their goods at Calcutta quotations. Thus Chitavalsah has been forced to sell sacking, which constitutes the bulk of its output, at rates much lower than those offered previously. Because of increased wages paid to workers in terms of the Wage Board's award, the Company has been compelled to sell its manufactures below production costs to meet competition. A similar situation has arisen in the twine market following the establishment of two new mills in the same area which are manufacturing this product. Formerly, Chitavalsah used to enjoy a virtual monopoly in the south Indian sacking market. Also labour relations have not been satisfactory and the working has been interrupted by strikes. If these circumstances persist, the directors think that prospects for the current year may not improve much. Modernisation of the mill machinery has been proceeding, but power supply is still far from adequate. The finances of the Company have been strained because it has been forced to buy and stock substantial quantities of fibre.

The Company has incurred a loss of Rs. 4.81 lakhs, compared with a profit of Rs. 11.09 lakhs for 1961-62, after increasing depreciation from Rs. 6.77 lakhs to Rs. 7.25 lakhs, providing Rs. 1.63 lakhs on account of loss on forward gunny contracts and Rs. 80,000 (against Rs. 1.40 lakhs) for

taxation concerning previous years. The dividend has been passed. Bringing in Rs. 61,455, a debit balance of Rs. 4.11 lakhs has been carried forward. Sales declined from Rs. 2.25 crores to Rs. 1.88 crores, while stocks of jute goods increased from Rs. 13.81 lakhs to Rs. 14.01 lakhs.

Thirumbadi Rubber Repeats

THE directors of Thirumbadi Rubber Co. Ltd have maintained the dividend of 10 percent, the same as in the previous year, for the year ended 30th September, 1963. Both the crops and profit have risen. The percentage of after-tax profit on equity capital has improved to 22 percent from the previous year's 11 percent. The net profit for the year amounts to Rs. 1,99,689 (against Rs. 1,03,481), after providing Rs. 78,000 for taxation (against Rs. 94,600).

Adding to the above profit, a sum of Rs. 17,131 brought forward from the previous year, and with Rs. 1,000 being excess provision for taxation, the total available for appropriation comes to Rs. 2,17,820. Out of this, a sum of Rs. 50,000 is transferred to development account (against nil), and Rs. 840 is transferred to development rebate reserve (against nil). A sum of Rs. 20,000 is transferred to general reserve (against Rs. 75,000), and Rs. 47,461 is transferred to rehabilitation and development reserve (against Rs. 25,000).

The proposed dividend of 10 percent will absorb Rs. 91,530. The balance of Rs. 7,989 is carried forward. The total crop for the year amounted to 235,780 kilograms at an all-in-cost of Rs. 3.05 a kilogram, compared with 202,316 kilograms at a cost of Rs. 3.13 a kilogram in the previous year. The average sale price was Rs. 3.20 a kilogram (against Rs. 3.38 a kilogram). The estimated crop for 1963-64 is put at 235,000 kilograms at an all-in-cost of Rs. 2.98 a kilogram.

National and Grindlays Repeats Dividend

IN his chairman's statement circulated along with the report and accounts of National and Grindlays Bank Ltd for 1963, Lord Aldington drew attention to the satisfactory results of the institution. (Details

are printed on a later page in this issue of *Capital*.) Although the profit at £679,318 is not as high as that of 1962, profits from overseas branches have been higher than in 1962. Out of the profit a sum of £150,000 has been transferred to reserve fund, which is now more than the issued capital. The half-yearly dividend of 7 percent has been repeated to make a total of 14 percent for the year. Two subsidiaries—National and Grindlays Finance and Development Corporation Ltd and Exporters' Refinance Corporation Ltd—have done well. The term loans granted by the former have been of great benefit to its customers in the public and private sectors. The latter subsidiary has helped its clients by providing better services and new facilities to help exports.

Commenting on the Indian economy, the chairman pointed to the slower growth during the first two years of the third plan and observed that the trend had improved from the second half of 1963. The most encouraging factor is the steady rise in India's export earnings. The bank has played a useful rôle in financing exports. The establishment of the Export Credit and Guarantee Corporation in India has been welcomed. In view of the rapid industrial growth, he thinks that the proposed industrial development bank should be of great help in providing financial facilities to industries. National and Grindlays Bank has increased its deposits by establishing new branches and by making vigorous efforts to increase savings accounts.

India Sugars and Refineries Pays More

THE directors of the India Sugars and Refineries Ltd have repeated a dividend of 8 percent on the equity shares for the year ended September 1963. Profit and sales registered an improvement. The net profit for the year amounted to Rs. 12,55,437 after providing Rs. 432,340 for depreciation and deducting other prior charges. The net profit for the previous year amounted to Rs. 7,51,541 after providing Rs. 4,79,179 for depreciation and Rs. 87,353 for another prior charge. With the amount of Rs. 68,747 brought forward, the total available for appropriation comes to Rs. 13,24,164.

Out of this amount, the provision for taxation comes to Rs. 6,50,000 (against Rs. 4,10,000). A sum of Rs. 17,000 is transferred to the reserve for development rebate (against Rs. 2,500). The provision for doubtful debts amounts to Rs. 2,611 (against Rs. 2,569). The preference dividend at 7½ percent (less income tax) amounts to Rs. 73,260. The proposed dividend at 8 percent on equity shares, subject to deduction of tax, will absorb Rs. 5,11,812 (against

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Rs. 5,11,812). The balance of Rs. 69,501 is carried forward.

The total sales for the year amounted to Rs. 2,22,00,917 (against Rs. 2,14,44,119). The quantity of sugarcane crushed was 160,479 tonnes (against 186,340 tonnes in the previous year), and production of sugar amounted to 16,661 tonnes, with an average recovery of 10.31 percent (against 19.186 tonnes). During the year, sugar sales were regulated under Sugar Control Order and the Company realised steady prices for its sugar. With sugar control continuing, the directors apprehend that the return on capital invested would depend on the price of sugar fixed from time to time.

In the matter of implementing the expansion programme, the directors' report says that active steps have been taken for implementing the scheme, providing for a crushing capacity of 1,250 tonnes a day, instead of the present capacity of 1,000 tonnes. The directors are hopeful that expansion can be put into effect with the beginning of the next season. The directors add that the loss due to the export of sugar allotted to the Company during the year amounts to Rs. 2,39,865, and this has been reflected in the accounts as a reduction in the gross sales.

The distillery unit produced 789,616 litres of spirit, compared with 512,500 litres during the previous year. The expansion scheme for enhancing production is progressing, and during the current year, the directors expect the scheme to be completed, when the distillery will produce the full capacity of 3,000 gallons a day. As for the subsidiary company, the Salar Jung Sugar Mills Ltd., it has made a profit of Rs. 3,94,557 during the year. This Company's expansion scheme is also reaching an advanced stage and in the next season, it is hoped the Company will be able to crush 1,000 tonnes of cane a day, thus ensuring better working and economical running of the mill company. As for the other subsidiary, namely, Manjula Confectionery Ltd., the Company made efforts to increase the sales of confectionery with some success. But judged from the economic stand-point, the directors felt that a further investment of capital and enlargement of the sales organisation were imperative to be able to make any profits, and at the present juncture, the directors, however, did not think that further capital could be put in. In the circumstances, the Company sold the entire machinery, plant and machinery spares, stores and raw materials, to Parry's Confectionery Ltd.

Birds Investments Earns More

THE profit of Birds Investments Ltd has improved from Rs. 1,93 lakhs for 1961-62 to Rs. 2,43 lakhs for the year ended September 1963, after transferring Rs. 1,88 lakhs (against Rs. 94,060) to taxation. The taxable ordinary dividend has been reduced from 10 percent to 8 percent to absorb Rs. 1,60 lakhs. The yield works out to 7.7 percent at the present price of Rs. 10.44 a share of Rs. 10 each.

Capital reserve is allocated Rs. 60,149 (against Rs. 635), leaving a carry-forward of Rs. 1,064, against Rs. 2,634 brought in. The portfolio is representative of investments which are quoted on the Calcutta and Colombo stock exchanges, with the exception of some shares costing Rs. 7.01 lakhs. The total of the market value of the investments for which quotations are available, together with the unquoted investments, as valued by the directors, exceeds

the book value as on 30th September, 1963, by Rs. 11.03 lakhs.

Out of the total investments of the Company, equity shares constitute 86.88 percent and are distributed over jute mills, electricity undertakings, iron, steel and engineering industries, collieries, paper mills, investment companies, tea companies, mining industry other than collieries, miscellaneous companies and Ceylon tea companies. Debentures form 0.39 percent of the total investments and preference shares 12.73 percent.

English Electric Profit Up, Skips Dividend

THE ordinary shares of English Electric have risen from Rs. 12.62 to Rs. 14.06 during the past fortnight or so, partly because of its excellent results for the year ended September 1963 and partly because of growth prospects. The profit has risen from Rs. 9.16 lakhs for 1961-62 to Rs. 20.12 lakhs for 1962-63. The entire profit has, nevertheless, been transferred to general reserve and the dividend has been passed since large resources are required to finance the expansion scheme.

In a statement circulated along with the report and accounts of the Company, the chairman says that the Government has sanctioned the expansion programme and considerable progress has already been made in its implementation. He takes a fairly optimistic view of the future prospects. When the expansion programme is implemented, the Company should be in a position to offer a reasonable return on investments. The electrical industry will have to expand substantially to meet the requirements of industrialisation. The Company should have no difficulty in attracting bigger funds from the public provided the level of taxation gives scope to earn a reasonable return on investments. He pointed to the need for conserving funds in order to enable the Company to embark on its expansion programme which seeks to increase the output of fusegears and relays.

Punjab Minerals Incurs Loss

PUNJAB Minerals Co. Ltd has incurred a loss of Rs. 9,705 for the year ended September 1963, after providing Rs. 34 for depreciation. Bringing in the previous deficit, a debit balance of Rs. 1.57 lakhs has been carried forward. The dividend has again been passed.

Shaw Wallace Group Tea Companies

THE New Samanbagh Tea Co. Ltd produced a tea crop of 14,257 maunds up to 31st December, 1963, compared with 14,351 maunds for the corresponding period of 1962. Sales rose from 11,695 maunds to 12,516 maunds, but the average sale price declined from Rs. 3.38 a lb to Rs. 2.77 a lb.

The Tezpor Tea Co. Ltd produced a crop of 31,374 maunds, against 28,763 maunds and sales rose from 13,455 maunds to 19,974 maunds. The average sale price amounted to Rs. 5.64 a kilogram, against Rs. 5.74 a kilogram.

Rights from Hindusthan Gas Industries

HINDUSTHAN Gas Industries Ltd has decided to issue rights ordinary shares of Rs. 7 each at a premium of Rs. 3 a share in the proportion of one new share for every two held. The new shares will rank *pari passu* with the existing ordinary shares in all respects except that they

will not participate in the dividend, if any, declared by the Company for the year ended March 1964. The funds will be used to finance the expansion of the existing factory. A new factory will also be set up to diversify activities.

Phalton Sugar Raises Dividend

THE increase in the dividend from 14 percent to 20 percent by Phalton Sugar Works Ltd for the year ended September 1963 is fully justified by the Company's impressive performance during the year. The increase, it might be noted here, restores only partially the cut in the preceding years—from 27 percent in 1958-59 to 14 per cent in 1961-62. The dividend for 1962-63 is being paid entirely out of the year's profit whereas in 1961-62, the Company has had to withdraw Rs. 6.50 lakhs from the reserves. According to the preliminary figures released by the Company along with the dividend announcement, sales have been just maintained at Rs. 1.73 cores, while the gross profit has shot up by about 167 per cent from Rs. 12.70 lakhs to Rs. 33.65 lakhs.

Sugarcane crushed during the year was 123,307 metric tonnes, against 125,378 metric tonnes, but with recovery improving from 11.94 percent to 12.96 percent, sugar output was larger at 160,949 bags, against 150,225 bags in the previous year. Appropriations of the year's profit include depreciation Rs. 3.45 lakhs (against Rs. 4.09 lakhs), development rebate Rs. 81,000 (against Rs. 35,000), taxation Rs. 16.28 lakhs (against Rs. 4.87 lakhs) and dividend Rs. 10 lakhs (against Rs. 7 lakhs). During the year 1962-63, the Company made a profit of Rs. 9.38 lakhs on the sale of fixed assets and suffered a loss of Rs. 1.94 lakhs on account of acquisition of land. The resulting net profit of Rs. 7.44 lakhs is being transferred to capital reserve. The Rs. 50-paise share of Phalton Sugar which had been quoted around Rs. 101 at the end of January, has recovered to around Rs. 115, offering a gross return of about 9.5 percent.

Fit Tight Nuts Pays Maiden

THE directors of Fit Tight Nuts and Bolts Ltd have declared a maiden dividend of 9 percent, subject to tax, if any, for the year ended September 1963. The preliminary report on the working of the Company shows that it has done extremely well during the year and the expansion programme that the Company has on hand holds out the promise of better results in coming years. The sales during 1962-63 have risen from Rs. 6.03 lakhs to Rs. 31.82 lakhs and the pre-tax profit is up from Rs. 1.78 lakhs to Rs. 7.96 lakhs. With Rs. 97,277 brought in, the disposable surplus amounts to Rs. 8.93 lakhs. The provision for development rebate has been stepped up from Rs. 81,000 to Rs. 5.38 lakhs and a sum of Rs. 75,000 (against nil) has been set aside for taxation reserve. The directors have created a dividend reserve of Rs. 2.75 lakhs, out of which is to be paid the proposed dividend which will absorb Rs. 2.70 lakhs. After making some minor adjustments, there remains a modest surplus of Rs. 4,343 to be carried forward.

Production of the full range of nuts, bolts and certain sizes of socket head cap screws commenced during the year as planned, and the progress is expected to gain further momentum during the current year. The expansion programme taken on hand under the manufacturing licence received in December 1960, has been completed. The Company has, therefore, decided to develop the manufac-

turing lines of specialised fastenings and some other lines of manufacture for which additional machines will be needed. It has made an application to the Government for the import of balancing equipment worth Rs. 8 lakhs. The Government's consent has been received subject to the Company's arranging foreign exchange loan for the purpose. The Company is approaching the I.C.I.C.I. for an additional loan. Additions made to fixed assets during 1962-63 amounted to Rs. 40.86 lakhs raising to total value of such assets to Rs. 51.18 lakhs. The Rs. 100-paise share of Fit Tight is currently quoted around Rs. 182.50 *cum*-dividend.

New Capital Issues

THREE companies have been authorised to raise fresh capital of Rs. 3.45 cores. Of these, one is a State Government undertaking issuing equities worth Rs. 2 cores. The other two companies are issuing equities and preference shares. One of them involves foreign collaboration. It will offer such number of shares for public subscription as would enable the company's scrip to be listed on recognised stock exchanges. The consent of the Controller of Capital Issues is valid for 12 months. The following are the details:

Andhra Pradesh Industrial Development Corporation Ltd., a State Government undertaking, is to issue capital of Rs. 2 cores divided into 20,000 equity shares of Rs. 1,000 each to be issued privately for cash at par. The money will be used for giving financial assistance to industry in Andhra Pradesh and for the promotion of industrial projects taken up by the Corporation.

Podar Mills Ltd., Bombay, is to issue Rs. 95 lakhs capital divided into Rs. 55 lakhs equity in shares of Rs. 10 each, and Rs. 40 lakhs preference shares of Rs. 100 each and carrying not exceeding 9.5 percent rate of interest. All the shares will be issued for cash at par and will be offered to existing shareholders of the Company. The capital will be used for installing a new cotton mill of 25,000 spindles in Jaipur and for modernisation and rehabilitation of existing subsidiaries at Bombay and Jaipur, etc.

Shama Pistons and Rings Ltd., a new company incorporated in the State of Delhi, is to issue capital of Rs. 50 lakhs, divided into 350,000 equity shares of Rs. 10 each and 15,000 preference shares of Rs. 100 each. Out of the issue, shares of a total value of Rs. 2,52,700 will be issued to Karl Schmidt of West Germany and SIM S.A. of Switzerland, at par, partly for cash and partly for consideration other than cash. Out of the remaining shares (to be issued for cash at par) such number of shares, in each class, as would enable the Company's scrip to be listed on recognised stock exchanges, will be offered for public subscription.

NEW OFFICE-BEARERS OF BENGAL CHAMBER

The President of the Bengal Chamber of Commerce and Industry for 1964-65 is Mr. A. D. Ogilvie of Andrew Yule and Co. Ltd. The Vice-President is Mr. H. K. S. Lindsay of the Metal Box Co. of India Ltd. Other members are Mr. C. M. A. Bathurst (Shaw Wallace and Co. Ltd.), Mr. F. A. Collett (the Imperial Tobacco Co. of India Ltd.), Mr. J. V. Jardine Pateron (Jardine Henderson Ltd.), Sir Hugh Mackay Tallack (Macneill and Barry Ltd.), Mr. C. G. Montgomery (Balmer Lawrie and Co. Ltd.), Mr. A. I. Murison (James Finlay and Co. Ltd.), Mr. D. C. B. Pilkington (Bird and Co. (Private) Ltd.), Mr. C. A. Pitts (Imperial Chemical Industries (India) Private Ltd.) and Mr. J. Russell (The Chartered Bank).

The Stock Markets

RUMOURS OF STEEL AND CEMENT DECONTROL HELP SENTIMENT

Tuesday Evening.

THE Calcutta stock market reacted towards the close after a firm spell early in the past week. The earlier rise was due to hectic bull support, combined with nervous short-covering. A number of favourable developments have helped share prices to harden. Rumours of decontrol of steel and cement have cheered Lyons Range. The absence of fresh taxes in some of the State budgets has been interpreted bullishly. Reports of purchases of ordinary shares by the Unit Trust of India have made sellers reserved, particularly in the case of selected cash scrip.

The Economic Survey presented by the Central Finance Minister, Mr. T. T. Krishnamachari, to the Lok Sabha on Friday gave the market a shot in the arm. Considering that the survey has largely chronicled the economic developments of the past year, the optimism appears to be exaggerated. It is not the first time that the Finance Minister has indicated his keenness to stimulate economic development. He has been doing it since he took over the Finance portfolio. Whether he will back his words with concrete measures in the forthcoming Budget is anybody's guess.

Operators have become more sober towards the close on second thoughts about the Budget prospects. There is no doubt that it has become urgent to give tax reliefs to the corporate sector in order to encourage expansion and diversification. Mr. Krishnamachari will, nevertheless, face a difficult task in concealing much. The rising burden of plan and defence expenditures cannot be overlooked. Even if the tax burden is reduced, it is doubtful whether shareholders will be benefited in the form of bigger dividends. Steps are likely to be taken to ensure that companies plough back more money into the business instead of paying larger dividends.

Anyway, the trend is not expected to change until the Budget. Although the clearing on Tuesday passed off smoothly, turnover has declined since operators have been busy celebrating the Holi festival. Wednesday and Thursday have been declared holidays by the stock market authorities. Carry-forward charges have been slightly higher than at the previous settlement.

Indian Iron have reacted after an earlier rise. Among engineering shares, Guest, Keen, Williams, Indian Standard Wagon, Burn, Kumardhubi Engineering, Jessop and Texmaco have been prominent. Dalmia Iron have met with scattered support on producing good results. J. K. Steel and Britannia Engineering have been steady. Clearing miscellaneous shares have scored substantial gains, which have been slightly eroded towards the close due to profit-taking. Indian Copper have been a smart feature due to the sharp rise in the international price of copper. Hindustan Motors, Dunlop Rubber, Indian Aluminium Indian Cable, Kesoram Industries and Rohtas have been active. Indian Oxygen have enjoyed considerable support. Interest has been shown in Alkali Chemical, Union Carbide, Associated Battery and Metal Box.

Among new scrip, Hindustan Aluminium, India Carbon and Phillips Carbon have hardened. Electric company shares have lacked interest and

stray business has been done in Calcutta Electric. Among bank shares, United Commercial and United Bank have met with scattered buying. Managing agency shares, like Martin Burn and Jardine Henderson, have been sluggish. Paper shares have on the whole been steady. Support has been extended to Orient, Seshasayee, Shree Gopal, Bengal and Sirpur.

Sugar shares have been freely offered without attracting buyers. Selected cotton mill shares have improved. J. K. Cotton, Bharat Commerce, Jay Shree Textiles and Dunbar have gained. Coal shares have been sluggish. Press reports about an increase in the price of good grades of coal have had virtually no effect. Stray business has been transacted in Burrakur, Bengal and Central India.

Selected jute shares have attracted attention at rising prices, although investors have generally been cautious due to the decline in prices of jute goods. Birla, New Central, Union, Lawrence, Ganges, India and Gourea have been active. Turnover in tea shares has been limited. Prices of selected Assam and Doars gardens have been maintained.

Government securities have been quietly steady. The 3 percent Conquilted loan 1986 has quoted Rs. 63.40. Prices of short- and medium dated stocks have been maintained, but sellers have been fewer. There has been scattered institutional support for selected State Government loans.

Bombay

ECONOMIC SURVEY CHEERS BULLS PRICES REACT AT THE CLOSE

Wednesday Evening.

THERE has been a substantial improvement in the Bombay stock market during the past week, although share prices have reacted towards the close due to profit-taking. The earlier rise was due to several factors. Dalal Street has been cheered by prospects of decontrol of steel and cement. The recent statement made by Mr. Asoka Mehta, deputy chairman of the Planning Commission, in Bombay that the return on capital employed in public and private sector enterprises should be at least 10 percent, has caused cheerfulness.

The corporate news has, meanwhile, been fairly encouraging. Bulls have been inspired by the economic survey presented to the Lok Sabha by Mr. T. T. Krishnamachari, Central Finance Minister. Since the survey points to the need for encouraging the development of basic industries in particular, it is believed that the Finance Minister will give some incentives in his forthcoming Budget. Towards the close, investors have turned cautious and holders have hurried to lighten their commitments before the Budget is presented in the belief that the Government might pursue a dearer money policy more vigorously.

Tata Steel ordinary have closed at Rs. 150.25. Among engineering shares, attention has centred on Tata Locomotive, Premier Construction and Mukand Iron. Among motor-vehicle shares, Hindustan Motors have been

active, but Premier Automobiles have been sluggish. Selected cotton mill shares have scaled new peaks, although the new levels have not been maintained towards the close due to profit-taking. Century have attracted attention due to expansion prospects. Bombay Dyeing, Kohinoor, Svadeshi, Gokak and Standard have been active. India United ordinary have nevertheless been sold freely. Support has been extended to Morarjee and Simplex.

In the miscellaneous section, sugar shares have been prominent. Phalton have improved on paying a higher taxable ordinary dividend. Walchandnagar Industries have been steady despite the repetition of the taxable ordinary dividend since the Company has plans to diversify its activities in the fields of cement and paper-making equipment manufacture. Belapur have attracted support. In cement shares, Associated Cement and Digvijay have gained.

The earlier rise in Scindia in steamship company shares has not been maintained towards the close due to profit-taking. Great Eastern Shipping have also gained. Interest in mining shares has been lacking, and Shivrampur Syndicate have been offered freely. Chemical shares have been firm, and Indian Dyestuff have attracted a margin on bulls since the price of the scrip has been more than 10 percent above the last clearing price. Tata Chemical have been steady, and interest has been taken in Colour-Chem. Voltas and Tata Oil have improved on balance. A small turnover in bank shares has been transacted. Bank of India and Bank of Baroda have changed hands. Electric company shares have been sluggish and fluctuations have been narrow. Ahmedabad Electric, Bombay Suburban and Tata Power have been done.

Madras

CLEARING SHARES IMPROVE OPERATORS CHEERED BY T.T.K. STATEMENT

Tuesday Evening.

THE Madras stock market has been very steady during the past week. Prices, especially of clearing shares, have improved substantially due to support from outside sources. Cheerfulness has stemmed from optimism about the economic survey presented to the Lok Sabha by the Central Finance Minister, Mr. T. T. Krishnamachari. Although prices of selected cash scrip have hardened, investors have been cautious due to uncertainties concerning the Budget which will be presented on Saturday.

Prices of selected State Government loans have been maintained. Among banks, Syndicate have been taken at Rs. 157.50 due to the payment of a taxable ordinary dividend of 20 percent. Indian Overseas have been bought up to Rs. 147. Among electric company shares, interest has been taken in Ellore and South Madras. Selected sugar shares have improved due to the absence of sellers. Deccan have hardened to Rs. 121.0 and E.I.D. to Rs. 37.50. Andhra have changed hands at Rs. 17.36 on paying a taxable ordinary dividend of 12 percent. Mysore have



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been steady at Rs. 44.65 and Cauvery at Rs. 103.50.

In the planting section, good tea and coffee shares have attracted attention due to prospects of bigger production and exports. Blue Mountain have been done at Rs. 2.40 and Cochin Malabar at Rs. 6.40. Consolidated Coffee have changed hands at Rs. 20.30 and Ouchterlony at Rs. 4.28. Business has passed in Periakaramalai at Rs. 3.50. Thamarapally have been done at Rs. 16.40. T.R. and Tea at Rs. 9.90 and Coorg at Rs. 4.85. Non-such have come to hand at Rs. 22.57, Chembra at Rs. 4.65 and Neelamalai at Rs. 5.02. Coffee Lands have attracted attention at Rs. 16.12, Mysore Coffee at Rs. 4.75 and Osoor at Rs. 2.65.

Except for clearing scrip, textile shares have been sluggish. South India Viscose have improved to

Rs. 143.50 and Travancore Rayon to Rs. 26.25. Mardura have been firm at Rs. 36.75 and Lakshmi have been done at Rs. 135. Anglo-French have quoted Rs. 153 and Adoni Rs. 9.40. Bangalore Woollen have been done at Rs. 236 and Buckingham at Rs. 293. Ramnarayan have changed hands at Rs. 93 and Mettur at Rs. 286. Vijaya-lakshmi have come to hand at Rs. 11.50 and Rayalaseema have been transacted at Rs. 138.50.

In the miscellaneous section, Aluminium Industries have hardened to Rs. 19 and Ashok Leyland to Rs. 7.20 ex-dividend. Among cement shares, India have been steady at Rs. 5.88 and Dalmia at Rs. 13.12. Mettur Chemical have gained at Rs. 13.60 and Seshasayee Paper at Rs. 8.12. F.A.C.T. have risen to Rs. 5.80 and Tube Investment to Rs. 2.15. Spencer have quoted higher at Rs. 22 and Parry's Confectionery at Rs. 3.25. Madras Rubber

have gained slightly at Rs. 13.90, while Andhra Scientific have been bought at a higher price of Rs. 14.20.

THE WEEK'S TRANSACTIONS

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

CLEARED SECURITIES

Birla Jute—Rs. 35/00—36/31—34/87—35/81—(30/37).
Burrakur Coal—Rs. 16/37—16/56—16/37—16/50—(15/69).
Dunlop Rubber—Rs. 38/37—39/25—38/06—38/87—(36/75).
Guest, Keen, Williams—Rs. 27/44—28/12—27/44—27/87—(33/50).

Hindustan Motor—Rs. 19/34—19/97—19/22—19/78—(17/87).
Howrah Jute—Rs. 18/44—18/62—18/44—18/56—(18/81).
Indian Aluminium—Rs. 32/00—32/56—31/81—32/12—(32/94).
Indian Cable—Rs. 38/25—39/31—38/25—39/00—(34/00).
Indian Copper—Rs. 3/67—3/82—3/67—3/76—(4/50).
Indian Iron—Rs. 25/34—25/95—25/34—25/68—(21/70).
J. K. Cotton—Rs. 12/81—13/19—12/75—13/00—(14/00).
Jaipur Udyog—Rs. 12/19—12/66—12/12—12/50—(11/19).
Kesoram Industries—Rs. 28/37—30/00—28/31—29/75—(21/87).
Orient Paper—Rs. 38/35—39/60—38/30—39/40—(37/10).
Orissa Cement—Rs. 14/44—14/75—14/31—14/31—(15/81).
Rohtas Industries—Rs. 12/56—13/06—12/50—13/00—(12/06).
Shree Gopal—Rs. 25/94—26/12—25/94—26/12—(22/81).
Textile Machinery—Rs. 28/25—29/10—28/15—28/80—(21/85).

GILT-EDGED

3 % Loan (1986)—Rs. 63/45—63/45—63/45—63/45—(63/45).
3 % " (1970-75)—Rs. 90/25—90/33—90/25—90/30—(90/30).
3 1/2 % " (1968)—Rs. 99/40—99/40—99/40—99/40—(99/40).
4 % " (1969)—Rs. 99/50—99/55—99/45—99/45—(99/45).
4 % " (1972)—Rs. 99/35—99/35—99/30—99/33—(99/33).
4 % West Bengal (1969)—Rs. 98/20—98/20—98/20—98/20—(98/20).
4 1/2 % Loan (1973)—Rs. 99/98—100/00—99/98—100/00—(99/98).
4 1/2 % " (1986)—Rs. 100/00—100/00—100/00—100/00—(100/00).
4 1/2 % Orissa (1974)—Rs. 98/95—98/95—98/95—98/95—(98/95).
4 % Orissa (1969)—Rs. 98/00—98/00—98/00—98/00—(98/00).

BANKS

Punjab National—Rs. 19/56—19/81—19/56—19/75—(19/60).
United Bank of India (Rs. 10 paid)—Rs. 8/19—8/34—8/12—8/31—(7/56).
United Commercial—Rs. 71/12—72/00—71/12—72/00—(75/25).

COTTONS

Bharat Commerce—Rs. 23/50—23/50—23/50—23/50—(24/12).
Bowreah—Rs. 24/50—24/62—24/50—24/62—(23/81).
Cawnpore—Rs. 6/75—7/00—6/75—7/00—(6/94).
Dunbar—Rs. 29/25—29/87—29/25—29/87—(28/87).
Elgin Mills—Rs. 22/25—22/50—22/25—22/50—(20/69).
Jayshree Textiles—Rs. 16/31—16/37—16/31—16/37—(15/37).
Jiyajee Cotton (Pref.)—Rs. 94/00—94/00—94/00—94/00—(94/00).
Do. (Ord.)—Rs. 12/44—12/50—12/44—12/50—(12/50).
New Victoria—Rs. 1/62—1/62—1/62—1/62—(1/62).
Swadeshi (P.O.)—Rs. 6/69—6/75—6/69—6/75—(7/00).

RAILWAY

Dehri Rohtas—Rs. 12/50—12/50—12/44—12/50—(14/00).

COALS

Central India—Rs. 9/75—9/81—9/62—9/81—(10/31).
Equitable—Rs. 23/12—23/75—23/12—23/62—(25/62).
Raneegunge—Rs. 13/62—13/62—13/62—13/62—(15/00).
Western Bengal—Rs. 8/75—8/81—8/75—8/81—(9/06).

JUTES

Agarpara—Rs. 9/62—9/94—9/50—9/56—(10/56).
Alliance—Rs. 130/00—130/00—130/00—130/00—(110/00).
Anglo-India—Rs. 181/00—181/00—181/00—181/00—(217/00).
Ft. Gloster (2nd Pref.)—Rs. 71/00—71/00—70/50—70/50—(65/50).
Ganges—Rs. 13/25—13/69—13/25—13/66—(14/25).
Gouripore (Pref.)—Rs. 89/50—89/50—89/50—89/50—(87/00).
India—Rs. 15/69—15/69—15/56—15/69—(18/81).
Kamarnatty—Rs. 191/00—191/00—191/00—191/00—(180/00).
Lawrence—Rs. 101/00—101/00—101/00—101/00—(124/00).
New Central—Rs. 13/06—13/06—12/87—13/00—(14/06).

CAPITAL, 27th February, 1964.

Nuddea—Rs. 62/50—63/00—62/50—62/75—(57/00).
Presidency—Rs. 5/44—5/44—5/31—5/37—(5/37).
Reliance—Rs. 9/06—9/12—8/62—8/62—(7/00).
Sporah—Rs. 22/50—22/50—22/50—22/50—(25/25).

MININGS

Assam Sillimanite—Rs. 7/19—7/50—7/19—7/50—(7/50).
Karanpura Development—Rs. 10/06—10/06—10/06—10/06—(13/62).
Metal Corporation—Rs. 7/62—8/12—7/62—8/00—(8/44).

CEMENTS

Ashoka Cement—Rs. 7/25—7/28—7/06—7/25—(7/37).
Assam Bengal Cement—Rs. 4/06—4/25—4/06—4/06—(4/00).
Bengal Pottery—Rs. 5/06—5/12—5/00—5/00—(5/66).
Dalmia Cement (Bharat)—Rs. 13/00—13/25—13/00—13/25—(13/94).
Sone Valley—Rs. 4/31—4/50—4/31—4/50—(4/37).

CHEMICALS

Alkali & Chemical—Rs. 32/25—34/50—32/25—34/50—(34/00).
Phosphate Co.—Rs. 191/00—191/00—176/00—176/00—(176/00).

ELECTRICS

Agra—Rs. 125/00—125/00—125/00—125/00—(120/00).
Calcutta—Rs. 14/37—14/50—14/31—14/44—(14/19).
Do. (Pref.)—Rs. 7/81—7/81—7/70—7/70—(8/12).
Patna—Rs. 10/00—10/00—10/00—10/00—(10/48).

ENGINEERINGS

Binani Metal—Rs. 12/25—12/69—12/25—12/69—(13/75).
Bharat Ball Bearing—Rs. 14/00—14/00—13/69—13/75—(13/75).
Britannia Engineering—Rs. 10/31—10/37—10/25—10/25—(10/37).
Calcutta Steel—Rs. 13/81—14/00—13/50—14/00—(14/37).
Dalmia Iron—Rs. 11/87—11/87—11/75—11/87—(11/87).
Hindustan Wire—Rs. 10/00—10/00—10/00—10/00—(10/00).
Indian Iron & Steel (Pref.)—Rs. 82/50—82/50—81/00—82/00—(84/00).
Indian Standard Wagon—Rs. 38/12—38/75—38/12—38/62—(29/50).
Do. (Pref.)—Rs. 112/00—112/00—112/00—112/00—(113/50).
J. K. Steel—Rs. 16/19—16/50—16/19—16/44—(15/75).
Jay Engineering—Rs. 19/87—20/25—19/75—19/81—(24/25).
Machinery Manufs.—Rs. 24/31—24/56—24/19—24/56—(24/56).
Marshalls—Rs. 2/44—2/62—2/44—2/62—(3/25).
National Iron & Steel—Rs. 6/20—6/20—6/20—6/20—(4/25).
Raymond Engineering—Rs. 4/94—5/06—4/87—5/06—(5/06).
Textile Machinery (61% Pref.)—Rs. 102/00—102/00—102/00—102/00—(102/00).
Do. (2nd Pref.)—Rs. 62/50—62/50—62/00—62/00—(62/00).
Textile Machinery (51% Pref.)—Rs. 88/00—88/00—88/00—88/00—(88/00).
Wellman Incandescent—Rs. 7/44—7/44—7/37—7/40—(7/40).

INSURANCES

Concord of India—Rs. 10/31—10/31—10/25—10/25—(11/00).
New Asiatic—Rs. 7/69—7/69—7/69—7/69—(7/69).

MISCELLANEOUS

Aluminium Corp.—Rs. 12/75—12/84—12/50—12/81—(14/37).
Asian Refractories—Rs. 12/31—12/37—12/31—12/37—(12/37).
Associated Battery—Rs. 24/87—25/31—24/87—25/31—(26/12).
Angelo Brothers—Rs. 25/37—25/81—25/37—25/81—(23/19).
Albion Plywood—Rs. 9/00—9/00—9/00—9/00—(9/00).
Asiatic Oxygen—Rs. 12/69—12/69—12/69—12/69—(12/69).
Birds Investment (Pref.)—Rs. 52/50—52/50—52/50—52/50—(53/37).
British India Corp.—Rs. 8/62—9/06—8/62—9/06—(9/12).

Calcutta Tramways—Rs. 10/62—10/62—10/62—10/62—(11/00).
Dunlop Rubber (1st Pref.)—Rs. 103/00—103/00—103/00—103/00—(103/50).
Eastern Investment—Rs. 117/00—117/00—117/00—117/00—(129/00).
East Anglia Plastics—Rs. 7/75—8/50—7/75—8/50—(8/50).
Electric Construction—Rs. 13/81—14/19—13/81—14/19—(14/12).
English Electric—Rs. 14/06—14/25—14/00—14/00—(14/00).
General Tyres—Rs. 9/19—9/19—9/19—9/19—(9/19).
Gillanders Arbuthnot—Rs. 14/19—14/19—14/06—14/06—(13/81).
Goodyear India—Rs. 30/75—30/75—30/75—30/75—(30/75).
Gwallor Rayon—Rs. 44/75—46/25—44/75—46/25—(46/25).
Hindustan Aluminium—Rs. 13/37—14/00—13/25—13/87—(14/12).
Hindustan Gas—Rs. 25/12—25/25—24/87—24/87—(24/87).
Hindustan Development—Rs. 4/19—4/19—4/19—4/19—(4/19).
Imperial Tobacco—Rs. 9/81—10/00—9/81—9/81—(10/62).
Indian Oxygen—Rs. 27/50—29/87—27/50—29/87—(28/25).
India Carbon—Rs. 16/87—16/87—16/81—16/81—(16/81).
Indian Tack & Nail—Rs. 11/00—11/12—10/87—11/00—(11/00).
Indian Wood Products—Rs. 29/75—29/94—29/50—29/50—(31/25).
Isaac Holdens—Rs. 14/25—14/56—13/75—14/31—(14/87).
Jardine Henderson—Rs. 78/00—78/00—78/00—78/00—(73/25).
Jaipur Investment—Rs. 100/00—101/50—100/00—101/50—(101/50).
Do. (Partly Paid)—Rs. 26/00—26/00—26/00—26/00—(26/00).
J. K. Synthetics—Rs. 12/44—12/62—12/44—12/62—(11/69).
Kettwell Bullies (2nd Pref.)—Rs. 61/00—61/00—61/00—61/00—(61/00).
Khandelwal Ferro Alloy (Pref.)—Rs. 95/75—96/00—95/75—96/00—(96/00).
Martin Burn—Rs. 28/00—28/19—28/00—28/12—(30/44).
McLeod & Co. (2nd Pref.)—Rs. 60/00—60/00—59/50—59/50—(61/00).
Metal Box—Rs. 31/37—31/37—31/37—31/37—(50/75).
Do. (Pref.)—Rs. 75/00—75/50—75/00—75/50—(83/69).
Metal Distributors—Rs. 4/44—4/69—4/25—4/62—(4/62).
National Rubber Manufg.—Rs. 12/69—13/75—12/69—13/75—(11/62).
Multimetals—Rs. 4/25—4/25—4/25—4/25—(4/25).
National Tobacco—Rs. 13/00—13/69—12/75—13/69—(11/62).
New India Investment—Rs. 55/00—65/00—55/00—65/00—(60/00).
Philips India—Rs. 27/62—28/00—27/62—28/00—(26/25).
Rohtas Industries ("B" Pref.)—Rs. 54/50—54/50—53/50—53/50—(52/00).
Shaw Wallace—Rs. 17/00—17/19—17/00—17/19—(17/19).
Do. (Pref.)—Rs. 55/75—55/75—55/25—55/25—(55/00).
Sirsilk—Rs. 9/31—9/31—9/12—9/15—(9/06).
Union Carbide—Rs. 33/25—34/75—33/25—34/75—(42/50).
Do. (Renunciation)—Rs. 18/00—18/50—17/12—18/50—(18/50).
Universal Cables—Rs. 12/12—12/44—12/00—12/31—(12/31).
Universal Electric—Rs. 9/19—9/19—9/06—9/06—(9/06).
Usha Martin Black—Rs. 16/44—16/75—16/37—16/75—(16/75).
Walford Transport—Rs. 3/94—3/94—3/87—3/87—(3/56).
Do. (P.O.)—Rs. 2/87—3/00—2/81—2/81—(2/25).

SHIPPINGS

India General Navgn.—Rs. 42/00—42/00—41/75—41/75—(66/50).
India Steamship—Rs. 6/94—7/25—6/87—7/19—(6/00).
Do. (Pref.)—Rs. 60/00—60/50—60/00—60/50—(60/50).
Port Shipping—Rs. 14/50—14/50—14/50—14/50—(12/00).

PAPERS

Ballarpur—Rs. 17/50—17/62—17/25—17/31—(31/37).
Bengal—Rs. 28/00—28/25—28/00—28/00—(28/00).
India Paper Pulp—Rs. 18/87—19/06—18/87—18/87—(18/81).
Shree Gopal (2nd Pref.)—Rs. 99/00—99/00—99/00—99/00—(99/00).
Orient Paper (1st Pref.)—Rs. 90/50—91/00—90/50—91/00—(91/00).
Straw Products—Rs. 10/50—10/50—10/50—10/50—(10/50).
Seshasayee Paper—Rs. 7/87—7/94—7/87—7/94—(7/94).

Sirpur—Rs. 12/69—13/31—12/69—13/31—(12/12).
Star—Rs. 8/19—8/25—8/19—8/25—(10/00).
Titagur—Rs. 16/12—16/31—16/12—16/19—(18/19).

REAL PROPERTY

Midnapore Zemindary—Rs. 22/00—22/25—20/50—21/00—(10/06).

SUGARS

Carew & Co.—Rs. 11/25—11/50—11/25—11/50—(12/50).
Raza Buland—Rs. 10/50—10/56—10/50—10/56—(9/75).
Samastipur Central—Rs. 3/60—3/60—3/60—3/60—(9/62).
Tulsiore—Rs. 4/00—4/12—4/00—4/12—(4/12).

TEAS

Baitakhal—Rs. 7/87—7/87—7/81—7/81—(6/59).
Banarhat—Rs. 230/00—230/00—230/00—230/00—(255/00).
Central Cachar—Rs. 71/00—71/00—71/00—71/00—(73/00).
Dhelakhat—Rs. 20/87—20/87—20/87—20/87—(20/00).
Dufflaghur—Rs. 26/25—26/25—25/81—25/81—(27/87).
Dimakuri—Rs. 24/25—24/62—24/00—24/62—(21/87).
Hanuman—Rs. 10/19—10/19—10/19—10/19—(10/19).
Methoni—Rs. 14/75—15/00—14/75—14/94—(18/50).
New Doars—Rs. 232/00—234/00—232/00—234/00—(258/00).
Sapor—Rs. 19/50—19/50—19/50—19/50—(19/87).
Tezpur—Rs. 14/31—14/37—14/25—14/25—(15/25).
Tea Producing Co.—Rs. 9/00—9/30—9/00—9/30—(9/50).

DEBENTURE

5 % Macneil Barry—Rs. 85/00—85/50—85/00—85/50—(85/00).

London

TRADING THIN ON RESTRAINT TALK

GILT-EDGED FALL

London, 26th February.

IT was a week of unsettled conditions in the stock market, but thanks to an improvement after the week-end, prices of industrials showed little change on balance. By contrast, gilt-edged securities recorded widespread and substantial losses. Mines, particularly base metal shares, were in favour, but prices were below their best levels. There was a significant cut in the level of business and the market was thin and sensitive throughout. Sentiment in domestic sections was upset by evidence that the economy is expanding too fast and by the substantial deterioration in the overseas trading position in January. Fears that measures might be taken to restrain the economy and that one of these measures may be a rise in Bank rate, coupled with the uncertainty of sterling in the foreign exchange market, brought in sellers of gilt-edged, which recorded losses ranging to a point or more. Short-dated stocks were particularly hard hit. Banking, finance houses and insurance shares were dull, but properties held up fairly well. Industrials generally fluctuated within narrow limits. The leaders showed little change on balance, most of the bigger movements following company announcements. Jaguar tumbled on disappointment with their results. Tins and coppers forged strongly ahead following the sustained rise in metal prices, but were below their best levels. Golds, platinum and diamonds attracted a small demand. Rubbers came into favour, but tea remained dull. Oils fluctuated narrowly. Dollar stocks made a mixed showing.

MARTIN BURN LOOK BACK TO OVER 180 YEARS OF SERVICE TO INDIA



...to be able to compute this service by decades, not by years alone...to recall that our creed has consistently been the development of our country's resources through engineering and allied enterprises...to take pride in planning that makes the many units in our organization fall into a rational and complementary group and each one a leader in its particular field, a position which some of them, early pioneers in India, held even in the last century. For us looking back is a worthwhile proposition—an incentive to move forward.

AMONG THE COMPANIES IN THE MARTIN BURN GROUP ARE:

THE INDIAN IRON & STEEL CO. LTD.: With a million ton integrated steel plant at Burnpur, the largest foundry in the Commonwealth at Kulti and its own collieries and iron ore mines, IISCO has an enviable record in production efficiency.

BURN & CO. LTD., HOWRAH WORKS: Pioneers in foundry practice in India, in structural steel-work fabrication and the manufacture of rolling stock—the origins of the Company go back to the year 1781.

BURN & CO. LTD., CERAMIC GROUP: Apart from stoneware pipes and chemical stoneware, the works of this group—eight in number and located in four states—manufacture nearly all types of refractories to meet the requirements of India's steel industry, power undertakings, railways, ordnance factories—in fact, any industry requiring refractory material for the maintenance of furnaces.

THE INDIAN STANDARD WAGON CO. LTD., SANTA: The oldest Indian unit started for the specific purpose of manufacturing railway rolling stock—has been mainly responsible for building up the wagon building industry. Also manufactures springs, forgings, pressings and stampings for heavy industry as well as automotive components.

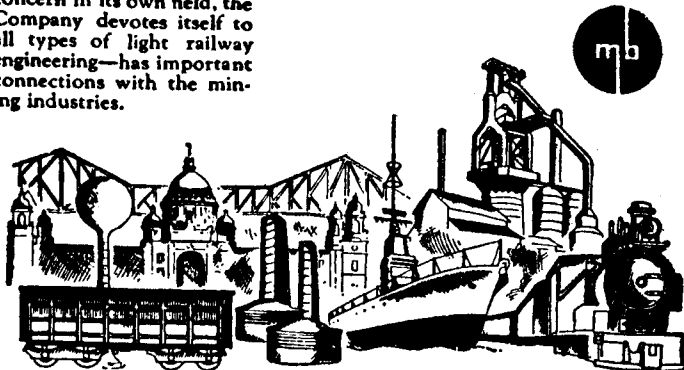
THE HOOGHLY DOCKING & ENGINEERING CO. LTD.: Established in 1819, the Company has a shipbuilding yard, a dry dock and extensive workshops at Salkia.

ROBERT HUDSON (INDIA) LTD.: A premier concern in its own field, the Company devotes itself to all types of light railway engineering—has important connections with the mining industries.

RAILWAY COMPANIES: Some of the first feeder railways in India, with six systems in four states.

ELECTRIC SUPPLY COMPANIES: Pioneers again in the generation and distribution of domestic power in India—serve 45 towns in Uttar Pradesh and Madhya Pradesh.

THE VAUGHANBURN CRANE COMPANY LTD.: A collaboration with The Vaughan Crane Company Ltd. of Manchester...Hand operated and electric overhead travelling cranes and chain pulley blocks.



MARTIN BURN LIMITED Calcutta New Delhi Bombay Kanpur Patna MCGC-32A

THE CENTRAL BANK OF INDIA LIMITED

(Established—December 1911.)

REGISTERED OFFICE:

Mahatma Gandhi Road, Fort, Bombay-1.

Authorised Capital Rs. 10,00,00,000
Subscribed Capital Rs. 5,78,53,630
Paid-up Capital Rs. 3,15,51,893
Reserve Fund and other Reserves Rs. 5,51,86,373
Deposits as at 31-12-63 Rs. 2,51,19,72,978

DIRECTORS:

Sir Homi Mody K.B.E. (Chairman),
Cooverji Hormusji Bhambhani Esq. (Vice-Chairman),
Dharamsey Mulra, Khatai Esq.,
Nityanand Mangeshkar Esq.,
Chimanlal Bapalal Parikh Esq.,
Nawab Prince Mukarram Jah Bahadur,
Sir Jamsetjee Jejeebhoy Esq.,
Jaykrishna Harivallabhdas Esq.,
Sh

COMMODITY PRICES SOAR IN SPITE OF GOVERNMENT EFFORTS

(BY A SPECIAL CORRESPONDENT)

In spite of the Government's efforts, commodity prices have been rising sharply. The increase has been particularly steep in certain food articles like gur and cereals.

It has been evident for some time that the price situation has been getting out of hand. The general rise in prices in the country seems to be somewhat larger than what has been indicated officially, since the pre-Budget spurt has yet to be fully reflected in the official quotations. According to one estimate, the average rise in prices of all commodities worked out to 13.6 percent last year, compared with 10 percent shown by official quotations. The average increase in the quotations for food articles works out to 25.4 percent,

while some of the individual items in the food group have recorded exceptionally high rises. These are khandasari sugar (54.2 percent), gur (48 percent) and cereals (32.7 percent). The rise in the prices of industrial raw materials (11.9 percent) is smaller than that for the food group. The biggest rise has taken place in the case of oilseeds (13.3 percent) and cotton yarn (11.9 percent). The average level for "others" has risen by 31.5 percent. Thus the rise in prices evident during the past year is reflected in almost every individual

commodity falling under the food group and industrial raw materials.

The rupee was worth only 25 percent of what it was in the prewar period before the galloping price increase of last year. Last year alone, the purchasing power of the rupee has been eroded by more than 10 percent.

It is interesting to compare the price trend in 1963-64 with the experience in the first two years of the third plan. There was a decline of 3.5 percent in wholesale prices in the

CAPITAL, 27th February, 1964.

first year of the third plan; in the second year, this was offset by a corresponding increase.

Trend in Third Plan Period

At the beginning of the third year, prices were no higher than at the commencement of the third plan. During the year the price rise has been particularly sharp in the lean months and in the eastern region, Madhya Pradesh and Maharashtra. The increase in the prices of food articles, according to the official survey, has accounted for more than four-fifths of the total rise during the first half of 1963-64. Rice alone has caused a quarter of the increase in the general price level and gur more than a third.

The decline in agricultural production, coupled with rising demand, has caused the spurt in prices. Foodgrains production as a whole was 2.3 million tonnes lower in 1962-63 than in 1961-62. Rice output fell by 2.8 million tonnes from the record level of 34.8 million tonnes in 1961-62. Production of wheat also declined by 900,000 tonnes due to adverse weather in Uttar Pradesh. Sugarcane production fell from 10.1 million tonnes to 9.4 million tonnes during the period. Imports of foodgrains totalled 4.6 million tonnes in 1963, compared with 3.6 million tonnes in 1962. The total availability of foodgrains appears to have been maintained at about the same level as in the previous year.

In the case of raw cotton, in spite of an increase in production, there has been a rise in prices. Part of the rise is, no doubt, attributable to the higher demand for cotton yarn and cloth, but the Government cannot escape the blame for faulty distribution.

Steps to Control Prices

The steps taken by the Government to hold the price line may be grouped under two heads: (i) those designed to increase the availability of supplies or production; and (ii) strengthening of the distributive machinery.

The Government took steps to strengthen the procurement machinery and tighten the regulatory mechanism. The farmer was assured of reasonable minimum prices for several foodgrains. Sugarcane prices were raised so that factories could pay more and attract larger supplies. Fiscal incentives were given to induce factories to prolong the crushing season. Furthermore, the capacity of the sugar industry is being increased.

As for distribution, the Government's policy is to encourage the establishment of consumer co-operative societies to facilitate the distribution of foodgrains and other articles at fair prices. Under a Centrally-sponsored scheme, 143 wholesale stores and 2,341 primary stores have been set up in 1963. The number of fair price shops too has been increased by 10,000 to 60,000. In West Bengal, the number of fair price shops has gone up from 11,074 to 12,274. The issue of rice from Central stocks to the State Governments has been increased. West Bengal has got an additional allocation of 100,000 tonnes of rice and 400,000 tonnes of wheat over and above what it received in 1962.

But these steps have fallen short of what is demanded by the situation. Food and clothing occupy a crucial position in a developing economy. If the Government is unable to control their prices, it will be spreading discontent among the people. The discontent is already evident from the numerous strikes all over the country. The Government of India and some State Governments have given token salary reliefs to Government servants. But this does not constitute the right approach to the problem. The main

CAPITAL, 27th February, 1964.

aim of planning is to raise the standard of living. What is happening is that the living standards of many people are going down. An average Indian exists on less than 50p a day and if a big erosion in the purchasing power takes place, his plight can be imagined. Something seems to be wrong with planning in this country. The wrong should be rectified before it is too late in the interests of a stable democracy.

THE CALCUTTA MONEY MARKET MODERATE RISE IN ADVANCES

Wednesday, 26th February.

THERE has been a moderate increase in the general level of advances in the Calcutta money market during the past week. This is entirely because the requirements of the sugar mills have risen. The credit given to the cotton and jute mills, and to the foodgrains and seeds trade, is unchanged. But advances to the iron, steel and engineering industries are slightly down. In the interbank market, conditions have remained tight and the call rate is quoted at 6 percent.

In the exchange market, there has been a moderate supply of tea and gunny bills, while the demand for remittances has been fairly good. In London, sterling has weakened in relation to most of the major currencies following the publication of the U.K. foreign trade figures for January.

SILVER WAS QUIET IN CALCUTTA DURING the past week. The price declined from the previous week's level of Rs. 265.50 to Rs. 260.50 a kilogram quoted today. The London and New York prices stood at 111½d and 129.3 cents.

GOLD WAS ALSO QUIET AND THE PRICE of 14 carat fell from Rs. 68.75 to Rs. 68.25.

DURING THE WEEK ENDED 21ST February, Government of India Treasury bills for Rs. 14,17,50,000 were sold in favour of the Reserve Bank.

TENDERS FOR Rs. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 25th February. The total amount offered was Rs. 2,03,00,000. Tenders at Rs. 99.415 percent were accepted in full, and those at Rs. 99.410 percent were allotted 97 percent. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 2.350 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 2nd March.

IT IS STATED THAT 91-DAY INTERMEDIATE Treasury bills will be sold from 26th February to 29th February at Rs. 99.431 percent. Sales can be stopped at any time without notice if the Government thinks it necessary. These bills sold from 19th February to 22nd February amounted to Rs. 20 lakhs.

THERE WERE DECLINES OF Rs. 16.88 crores to Rs. 2,451.19 crores in active notes and of Rs. 13.81 crores to Rs. 2,450.10 crores in the total note issue, according to the statement of the Reserve Bank of India for the week ended 21st February, 1964. The currency contraction was covered by reducing rupee securities of the paper currency reserve by Rs. 15 crores to Rs. 2,119.69 crores. Deposits of the Government of India rose by Rs. 7.10 crores to Rs. 56.50 crores while those of State Governments dropped by

Rs. 1.43 crores to Rs. 13.93 crores. Balances of commercial banks at Rs. 83.31 crores showed a decline of Rs. 3.04 crores. Balances held abroad fell by Rs. 2.54 crores to Rs. 18.35 crores. Investments at Rs. 213.56 crores showed a rise of Rs. 14.38 crores partly due to the transfer of securities from the Issue Department. Loans to scheduled banks declined from Rs. 62.22 crores to Rs. 52.61 crores of which advances against usance bills amounted to Rs. 23.24 crores (Rs. 23.93 crores). Ways and means advances stood at Rs. 38.31 crores, against Rs. 36.58 crores.

THE RETURN OF THE STATE BANK OF India for the week ended 14th February, 1964, shows a drop of Rs. 3.59 crores to Rs. 596.50 crores in total deposits. Investments in Government securities are down by Rs. 6.86 crores to Rs. 238 crores, while other authorised investments are up by Rs. 50 lakhs to Rs. 9.44 crores. Advances, including loans, cash credits, overdrafts and bills discounted and purchased have risen by Rs. 7.62 crores to Rs. 331.62 crores. Cash and balances are, in consequence, shown at Rs. 21.24 crores or Rs. 1.35 crores less.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 14th February, 1964, shows Demand and Time liabilities at Rs. 1,178.16 crores (Rs. 31.64 crores on account of borrowings from banks and Rs. 1,209.78 crores (Rs. 12.85 crores), compared with Rs. 1,189.24 crores (Rs. 33.09 crores) and Rs. 1,286.15 crores (Rs. 14.15 crores), respectively, in the previous week. Cash has increased by Rs. 8 lakhs to Rs. 57.22 crores, while balances with the Reserve Bank have declined by Rs. 6.79 lakhs to Rs. 77.61 crores. There is a drop of Rs. 6.29 crores to Rs. 649.82 crores in investments. Advances and bills discounted at Rs. 1,743.91 crores show a rise of Rs. 19.65 crores. The ratios to total liabilities of cash and balances, of advances and discounts are, in consequence, shown at 5.5 percent and 70.6 percent, against 5.7 percent and 69.7 percent.

THE DIRECTORS OF NATIONAL AND Grindlays Bank Ltd have recommended a final dividend for the year ended 31st December, 1963, of 7 percent less income tax at 7s 9d in the £ payable on 3rd April.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 28-2-64.

Issue Date	Maturity Date	Amount (000's Rs.)	Average Acceptance Rate
28-2-64	31-3-64	2,00.00	Rs. 2.350%
21-2-64	24-3-64	2,00.00	Rs. 2.340%
14-2-64	17-3-64	2,00.00	Rs. 2.340%
7-2-64	10-3-64	2,00.00	Rs. 2.325%
31-1-64	3-3-64	2,00.00	Rs. 2.325%
24-1-64	27-2-64	2,00.00	Rs. 2.315%
17-1-64	20-2-64	2,00.00	Rs. 2.315%
10-1-64	13-2-64	2,00.00	Rs. 2.310%
27-12-63	30-3-64	2,00.00	Rs. 2.310%
20-12-63	23-3-64	2,00.00	Rs. 2.315%
13-12-63	16-3-64	2,00.00	Rs. 2.315%
6-12-63	9-3-64	2,00.00	Rs. 2.320%
29-11-63	2-3-64	2,00.00	Rs. 2.320%

(Monthly Maturities 000's omitted)

March, 1964	10,00.00
April, 1964	6,00.00
May, 1964	10,00.00
Total	26,00.00

CLEARING HOUSE RETURNS

Week	Calcutta Rs. (Lakhs)	Bombay Rs. (Lakhs)
21-2-64	82.71.02	.....
14-2-64	96.82.86	1,18.82
7-2-64	1,13.39	1,34.75
31-1-64	95.72.16	1,12.48

RESERVE BANK

ISSUE DEPARTMENT		(In 000's of Rupees)		21-2-64	14-2-64	22-2-63
Liabilities—						
Notes in Banking Dept.				15,78,57	13,11,83	12,63,43
Notes in Circulation				24,34,31.24	24,51,19.37	21,94,47.89
Total Notes Issued				24,50,09.81	24,64,31.20	22,07,11.32
Assets—						
A. Gold Coin and Bullion				1,17,76.10	1,17,76.10	1,17,76.10
Foreign Securities				1,02,45.73	1,02,45.69	95,08.43
Total of A				2,20,21.79	2,20,21.79	2,12,84.53
B. Rupee Coin				1,10,19.63	1,09,40.46	1,17,84.58
Rupee Securities				21,19,68.94	21,34,68.95	18,76,42.21
Total				24,50,09.81	24,64,31.20	22,07,11.32
BANKING DEPARTMENT						
Liabilities—						
Capital Paid-up				5,00.00	5,00.00	5,00.00
Reserve Fund				80,00.00	80,00.00	80,00.00
National Agricultural Credit (Long Term Operations) Fund				73,00.00	73,00.00	61,00.00
National Agricultural Credit (Stabilisation) Fund				8,00.00	8,00.00	1,00.00
Deposits—						
(a) 1. Central Govt.				56,50.00	49,39.53	84,56.38
2. State Govts.				13,93.01	15,36.05	9,79.74
(b) Banks—						
(i) Scheduled Banks				80,26.60	83,31.31	77,84.32
(ii) State Co-operative Banks				2,07.32	1,83.62	2,34.96
(iii) Other Banks				4.23	9.79	5.36
(c) Others				1,63,18.43	1,76,24.46	1,62,95.72
Bills Payable				38,46.10	33,04.86	31,36.76
Other Liabilities				63,27.37	69,53.73	59,65.89
Total				5,84,73.10	5,86,23.35	5,81,54.84
Assets—						
Notes				15,78.57	13,11.83	12,63.43
Rupee Coin				3.55	1.58	1.50
Small Coin				3.32	4.12	2.00
National Agricultural Credit (Long Term Operations) Fund						
(a) Loans and Advances—						
(i) State Govts.				26,49.25	26,58.04	23,67.39
(ii) State Co-operative Banks				8,37.92	8,43.39	10,62.19
(iii) Central Land Mortgage Banks						
(b) Investment in Central Land Mortgage Bank Debentures				3,59.36	3,39.36	2,84.88
National Agricultural Credit (Stabilisation) Fund						
Loans and Advances to State Co-operative Banks						
Bills Purchased and Discounted—						
(a) Internal						
(i) External						
(ii) Govt. Treasury Bills				49,50.34	56,30.06	61,25.53
Balances Held Abroad				18,34.63	20,89.01	11,95.89
Loans and Advances to Govt.				38,31.39	36,38.21	26,52.21
Loans and Advances to—						
(i) Scheduled Banks				52.6.39	62,22.05	38,89.89
(ii) State Co-operative Banks				1,27,54.71	1,27,11.39	1,31,19.23
(iii) Others				1,30.96	1,44.57	1,44.57
Investments				2,13,55.66	1,99,17.50	2,26,67.29
Other Assets				29,22.52	29,70.79	34,07.89
Total				5,84,73.10	5,86,23.35	5,81,54.84

SCHEDULED BANKS

(In 000's of Rupees)		Week Ended		14-2-64	7-2-64	15-2-63
(i) Demand Liabilities—						
(a) Demand Deposits				59,69.76	60,50.54	46,73.42
(i) From Banks				10,22,36.63	10,27,11.86	8,16,38.95
(b) Borrowing from Banks				31,61.01	33,09.05	21,10.50
(c) Other				64,45.34	68,51.10	58,97.13
(ii) Time Liabilities—						
(a) Time Deposits				22,33.07	22,77.45	21,15.38
(i) From Banks				12,44,13.37	12,38,53.87	12,23,37.82
(ii) From others				12,88.13	14,13.15	20,61.73
(b) Borrowing from Banks				11,46.80	10,68.46	11,43.20
(c) Other						
(iii) Borrowing from State Bank—						
(a) Demand Liabilities				9,57.40	9,82.63	9,58.50
(b) Time Liabilities				9,90.00	10,00.00	7,07.50
(iv) Borrowing from Reserve Bank				63,43.55	47,16.88	37,49.97
(v) Cash				57,22.19	57,14.40	51,54.53
(vi) Balances with the Reserve Bank				77,61.25	84,40.22	76,14.41
(vii) Balances with other banks in current account				25,77.77	26,12.13	18,76.09
(viii) Money at call and short notice				37,77.76	42,15.51	39,23.82
(ix) Investments in Central and State Govt. Securities				6,49,82.41	6,56,11.14	6,05,69.30
(x) Loans, cash credits and overdrafts				14,46,04.17	14,30,01.82	12,77,20.7

NATIONAL AND GRINDLAYS BANK LIMITED

EXPANSION IN CENTENARY YEAR

The Annual General Meeting of National and Grindlays Bank Limited will be held on April 2 in London.

The following are extracts from the statement of the Chairman, The Right Hon. Lord Aldington, F.C., K.C.M.G., C.B.E., D.S.O., circulated with the report and accounts for the year 1963:—

It is my privilege to report to you upon the Bank's Centenary Year. I want to place on record the thanks of your Directors to Mr. J. K. Michie, for the purposeful leadership with which he guided the Bank's affairs so successfully as Chairman for close on 18 years, until he retired from the chair on 31st December, 1963.

Some idea of the size of the task that this Bank accomplished under his leadership—and some indication of his wide understanding, foresight and courage—can be gained from these few figures. In 1946 when he became Chairman our deposits were £62 million, they are now £283 million; our advances were £13 million; they are now £160 million; we had 29 branches in 1946, we now have 163. And during these 18 years most of the territories in which we operate have experienced a rate of political, social and economic development that would have surprised our founders. We cannot expect that the challenge to us in these important overseas countries will grow less formidable in the future, and the Bank

will always be grateful to Mr. J. K. Michie for the example he has set.

The Accounts

The consolidated balance sheet continues to show a general expansion in our business. Total assets at 31st December last were £356,915,796. It will be noted that we have changed our practice this year to accord with that of leading banks in the world and have included for the first time an amount of £59,874,545 for Confirmed Credits, Guarantees and Endorsements. Without that figure our assets are about £20,000,000 higher than they were in December 1962.

Profits at £679,318 are not as high as in 1962, but the increase that year, as my predecessor stated, did not arise from our overseas operations. I am glad to be able to report that our profits from our widely spread banking overseas were higher this year than last.

Out of the year's profits the sum of £150,000 has been placed to Reserve Fund which, when taken with the consolidated carry forward, is now a little more than our issued capital.

The half-yearly dividend proposed is unchanged at 7%, making 14% for the year.

National and Grindlays Finance and Development Corporation Limited

As last year the profit £29,301 has been retained in the subsidiary company and is included in the Consolidated Profit and Loss Account.

During the year the Finance and Development Corporation's capital was increased by the issue of 500,000 new shares of £1 each fully paid. In addition the Finance and Development Corporation's resources were increased by borrowing outside the Bank. The fixed term loans granted in these last fifteen years have been of benefit to our overseas customers in the public and private sector and we believe also a lasting advantage to the economies of their countries.

Exporters' Refinance Corporation Limited

In its second year the Exporters' Refinance Corporation made a small profit. Its turnover is increasing at a healthy rate as new exporting customers make use of its services and

new facilities are developed to help export.

India

The action by the Government and the country to marshal the resources necessary to meet the challenge from China included an unprecedented budget and strict control over credit. The rate of growth in the economy has been slower in the past two years than in the years of the first two Plans. But there were clear signs in the latter half of 1963 of more expansionist policies.

Money conditions have varied more than normally. In the first quarter of 1963 money was exceedingly short and the inter-bank calls rate reached 6½%. By the middle of the year that rate had fallen to under 1% for a short period and it remained at a fairly easy level until December when taxation payments pushed it up to about 5%.

It is not my intention to try to analyse India's economic problems or her progress in solving them. But it would be a mistake to let the period of slower growth, perhaps better called a period of consolidation, blind us to encouraging factors of great importance not least the steady rise in export earnings which will be one of the principal keys to India's prosperity.

This Bank will always wish to play its part in financing India's exports new and old as we have in financing the export of her main crops for these last hundred years. We welcome the creation by the Government of India of the new Export Credit and Guarantee Corporation Limited.

A high level of industrial investment although financed partly by foreign loans inevitably puts a further strain on the banks when money conditions are tight. The Industrial Development Bank which is to be created shortly following legislation will greatly help in this respect.

In 1963 if we had not been able to increase our deposits through the new branches and by our drive for an increase in savings accounts, we should not have been able to go so far to meet the demands made upon us for industrial development.

I have full confidence in the Bank's ability to help in India's future development, and in the wish of our friends in India that we should do so.

Pakistan

I have these same feelings about our ability to help in Pakistan's future and about our position there. The rate of industrial expansion and the volume of exports generally are important factors for us to watch. Both were satisfactory in 1963. And it is encouraging to know of the increase in last year's wheat and sugar crops and of the expected increase in the 1963/64 rice crop.

Foreign private investment will continue to be welcomed in industries where large capital and high technical skill is involved.

Ceylon

We and the other British banks play an important part in financing both Ceylon's overseas trade and her industrial development as well as her tea, rubber and coconuts. We were able during the year to correct misleading reports that we confined our facilities to British owned firms. In fact a large part of our loans and over-drafts have been to Ceylon nationals or firms they control. In 1963 we offered a sum to help small-scale industrial enterprises approved by the Government, and we could do more in this and other ways

to strengthen Ceylon's economy if we were not hampered by restrictions placed on the opening of new accounts with us by Ceylonese nationals. As a result of these our deposits have declined in the past year.

Burma

Nationalisation took from us our business in Burma on 23rd February, 1963. As reported to you last year, it was expected that a settlement on compensation would be made within three months. We have received K.5 lacs which represented a loan granted by the Bank to its Rangoon Branch but there is still no settlement of our main claim for compensation.

The profit earned up to 23rd February, 1963 has not been remitted and has therefore not been included in our profit figures for this year.

East Africa

The independence of Kenya was achieved on 12th December, 1963 in circumstances far more promising than most prophets could have predicted. That this was so is due in the main to the political leadership of Kenya and to Mr. Malcolm Macdonald.

The future of the East African Common Services Organisation now rightly falls to be decided by fully independent governments but we should not be impatient if they take a little time before deciding about this and about Federation. Anyone responsible for banking in East Africa can have little doubt about the economic advantages to the territories of full and free co-operation between them, but other factors have rightly to be taken into consideration before final decisions can be taken. A separate but related question concerns the formation of a Central Bank. In solving this too regard has to be had to the different economic, political and social conditions in the territories.

General

After a year when Britain's visible trade exports have reached new records it is perhaps right to emphasize the value to that trade of the British overseas banks and the importance of the so-called invisible exports which accrue from them. The growing interest in our aims and problems taken by U. K. High Commissioners and their staffs, and by the Government in London, is both welcome and encouraging. If, as I hope, this country is further to expand its investment in commonwealth and other developing countries—and to request others to do the same—it is also right that Britain's policies and actions should foster its existing investment in those territories.

Overseas, each year adds to the importance of the help we can give to the development of industry, new and old, in each territory. This often requires longer term finance than that to which bankers were accustomed earlier in the century.

The note on which I wish to end my first statement is that of efficiency and modernisation of our methods. I have seen many improvements at home and overseas in recent years. Good evidence of this at home is the computer which Mr. Michie opened on 30th December last. In India and our other territories there are varying degrees of mechanisation in different branches. What is right in one place may not be right elsewhere. And our staff must be carried along with our plans. But in the long run the test whether the service we provide will be preferred to the service of others is the test of efficiency, coupled of course with the human understanding of our customers' needs of which the three forebears of this Bank have always been proud. We intend to see that with the co-operation of our staff we use the best machinery and methods that are appropriate to each of our branches. The quality of service we offer shall be second to none.

New Delhi

U.S. BUSINESS MEN TO STUDY INVESTMENT PROSPECTS

(FROM OUR NEW DELHI CORRESPONDENT)

THIRTY high-powered representatives of U.S. industrial houses are due to visit New Delhi for a week, starting from 13th April. They will hold discussions with the Government of India with a view to exploring the possibility of U.S. investment in fields in which, according to the mid-term appraisal of the third plan, there have been serious shortfalls. The Indian Investment Centre will play the host.

The industries in which they may prefer to invest include petrochemicals, fertilisers, alloy steels, machine tools, foundries, heavy engineering, mining machinery, food processing and hotels. Actually, Hilton holiday Inns and Hotel Corporation of the U.S.A., has already offered to build hotels in India provided the Government relaxes its prohibition policy as far as its particular venture is concerned, and permits the Company to import motor-cars suitable for tourists. Visits to Calcutta and Bombay are also included in the visitors' programme.

FOREIGN INVESTMENT

Tax Changes Suggested

A timely publication by the National Council of Applied Economic Research, entitled *Foreign Investor and Tax Reforms*, says that it may be worth while for the Central Ministry of Finance to consider whether increased taxes on personal incomes and corporate profits rendered necessary on account of the defence needs of India or other special circumstances, might not be confined to Indian nationals and domestic investors so that foreign investment might be ensured a reasonable stability of return. The N.C.A.E.R.'s review suggests the reforms which would help remove tax deterrents and improve the general climate for foreign investment. The more important of the recommendations are:

- (1) The same tax treatment for managerial personnel as for technicians in manufacturing industries.
- (2) Provision of tax-free allowances in view of the special expenditures occasioned by service in India.
- (3) Adjustments of particular tax rates—super tax, super profits tax and inter-corporate dividends tax—in order to make the total tax burden on foreign branches, subsidiaries and minority shareholdings in India comparable with the total burden in other countries.
- (4) Further reduction of the tax rate on royalty incomes of foreign companies in order to place India in a better position to attract the latest industrial techniques.

The Council's recommendations, in detail, are:

Personal Taxation:

- (1) As for the concession offered to foreign technicians, the restriction by which the tax exemption is denied if the individual had been resident in India in any of the four financial years immediately preceding the year in which he arrives in India, should be removed.
- (2) The time limit of six months for tax exemption for foreign managerial personnel should be extended and they should be treated on a par

with technicians in constructional or manufacturing operations.

- (3) In view of the additional expenditures incurred by foreign personnel serving in India, a system of tax-free allowances may be constituted. This should take account of the two special requirements of foreign nationals: (a) recurring expenditure on education of children and/or maintenance of other dependents in home countries; and (b) actual expenses incurred on medical treatment. The system of special allowances should, of course, specify maximum limits.
- (4) The taxes on the investment income of a non-resident individual, when his income consists only of dividends and/or interest, should be limited to 30 percent, without any additional tax liability. Moreover, the non-resident individual should not be required to file any returns of income.

- (5) Pensions of foreign personnel should be charged to tax at the scheduled rates applicable to residents without taking into consideration the foreign incomes of those individuals. Further, in the case of foreign employees, the Government may permit the trustees of superannuation funds to take out insurance policies with insurance companies of their home country, if they so desire. Indian taxes due on pensions would continue to be paid by the trustees.
- (6) Registered firms in legal, accounting and similar professions which are prevented by Indian laws and regulations from forming themselves into companies may not be subjected to income tax on the registered firm as such.

- (7) The partners of a registered professional firm may be allowed tax relief for contributions to approved superannuation and provident funds, now restricted in the income tax law to employees only.

Company Taxation:

- (8) In order to make the tax holiday granted to new enterprises more effective, carry-forward facilities should be built into the relevant section of the income tax law.
- (9) The rates of super tax and super profits tax, applicable to foreign investment in different forms, should be revised in order to reduce the disparity in this matter between India and other capital-importing countries.

- (10) Taxes on inter-corporate dividends to foreign companies should be gradually eliminated. As a first step, the rate may be reduced to 25 percent from the existing 35 percent on dividends which do not enjoy the super tax exemption under Section 99(1) (iv) of the Income Tax Act. Correspondingly, the rate on dividends from Indian companies engaged in industries specified in Parts A and B of the Fifth schedule to the Income Tax Act may be reduced from 25 percent to 15 percent.

- (11) The combined rate of income and super taxes on royalty income of foreign companies may be reduced from the existing rate of 50 percent to 35 percent, which is the rate of taxes on inter-corporate dividends to foreign companies.

- (12) In dealing with private and closely-controlled public companies, the Indian tax law should recognise

the principle that such concerns have varied needs to plough-back profits for the expansion of their business. These needs may exceed the statutory percentage now permissible under the law. Companies should, therefore, have the right of appeal against the application of the penal provisions. This appeal may be made direct to a board of referees constituted for the purpose. Further, Indian subsidiaries of foreign private and closely-held public companies may be exempted from the penal provision of Section 104 of the Income Tax Act, as the question of evading progressive personal super tax rates does not arise in the case of corporate shareholders.

PAPER INDUSTRY

Report on Productivity

The Indian National Productivity Council's report on the paper industry in Japan, Mexico, Venezuela, the U.S.A., the U.K., Canada, Finland and Sweden shows some of the defects from which the Indian paper industry is suffering. With reference to productivity, the report says: "In India, there are nearly 30,000 workers employed in an annual production of 400,000 tons of paper and board. In the U.S.A., nearly 500,000 workers are producing nearly 33 million tons a year of similar products. So production an employed person is nearly four times in the U.S.A., compared with India. The most important reason for this vast difference is large-scale automation in the U.S.A. There is no doubt that similar automation does not suit Indian conditions at the present state of development of the country. It is, however, to be pointed out that even for the operation of similar equipment and under similar conditions of working, there are more persons employed in India, compared with other countries like the U.S.A., Canada, Mexico and Japan visited by the Team. For example, in India, the number of workers required for operating a Fourdrinier paper machine is much more than in the U.S.A.

"The team was much impressed with the high productivity of Japanese workers. The wages in that country are comparatively low, but the productivity is very high, with the result that the overall cost of production of pulp and paper in Japan is lower than in India. The selling price of ordinary writing and printing paper in Japan is 55nP to 60nP a lb. The selling price of coated Duplex board, 350 g.s.m., with 80 G.E. whiteness of the liner, is only about 33nP a lb. Toilet tissue sells at approximately 60nP a lb. The cost of wood, the primary fibrous material in Japan, is nearly Rs. 160 a ton delivered at the mill site for soft wood and nearly Rs. 100 a ton delivered at the mill site for hardwood. The manufacturers pay nearly 50 percent of the mill cost of wood for standing lumber and the balance is their cost of extraction and transportation to the mill site. So it will be seen that, even with relatively high cost of wood, the Japanese paper industry can manufacture and sell paper at a much lower cost than the Indian paper industry. The reason is the high productivity of labour, utilisation of best and most economical techniques and a high standard of

operational efficiency in the Japanese mills.

"The manufacturing techniques are being constantly improved upon in that country by continued research effort to decrease the cost of manufacture. For example, corrugated containers are being manufactured in Japan using wire joints. If wire joint is replaced by glue joint, the productivity can increase manifold. If by wire joint, one worker can produce 3,000 boxes in eight hours, by glue jointing one worker can make as many as 132,000 boxes in eight hours. So the Japanese industry is planning to adopt glue joint in the manufacture of corrugated containers. The team visited a mill in Japan where, with the same number of workers, the production in the mill had increased three times within the period 1949 to 1960.

"In the Indian paper mills, a feeling of complacency has developed among the manufacturers and there seems no compelling necessity to improve the manufacturing techniques. In all other countries visited by the team, it was found that the pulp and paper industry is highly competitive. The same is the case with a converting industry like the manufacture of corrugated containers. In highly developed countries like the U.S.A., the converting industries are working at a very nominal profit and, in some cases, without any profit just to enable the associated paper mills to dispose of their manufacture conveniently. In Japan, the profit in the converting line is hardly 2 percent on sales. The same was found to be the case in Canada. Working under highly competitive conditions, all the manufacturers have to pay constant attention to productivity and, unless they keep their production costs down, they cannot survive.

Mexico and India

"Labour conditions in Mexico have much similarity with conditions prevailing in India. The Mexican paper industry employs nearly 9,000 workers for the production of 400,000 tons a year. So production per more hours is very high in Mexico as well. The unskilled worker in Mexico earns 20 pesos a day, which is equivalent to Rs. 7.50 a day. A skilled worker in Mexico may earn 45 to 75 pesos a day or Rs. 16 to Rs. 26 a day. In Mexico also, workers are covered by a system of social security and retirement benefits. Some units in Mexico give facilities like free housing, free electricity, free fuel, free water, free school and free hospitalisation to their employees. The system of payment of annual bonus and incentive bonus is also there. The Mexican Government has enacted comprehensive legislation just like India to protect the interests of the working class. Workers get 19 to 20 days' leave with pay every year. There are 48 working hours a week. The laws concerning working hours and days of rest are strictly enforced as in India.

"In India, labour unions are organised on a political basis in different paper mills. Many times non-employees are found to be running the union. These non-employees have no stake in the well-being of the manufacturing unit. There is no national union for the paper mill workers. In the U.S.A., Canada and other countries, in which pulp and paper manufacture is a major industry, there are national unions for the entire industry. Local units of the national union are organised in different mills and these units are run by the employees of mills under the advice and guidance of the national union. These unions have no direct connection with political parties. Perhaps such a set-up may be better for the Indian paper industry. An all-India union of paper mill workers may assist to focus attention on the problems of industrial relationship in the paper industry, and a uniform

HINDUSTHAN MERCANTILE BANK LIMITED.
Registered Office:
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Authorised Capital ... Rs. 2 Crores.
Subscribed Capital ... Rs. 1 Crore.
Paid-up ... Rs. 50 Lakhs.
BOARD OF DIRECTORS:
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Sri Bhagrat Kanoria.
Sri Manmull Bhuwalia.
Sri Kamal Singh Rampuria.
Sri Promode Ranjan Sarkar.
Sri Hari Lal Mehta.
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Sterling is standing up well to this first test. The pound rallied in the exchange market after an earlier fall, and there is no sign of any withdrawal of foreign funds.



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The AEI factory in India has been supplying industry and the home with a wide range of electrical equipment since the 1930s. The range now includes furnaces, motors, motor control gear, transformers, switchgear, fans and lighting fittings. The famous MAZDA lamps are also marketed in India by AEI.

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In India and abroad, AEI has a succession of 'firsts' to its credit. Punjab's first major power project at Joginder-



nagar uses AEI equipment. India's largest generators, installed at Bhakra, are made by AEI. Assam's 720 mile oil pipeline—India's most ambitious scheme of its kind—will use AEI equipment. AEI built the world's first jet engine, powered the first gas turbine ship, developed Britain's first electron microscope and constructed the first ever water-cooled generator.

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AEI's training scheme is the most comprehensive in the electrical industry. More than 6,000 apprentices are



training at AEI factories in the U. K. They come from all over the world. In India, AEI has advised on the establishment of a training school at Bhopal. It is attached to Heavy Electricals (India) Limited and can train 3,000 men at a time. 250 AEI U. K.-trained engineers are now working at Bhopal; another 150 Bhopal-trained engineers are training with AEI U. K. In addition, 500 Indian engineers have taken their training in AEI's U. K. factories. This is a record believed to be unsurpassed by any other electrical engineering company operating in India.

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Jute

STEPS TO RAISE GUNNY EXPORTS TO WESTERN EUROPE

IMEDIATE implementation of the quality control scheme by jute mills, the use of better-grade fibre for manufacturing standard goods and grant of high priority for improving the quality of jute grown in India are some of the major recommendations of the five-man jute delegation which toured west European countries recently. The delegation was led by Mr. G. C. L. Joneja, Jute Commissioner. European consumers are fastidious and lay a lot of emphasis on the colour, cleanliness and finish of a product. The available better-grade fibre is now absorbed in the manufacture of carpet-backing cloth and other specialties. The use of inferior-grade fibre for manufacturing standard goods seems to be a serious handicap in expanding gunny exports to the European market. So the jute delegation has emphasised the need for improving the quality of raw material supplied to the industry. As a stopgap measure, the delegation has suggested liberal imports of high-grade jute and cuttings from Pakistan.

Observing that the Calcutta Jute Fabrics Shippers Association's standard contract terms are "biased in favour of manufacturers and shippers" leading to dissatisfaction among customers and loss of confidence, the delegation has considered it necessary to revise the terms in order to ensure that customers are given better service in matters of claims settlement, arbitration, late shipment penalties and the like. Such a step, the delegation observes, will enhance the popularity of Indian jute goods among overseas buyers.

The delegation feels that it is necessary to set up a marketing organisation of the Indian jute industry in western Europe. The body may be associated with the London office of the I.J.M.A., or stationed somewhere on the Continent. The administrative expenses may be shared jointly by the I.J.M.A. and the C.J.F.S.A. It should be staffed with technical personnel having adequate knowledge and experience of the Indian jute industry. The organisation should maintain close liaison with the industry and exporters at home on the one hand and the consumers on the other. It should carry out continuous market surveys, ascertain the specific needs of consumers, and, where necessary, suggest suitable packing material to potential customers. The technical wing of the body should be capable of drawing up precise specifications, preparing samples and working out likely costs in response to enquiries from potential customers. The wing could also be used for inspecting jute goods concerning which quality claims may be made by importers or consumers. Such a service, the delegation feels, will greatly facilitate the early settlement of disputes and avoid recourse to arbitration.

Product Development Work

The delegation has suggested that more emphasis should be laid on product development work in the I.J.M.A.R.I. and the I.C.J.C. laboratories. Although investigations have been made into the feasibility of mixing jute and synthetic fibres, the results are not yet known to the industry. In order to avoid the duplication of efforts and to pool the results of all research, proper arrangements should be made for collaboration among the I.J.M.A.R.I., the I.C.J.C.

laboratories and the British Jute Trade Research Institute, Dundee.

In the course of discussions with importers and trade organisations in western Europe, the delegation got the impression that jute goods might be able to halt the advance of paper and plastics into the packaging trade through barter deals. So it has requested the Government to reconsider its decision to exclude gunnies from barter deals. In view of the from barter deals, in view of the fertiliser industry's plans to double its production soon, all possible help should be given to enable jute goods to maintain their share of this market. Besides, facilities should be given to the industry at home for further modernisation and rationalisation, which will help reduce production costs. More liberal imports of specialised equipment like special types of sewing machines and other finishing equipment should also be allowed to help produce packing material suitable for the specific needs of the west European market.

Need for Bag-making Units

The delegation has suggested that the Government should consider the possibility of setting up bag-making units and small establishments for manufacturing speciality products. The former should be equipped to make all types of bags and to provide high-grade multicolour branding. They should be able to handle small orders for bags of standard or special specifications, which cannot be executed by the mills. Western Europe has a wide market for bags with multi-coloured branding. In view of the extensive potential market for high-grade carpet yarn, fuse yarn, fine yarn, light weight union fabrics and the like, smaller units equipped with specialised machinery should be set up.

The delegation has suggested that India should become a member of the International Packaging Convention to facilitate the import of Indian

gunnies into Europe and their subsequent re-export to France. The I.J.M.A. should prepare suitable sample folders showing special products manufactured in India for distribution among prospective importers and consumers. The folders may be distributed through the Indian embassies, consulates and trade centres.

Fall in Gunny Offtake

Gunny exports fell sharply from 71,400 tonnes in December to 59,200 tonnes in January due to the temporary dislocation of port activities during the disturbances in Calcutta. So there was a severe setback in the despatches of gunnies from 105,800 tonnes to 92,400 tonnes from the mills reporting to the I.J.M.A. Hessian declined from 47,400 tonnes to 38,700 tonnes, sacking from 44,600 tonnes to 39,800 tonnes and miscellaneous goods from 6,400 tonnes to 6,300 tonnes. The offtake of carpet-backing cloth rose slightly from 7,400 tonnes to 7,600 tonnes. Exports of hessian fell from 43,200 tonnes to 34,200 tonnes, sacking from 17,900 tonnes to 14,900 tonnes and other goods from 2,800 tonnes to 2,500 tonnes.

Domestic consumption recorded a small decline from 34,500 tonnes to 33,200 tonnes due to the seasonal slackness in demand and small Government orders. The offtake of heavy goods fell by 1,800 tonnes to 24,900 tonnes. This was partially offset by a modest increase of 300 tonnes to 4,500 tonnes in hessian and of 200 tonnes to 3,800 tonnes in other goods.

In January 1963, the total offtake was 94,900 tonnes—42,900 tonnes of hessian, 41,000 tonnes of sacking, 5,100 tonnes of carpet-backing cloth and 5,900 tonnes of miscellaneous goods. Exports absorbed 63,700 tonnes—37,900 tonnes of hessian, 18,300 tonnes of sacking, 5,100 tonnes of carpet-backing cloth and 2,400 tonnes of other goods. Internal consump-

tion totalled 31,200 tonnes—5,000 tonnes of hessian, 22,700 tonnes of sacking and 3,500 tonnes of miscellaneous goods.

Rise in U.S. Burlap Consumption

U.S. burlap consumption has risen sharply from 77 million yards in December to 81.6 million yards in January. The latter figure was the highest on record since March 1963 when the offtake totalled 85 million yards. Consumption in January last year was only 68 million yards. U.S. stocks during January 1964 declined by 3 million yards to 291 million yards due to a slackness in shipments during December and early January. Of the stocks, 141 million yards, against 144 million yards, were afloat, while the spot stocks remained unchanged around 150 million yards. At the end of January 1963, the stocks were 306 million yards—112 million yards spot and 194 million yards afloat. At the rate of consumption in January, the stocks will last for 3.56 months. The corresponding stock duration was 4.50 months on the same basis at this time a year ago.

In spite of higher consumption and lower inventories, U.S. buyers have shown little interest in placing orders. Shipper circles ascribe the present lull to the scrapping of the I.J.M.A. Working Time Agreement from this month. Meanwhile, New York has reported a decline in burlap prices in sympathy with the softer trend in Calcutta. Between 4th February and 24th February, spot and afloat 40in. 10oz. heavy duty burlap, duty paid New York, has declined from 11.75 cents to 11.50 cents a yard.

Purchase Quota Proves Burdensome

Although the February purchase quota of 540,000 bales has practically been lifted by the mills, it has proved to be "the last straw" for some of them. Because of the shortage of funds and the scarcity of warehousing accommodation and due to large accumulation of fibre, they had sought some relief from the Jute Commissioner. But the latter, it is reported, has said that in view of the increase shown by the final jute crop forecast by 500,000 bales to 5.91 million bales, it is not possible to reduce the quota since the growers need funds for sowing operations. The mills have pleaded that the Jute

G. B. OFFERS NEW MACHINES TO JUTE MILLS

Office: 3, Netaji Subhas Road, Calcutta-1.
Telephone: 23-1702/3
Telegram: GEEBEECOMP

Works: 38/39, Joyabibi Road, Ghusary, Howrah
Telephone: 66-3915

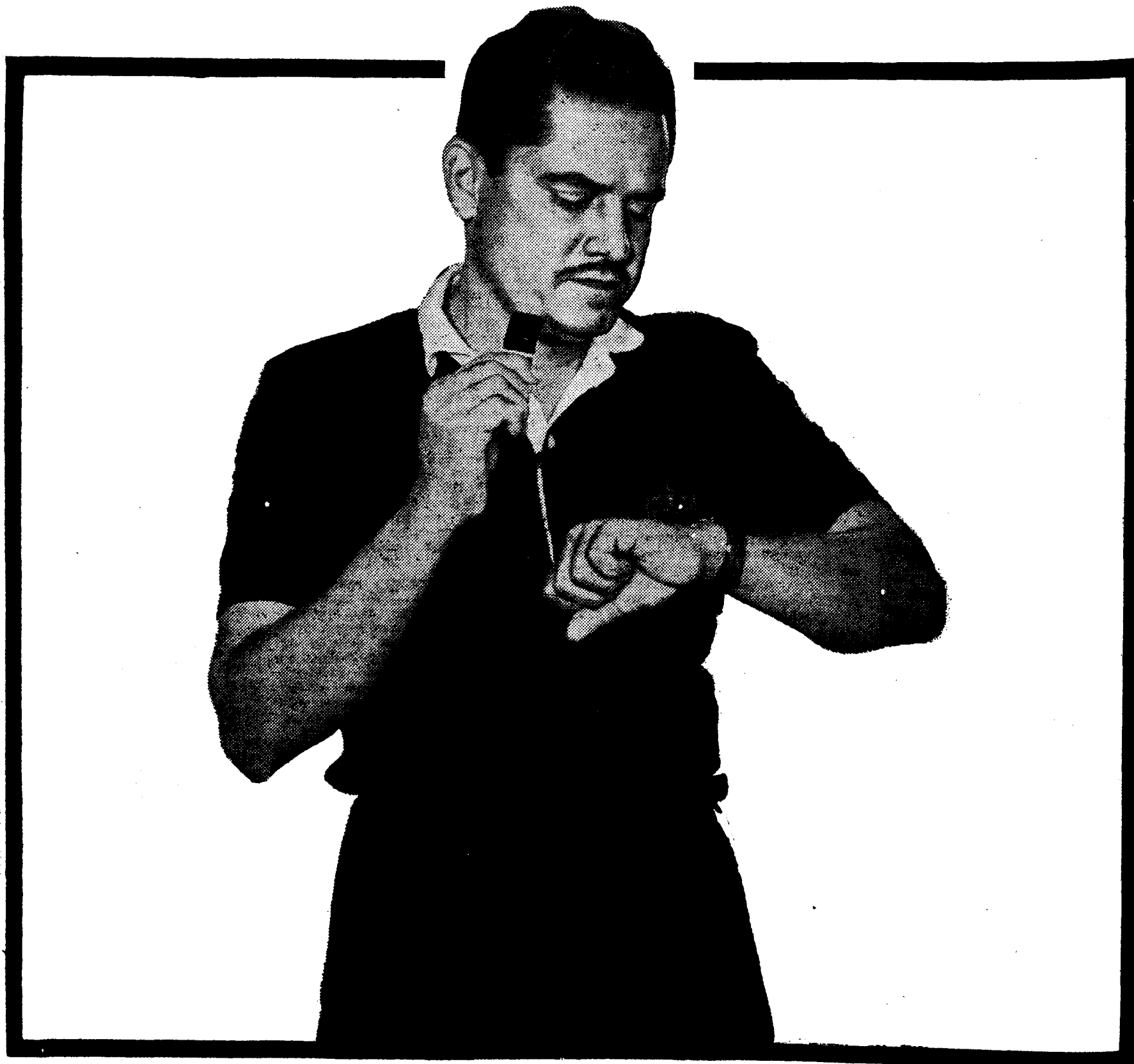
1
Inspection-cum-Rolling Machine
(Two Operations combined in One)
IT Insures quality Inspection and Rolling
Minimises TIME and Labour
Curtails costs.

2
Inspection Machines
With Tension Roller Attachment
Available both Single and Double side Inspection

3
WIDE LOOMS

4
Spare Parts and Accessories
All the machines made under strict Supervision
of Specially qualified Foreign Trained Technicians
Your Esteemed Enquiries Solicited

A whistle blows, it's a penalty...and referee Vaidya's decision is always correct!



On the field, he's an athletic, fast-moving figure. Watching the ball carefully. Keeping an eye out for infringements—fouls, off-sides. His decisions are never questioned, for Vaidya is respected by players and spectators alike. Not so long ago, he was a crack football player. He was chosen to represent India at the Olympics, but an accident kept him out. Today, he referees with skill, intelligence and good judgment...qualities which Vaidya brings to bear on his work as Technical Foreman at Burmah-Shell's Lub. Oil Blending Plant at Bombay.

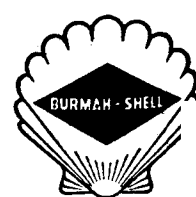
'RECIPES' FOR OVER 300 LUBRICANTS

'Every engine and moving part,' says Vaidya, 'needs lubricating oil.' And it's Vaidya's job to supervise the blending of over 300 grades of lubricants. With the help of his colleagues, he ensures strict quality control in production so that the oils are on specification.

TODAY, AS EVER, PEOPLE LIKE VAIDYA ARE WORKING FOR YOU

'Work must be balanced by physical exercise and relaxation,' says Vaidya. 'That's why I play football and bridge.'

Vaidya and people like him—at all levels of responsibility—are Burmah-Shell. Today, as ever, they are hard at work...working to ensure that vital petroleum products, essential to India's growth and progress, are brought to you at the right place and time, in the right quantities.



BURMAH-SHELL are People in the service of the People

Buffer Stock Association should be asked to enter the market and banks should be prevailed upon to extend financial accommodation against the raw jute holdings of mills. It may be mentioned that against the previous estimated fibre availability (including imports and smuggled supplies from Pakistan) of 7.5 million bales, the mills have already lifted 6.105 million bales and the J.B.S.A. 150,000 bales.

THE JUTE MARKETS

Manufactured Goods: Opening on a subdued note due to the lack of overseas enquiries or business, the Calcutta gunny market picked up strength on reports of a sizable Government tender for B Twills for February-April deliveries. Scattered short and shipper-covering in hessian also helped sentiment. The rise in U.S. burlap consumption failed to produce the expected result due to the continuing lull in fresh U.S. bookings. A further deterioration in the tempo of loading was reported at Calcutta port. Apart from a shortage of shed berths and lighters, a cut was imposed in river drafts, which interrupted the loading of export cargo. Barring a ready transaction for 2,000 bales of heavy goods for Saigon, no fresh foreign business was reported. Occasionally, talk of enquiries from shippers in hessian and sacking for the ready and near positions induced minor rallies, but the improvements were not sustained at the close due to selling pressure in the futures market. The February contracts were closed on Friday and the outstanding ones were converted into May contracts on payment of higher contango charges. Business in May contracts commenced from the same day. Sacking closed with a moderate gain, while hessian finished a shade higher from the opening levels after narrow fluctuations. Turnover was fair in heavy goods and small in hessian, and the undertone was steady at the close.

Wednesday's quotations were as follows:

	Feb.	Mar.	Apr.- June	July- Sept.
40in. 7oz.	34.40	34.50	34.35	34.25
40in. 8oz.	37.00	37.00	36.85	36.75
40in. 10oz.	45.80	45.90	46.00	45.90
B Twills	110.40	110.90	111.75	112.10
Cornsacks	115.25	115.75	114.75	115.00
Heavy Cees				
(Plain)	111.00	111.25	111.25	111.50
A Twills	139.00	135.50	135.00	135.00
Liverpools	127.00	126.50	126.50	126.50

Raw Jute: Easy conditions prevailed in the raw jute market during the past week. Having almost completed their February purchase quota, mainly from the upcountry markets in better-grade fibre for long positions, mills and mill agents were practically out of the picture. As the better-grade jute for the season has already been disposed of, a glut of stocks seemed to emerge in offgrade fibre in Calcutta and in secondary markets. The holders were keen on clearing them at slightly lower prices, but not below the official minima. Weak holders sold small lots at slightly lower levels. In the futures market, Upper Assam White Bottoms for March continued to be nominally transacted around the official floor levels. Business in June contracts commenced from Monday. There were many conversions of outstanding March contracts into June ones on the payment of higher contango charges. Turnover was small in the spot market and moderate in the futures market. The undertone was hesitant at the close.

Wednesday's quotations were as follows:

	Landed at Mills (Basis Bottoms)		T.S.D. Minimum Prices	
	Rs. A Ql	Rs. A Md	Rs. A Ql	Rs. A Md
Assam-Agartala Jute	80.38	20.00	80.38	30.00
Northern Jute	79.04	29.50	79.04	29.50
Western Desal Jute	73.68	27.50	73.68	27.50
Selected Daissee	88.41	33.00	85.74	32.00
Assam-Agartala Tossa	85.74	32.00	83.05	31.00
Mesta:				
Assam-Northern	66.98	25.00	72.34	27.00
Local Daissee	66.98	25.00	72.34	27.00
Bihar Dist.	61.62	23.00	66.98	25.00

THE PAKISTANI JUTE MARKETS

RISE IN FIBRE

(FROM OUR Dacca CORRESPONDENT)

CONTRARY to expectations, there was considerable buying during the Idd holidays, particularly by the United States of cuttings. So local prices rose by some Rs. 5 a bale or £2 5s a ton. It is not known what quantities of cuttings America bought, but they were large enough not only

to push prices up locally but to make ready cuttings very scarce indeed.

THE U.K. JUTE MARKETS

FIBRE IN DEMAND

(FROM OUR DUNDEE CORRESPONDENT)

THERE was a firmer tendency in the raw jute market in Pakistan during the past few days. This related mainly to white jute, possibly due to imports from upcountry being small. Some sellers withdrew from the market for this reason as they expected prices to rise. On the other hand, prices of Tossa qualities remained unchanged with supplies very easily obtained. Some buying interest was shown by Dundee spinners for shipment jute. The quantities available ex warehouse Dundee are now small and mainly of unwanted or poor quality fibre. It is expected that fairly steady buying will take place in the U.K. during the next three or four months.

U.S. BURLAP CONSUMPTION AND STOCKS

U.S. burlap consumption during January was 6.6 million yards more than during December 1963, and 14.2 million yards more than in January a year ago. Last January's bag cut-up was 59.1 million yards and piecegoods deliveries 22.7 million

yards, compared with 53.9 million yards and 21.3 million yards in December 1963 and 52.1 million yards and 15.5 million yards in January 1963. U.S. spot stocks and floats decreased from the end of December by only 2.4 million yards, in spite of the much larger consumption.

U.S. burlap consumption (as reported to T.B.M.A.)		U.S. burlap consumption (estimated industry total)	
1964	1963	1964	1963
Jan.	71	Jan.	62
Feb.	73	Feb.	62
Mar.	75	Mar.	65
Apr.	68	Apr.	77
May	65	May	76
June	60	June	69
July	60	July	68
Aug.	63	Aug.	70
Sept.	67	Sept.	70
Oct.	68	Oct.	79
Nov.	66	Nov.	77
Dec.	65	Dec.	75
Total	796	Total	513
Mo. Av.	66	Mo. Av.	76

U.S. burlap stocks (As reported to T.B.M.A.)		U.S. burlap stocks (estimated industry total)	
1964	1963	1964	1963
Jan.	240	256	206
Feb.	256	256	294
Mar.	261	261	304
Apr.	254	254	300
May	252	252	285
June	251	251	286
July	252	252	287
Aug.	225	225	279
Sept.	232	232	279
Oct.	230	230	278
Nov.	252	252	281
Dec.	245	245	294

A new link with



Andhra Pradesh



Now...Alind forges a new link with an old customer! Many of the major transmission lines in Andhra Pradesh are all Alind lines. Indeed, Alind's bare conductor supplies to the State would come to about 100,000 km—roughly one-fifth of the company's output so far.

But that is not all! For it was Andhra again, who came out with a sizeable order for Alind's weather-proof wires—not many months after the company had commenced production at Kundara of this new line.

To serve this dear customer even better, Alind is now setting up plant facilities for the manufacture of covered or insulated aluminium conductors at Lingampalli, Ramachandrapuram, near Hyderabad, fast developing into a vast industrial complex.

Geared for an annual production of 10 million core metres of CAC, this brand-new Alind plant will not only serve as a strategic supply source...but can well be the nucleus of a bigger plant to come...dramatically diversifying its lines of manufacturing activity.

ALIND

THE ALUMINIUM INDUSTRIES LIMITED

Today's largest manufacturer of aluminium conductors and accessories.
Registered Office: Kundara (Hyderabad)
Works at: Kundara & Mirakur in Hyderabad
Mg. Agents: SESHASAYEE BROS. (PVT.) LIMITED

DEMAND FOR TEA GOOD BUT PRICES LOWER

(BY A SPECIAL CORRESPONDENT)

THE Commodity markets continue to report a generally good demand for tea leaf and dusts in Calcutta, Cochin and Colombo, but in most cases, the profit margin is narrow. In north India, the plucking season ended in December, and most of the output is on its way to Calcutta for sale or shipment. The statistical situation is not bad, although 1963 yielded about 40 million lbs less than 1961. But internal consumption has fallen off, and it looks as if world offtake is also less. If so, the situation could be serious if the crop from north India proves to be a bumper one. Meantime, south India may again go ahead. Africa may expand production further. Larger supplies at lower costs would seem to be the only solution for India in a market when demand fails to keep pace with supplies.

Amenities for Tea Workers

The Wage Board for the tea industry is expected to make further recommendations at an early date. Should another rise in the wages be recommended, the expansion programmes will cost more money. The 900 million lbs plan target by 1965, is not expected to mature, and how can future progress be assured unless the profit motive is taken into account. Today tea garden workers are among the fortunate section of the Indian population. They are provided with many amenities and generally enjoy working conditions in healthy surroundings now free from malaria.

In Assam, there is a plantations provident fund: the scheme already covers life risks for about 65,000 workers. It is expected to be expanded to cover some thousands of workers in the age groups 18 to 40. This service is said to be free, as premiums are paid by the Board of Trustees without charging the workers or the employers. The L.I.C. is understood to have helped by eliminating medical examinations and simplifying formalities required for issue of insurance policies.

The export propaganda is being continued and at a recent meeting in Calcutta, Mr. B. C. Biyani, president of the Tea Packers Association confirmed that his Association was

determined to increase the export of packet tea. Mr. A. S. Bam, chairman of the Indian Tea Board, had a few words to say on the subject of export of both packet and loose tea. It is gratifying to note that Indian tea exports have improved from 193 million lbs in 1960 to 223 million lbs in 1963, and over the same period, foreign exchange earnings are reported to have moved up from Rs. 120 crores to Rs. 132 crores. Mr. Bam advised exporters to offer at more competitive rates by reducing their profits, but as noted by this correspondent earlier, Calcutta brokers offer lines to outmarkets at wholesale rates, but state that Africa and Ceylon as well as Indonesia and other common tea producers, still under-cut Indian prices.

Production in Russia

From time to time reference has been made in these columns to the Russian policy of gradually turning to the manufacture of articles needed for consumption in that country. It is said that the Russians started experimenting with various tea seeds in early 1895, but since 1930, definite progress has been recorded and production is steadily growing. The planted area has gone up from around 3,000 hectares to 60,000 hectares in the past 35 years. Whereas India actually has less tea in the north than before the second World War (India and Pakistan had approximately 840,000 acres in 1938-39 according to the International Tea Committee's Bulletin), India today has 333,500 hectares and Pakistan, say, 32,500 hectares, or a total of 365,500 hectares together. (1 hectare=2.471 acres). Due to reasons beyond the control of the authorities, the demand for India's output barely covers the cost of producing it. Furthermore, Russia has started exporting. The 1963 figures state that 2,000 tons of black tea and 2,800 tons of other tea were sent to Poland, Bulgaria, Czechoslovakia and Germany. It is reported that Georgia is also exporting to the U.K.

The above figures are small in comparison with world trade, but they indicate the fact that there is and will continue to be growing competition for consumers' markets.

MIDDLE CLASS COST OF LIVING INDEX NUMBER FOR CALCUTTA

(Base: August 1939)

THE Middle Class Cost of Living Indices, by groups, have now been brought up to January 1964. As compared with December, the January index for Food reveals a drop of

7 points. The indices for Fuel & Lighting, Clothing and Miscellaneous remain unchanged at 308, 609 and 321 points, respectively.

Combining all the factors, the Middle Class Cost of Living Index for Calcutta shows that the cost of living dropped by 4 points during January 1964.

Middle Class Cost of Living Index Number for Calcutta. Prices in August, 1939=100

Groups	Weights	GROUP INDICES												
		Jan 1963	Feb. 1963	Mar. 1963	Apr 1963	May 1963	June 1963	July 1963	Aug 1963	Sept. 1963	Oct., 1963	Nov., 1963	Dec., 1963	Jan., 1964
Food	53.6	550	553	563	578	578	586	591	598	606	603	598	591	584
Fuel and Lighting	4.4	299	299	307	304	308	308	308	308	308	308	308	308	308
Clothing	12.4	598	598	598	602	602	602	602	602	609	609	609	609	609
Miscellaneous	29.6	311	311	314	317	317	317	317	317	317	317	321	321	321
Combined Index	100.0	474	476	482	491	492	496	499	502	507	509	505	501	497

Compiled and constructed by the Statistical Department of "Capital"

COMPANY AND PUBLIC NOTICES

UNITED BANK OF INDIA LIMITED

Regd. Office : UNITED BANK BUILDINGS,
4, CLIVE GHAT STREET, CALCUTTA-1.

NOTICE

NOTICE is hereby given that the next Annual General Meeting of the shareholders of UNITED BANK OF INDIA LIMITED will be held at the hall of the Academy of Fine Arts at Cathedral Road, Calcutta 16, on Monday, the 30th March, 1964 at 11 a.m. to transact the following business:—

1. To receive the Directors' Report and Audited Accounts for the year ended 31st December, 1963;
2. To declare a Dividend;
3. To elect a Director in place of Dr. N. N. Law, who retires but offers himself for re-election and to consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"Resolved that Dr. N. N. Law, who has completed 76 years of age be and is hereby elected and appointed a Director of the Company and it is specifically declared that the age limit of Directors prescribed under Section 280 of the Companies Act, 1956 shall not apply to him."

Special notice of intention to propose the foregoing resolution has been received by the Company.

4. To elect a Director in place of Dr. S. B. Dutt, who retires but offers himself for re-election and to consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"Resolved that Dr. S. B. Dutt who has completed 69 years of age be and is hereby elected and appointed a Director of the Company and it is specifically declared that the age limit of Directors prescribed under Section 280 of the Companies Act, 1956 shall not apply to him."

Special notice of intention to propose the foregoing resolution has been received by the Company.

5. To elect a Director in place of Nawab Sir K. G. M.

Farouqui who retires but offers himself for re-election and to consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"Resolved that Nawab Sir K. G. M. Farouqui, who has completed 67 years of age be and is hereby elected and appointed a Director of the Company and it is specifically declared that the age limit of Directors prescribed under Section 280 of the Companies Act, 1956 shall not apply to him."

Special notice of intention to propose the foregoing resolution has been received by the Company.

6. To elect a Director in place of Sri S. N. Ray who retires but offers himself for re-election.

7. To appoint Auditors and fix their remuneration.

AS ORDINARY RESOLUTION

To consider and, if thought fit, to pass the following resolution as Ordinary Resolution:—

8. "By virtue of the discretion vested in the General Meeting by Section 228(3) of the Companies Act, 1956 as amended in 1960, it is hereby resolved that the accounts of the Branch Offices of the Bank in India as well as outside India (including any branch which may be opened hereafter either in India or outside) may be audited otherwise than by the Company's Auditor and it is further resolved that the Directors be and are hereby authorised to appoint from time to time persons qualified for appointment as auditors of the Company for audit of accounts of such branch offices in consultation with the Company's Auditor and pay them such remuneration as the Directors may decide."

AS SPECIAL RESOLUTION

To consider and, if thought fit, to pass the following resolutions as Special Resolutions:—

9. (A) Resolved that with effect from March 30, 1964 each of the Directors shall be entitled to remuneration as hereunder:

(i) For every meeting of the Board attended, not exceeding Rs. 250.

(ii) For every meeting of any Committee of Directors attended, (a) Chairman not exceeding Rs. 150, (b) other Directors not exceeding Rs. 100.

- (B) Resolved that Article 111 of the Company's Articles of Association be and is hereby altered by substituting therein for the words "Rupees One hundred" the words "Rupees Two hundred and fifty."

10. Resolved that the consent of the Company pursuant to provisions of Section 314 of

the Companies Act as amended in 1960 be and is hereby accorded to the fitting in of the undermentioned Officers who are relatives of Directors of the Company at the salary in the grade and scales of pay mentioned against their names together with the usual allowances, benefits, amenities and facilities applicable to other Officers in the respective grade and scales of pay occupying similar posts.

- (iv) Dividend Warrants will be posted to shareholders at their registered addresses or in accordance with their mandates. Such mandate and intimation of any change of address, if not already given, should be given to the Bank early in time.

The explanatory statement required under section 173 of the Companies Act, 1956 has been forwarded to the members of the Company.

Name of the employee	Scale of pay	Related to
1. Sri Dhires Chandra Dutta Gupta	230-15-275-20-515-25-590-620-620-650 Fitted at Rs. 540/-	Sri B. K. Datta
2. Sri Kshiti Bhusan Dutt	445-20-545-25-795-825-855 Fitted at Rs. 825/-	Dr. S. B. Dutt
3. Sri Biswa Ranjan Das Gupta	780-30-840-40-880-50-1230-60-1290-1350 Fitted at Rs. 1080/-	Sri-K. C. Das
4. Sri Pabitra Kumar Sen	2100-200/2-2700 Fitted at Rs. 2100/-	Sri B. K. Datta

THE NEW SAMANBAGH TEA COMPANY, LIMITED

NOTICE is hereby given that a General Meeting of the Members of The New Samanbagh Tea Company, Limited will be held at the Registered Office of the Company on Thursday, the 26th day of March, 1964, at 3-30 P.M. to consider and, if thought fit, pass the following Special Resolution:

"That consent be, and is hereby accorded to Shaw Wallace Pakistan Limited, a Company which is incorporated in Pakistan and an Associate of the Managing Agents of the Company and maintains offices in Pakistan at Strand Road, Chittagong, and also at McLeod Road, Karachi, for the purposes of its business of General Merchants and Agents, acting and continuing to act for a period of three years with effect from 1st March, 1964, as Agent for the purchase in Pakistan of all stores (other than tea seeds), machinery and goods as may from time to time be

Name of the employee	Scale of pay	Related to
1. Sri Jagat Surhid Datta	140-6-182-11-281-13-307-15-322- EB-15-337-16-369-18-405 Fitted at Rs. 405/-	Dr. S. B. Dutt
2. Sri Prasanta Ranjan Mullick	-do- Fitted at Rs. 353/-	Sri K. C. Das

By Order of the Board,
M. SEN SARMA,
Chief Manager.

- Note: (i) A member entitled to attend and vote is entitled to appoint a Proxy to attend and vote instead of himself and the Proxy need not be a member.

- (ii) The Transfer Books of the Company will remain closed from Thursday, the 12th March, 1964 to Monday, the 30th March, 1964 (both days inclusive).

- (iii) The dividend, when sanctioned, will be payable on and after the 16th April, 1964 to those shareholders whose names stand on the Register on the 30th March, 1964 and who are entitled to participate in the distribution of dividend in terms of Article 149 of the Company's Article of Association.

required by the Company at a remuneration by way of commission at the rate of two and half per cent on the invoice price of such stores, machinery and goods purchased on behalf of the Company, provided that no further sum whether by way of reimbursement of expenses or otherwise be paid to it for its services as such Agent as aforesaid and that such appointment be terminated by either party by serving to the other not less than one month's previous notice in writing of its intention so to do."

The Transfer Register will be closed from 19th March, 1964 to 26th March, 1964, both days inclusive.

By Order of the Board,

SHAW WALLACE & COMPANY LTD.,

Managing Agents.

Registered Office

4, Bankshall Street,
Calcutta, 4th February, 1964.

Notes: (i) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the Company.

(ii) In connection with the business to be transacted, an Explanatory Statement under Section 173 of the Companies Act, 1956, has been sent to the Shareholders along with the Notice.

MARTIN BURN LIMITED

NOTICE

AT a meeting of the Board of Directors held today the Directors have recommended payment of a gross dividend for the year ended 30th September, 1963, of 25%, or Rs. 2.50 per share, on the Ordinary Share Capital, subject to deduction of tax at the appropriate rates. This dividend awaits sanction by the shareholders at the Annual General Meeting to be held on Monday, the 30th March, 1964.

The Ordinary Share Register and Transfer Books of the Company, will be closed from the 16th March, 1964 to 30th March, 1964, both dates inclusive, and the dividend if sanctioned will be paid on or after the 1st April,

1964, to those shareholders whose names appear on the Register of Members on the 30th March, 1964.

By Order of the Board,
MARTIN BURN LIMITED,

L. K. SEN CHOWDHRY,

Secretary.

Registered Office:

12, Mission Row,

Calcutta-1.

Dated 21st February, 1964.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	L.S.T. Hours
South Karanpura Coal Co. Ltd.	28-2-64	10-45 a.m.
Alkali & Chemical Corp. of India Ltd.	4-3-64	2-30 p.m.
Eastern Investments Ltd.	11-3-64	4 p.m.
State Bank of India Birds Investments Ltd.	12-3-64	4 p.m.
Punjab Minerals Co. Ltd.	19-3-64	11-15 a.m.
Dalmia Iron & Steel Ltd.	20-3-64	11 a.m.
New Samanbagh Tea Co. Ltd.	25-3-64	3 p.m.
United Bank of India Ltd.	26-3-64	3-30 p.m.
	30-3-64	11 a.m.

DIVIDENDS DECLARED OR PROPOSED.—Chitavalah Jute Mills Co. Ltd.—Nil; Punjab Minerals Co. Ltd.—Nil; India Sugars & Refineries Ltd.—8 p.c. (o), subject to tax; Thirumbadi Rubber Co. Ltd.—10 p.c. (o), subject to tax; Martin Burn Ltd.—25 p.c. (o), gross.

HIDES AND SKINS

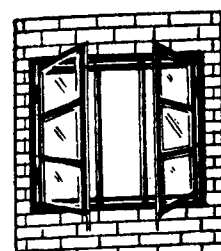
The market was quietly steady. Stocks were less than in the previous week.

Bazaar Sales

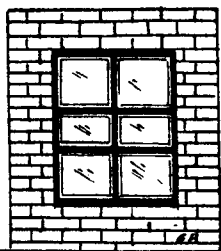
(Between 18th February and 24th February, 1964)

Cowhides: Wet Salted (Ord.) 8,000 pcs. on the basis of Rs. 7.37 to Rs. 11.25; Wet Salted (Slaughtered) 47,000 pcs. on the basis of Rs. 10.50 to Rs. 16.50 and Rs. 19.50 to Rs. 28; Wet Salted (Ord.) 3,000 pcs. on the basis of Rs. 80 nP a lb.

Goatskins: Wet Salted (Patna, Daissee, Kustia) 75,300 pcs. on the basis of Rs. 340 to Rs. 360, Rs. 360 to Rs. 380 and Rs. 425 to Rs. 440; Assam-Dinajpur 17,000 pcs. on the basis of Rs. 270 to Rs. 312; Purneah-Kissen-ganj 17,500 pcs. on the basis of Rs. 335 to Rs. 350 and Rs. 360 to Rs. 370; Patna (Ord.) 3,700 pcs. on the basis of Rs. 260 to Rs. 280; Purneah (heavy) 1,900 pcs. on the basis of Rs. 460 to Rs. 500.



RING UP 22-5257 GRAM: CECIGATECO.
For STEEL ROLLING SHUTTERS,
GRILES, RAILINGS, W.GATES,
STEEL DOORS & WINDOWS.



THE CALCUTTA COLLAPSIBLE GATE CO. PRIVATE LTD.
77, NETAJI SUBHAS ROAD, CALCUTTA - I

"CAPITAL" STOCK AND SHARE LIST THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

Official quotations of the Calcutta Bombay Madras London Stock
Exchange Associations and other sources
Figures given after stroke (/) mean Naye Paise.

Tuesday, 25th February, 1964.

CAPITAL, 27th February, 1964.

307

JOINT STOCK COMPANIES' DEBENTURES

Amount Authorized	Amount Outstanding	Rate of Interest per cent	NAME OF COMPANIES	Year of Issue	MARKET PRICE 23-2-64	19-2-64	A year ago	Interest payable	Principal Repayable	Remarks
Rs.	Rs.						Rs.			
(CALCUTTA) COAL										
60,00,000	60,00,000	6½	Bengal	1961	98/00	98/00	99/00	1st May 1st Nov	31-10-75	(X)
30,00,000	30,00,000	6	Bharat Collieries	1944	90/00	90/00	90/00	30th April 31st Oct	30-6-64	(F)
20,00,000	20,00,000	4½	Burrakur	1947	85/00	85/00	85/00	30th June 31st Dec	30-6-67	(G)
50,00,000	50,00,000	5½	Equitable	1953	98/00	98/00	100/00	1st July 1st Jan	14-12-68	(R)
COTTON MILL										
4,00,000	4,00,000	6	Bengal Nagpur	1897	80/00	80/00	85/00	10th May 10th Nov	15-11-66	(D)
JUTE MILLS										
15,00,000	12,00,000	5½	Agarpara	1939	91/00	91/00	92/00	1st Oct 1st April	31-3-69	(F)
15,00,000	15,00,000	4	Auckland	1939	93/00	93/00	91/00	30th June 31st Dec	31-12-64	(G)
8,00,000	6,00,000	5½	Alexandra	1940	95/50	95/50	95/50	30th June 31st Dec	30-6-65	(b)
10,00,000	10,00,000	5½	Bengal (2nd Mortgage)	1951	90/00	90/00	88/50	30th June 31st Dec	30-6-66	(e)
12,00,000	10,69,000	5	Chitavalisab	1954	89/25	89/25	90/00	31st March 30th Sept	15-7-66	(F)
25,00,000	17,73,000	5½	Dalhousie	1951	98/00	98/00	98/00	15th Jan 15th July	30-6-66	(Q)
10,00,000	8,86,000	5	Empire	1952	98/00	98/00	98/00	31st March 30th Sept	31-3-70	(N)
25,00,000	3,87,000	5½	Fort Gloster	1955	92/50	92/50	92/50	30th June 31st Dec	31-12-64	(F)
30,00,000	30,00,000	5½	Howrah	1949	93/00	93/00	90/00	30th June 31st Dec	30-6-70	(H)
25,00,000	25,00,000	5	Kinnison	1955	97/50	97/50	90/00	30th June 31st Dec	31-3-67	(D)
25,00,000	12,04,000	5½	Kamrathatty	1952	86/00	86/00	90/00	30th June 31st Dec	31-3-74	(B)
25,00,000	25,00,000	5½	Nalhati	1952	92/00	92/00	85/00	14th Nov 14th May	31-12-64	(M)
5,00,000	5,00,000	6½	Nellimaria	1945	85/00	85/00	85/00	30th June 31st Dec	30-6-65	(B)
20,00,000	20,00,000	4	Northbrook	1950	90/00	90/00	81/00	31st March 30th Sept	31-3-67	(M)
12,00,000	25,00,000	5	Reflex	1937	95/50	95/50	85/50	31st March 30th Sept	31-3-67	(M)
10,00,000	10,00,000	6½	Union	1925	90/00	90/00	80/00	31st Jan 31st July	31-7-72	(M)
10,00,000	10,00,000	6½	Waverley							
MISCELLANEOUS										
30,00,000	18,80,000	4½	Associated Hotels of India	1948	850/00	850/00	850/00	1st Jan 1st July	31-12-62	(V)
10,00,000	9,96,000	7	Aluminium Corporation of India Ltd	1948	92/00	92/00	92/00	1st Jan 1st July	31-12-65	(U)
5,00,000	5,00,000	4½	Bareilly Electric Supply Co Ltd	1949	93/00	93/00	88/00	30th June 31st Dec	31-12-64	(m)
12,00,000	12,00,000	4½	Benares Elec Ltd & Power Co Ltd	1949	93/00	93/00	90/00	30th June 31st Dec	31-12-64	(m)
1,00,00,000	90,00,000	5	Buckingham & Carnatic Co Ltd	1952	100/00	100/00	100/00	1st April 1st Oct	1-3-72	(T)
5,00,000	5,00,000	5½	Britannia Engineering	1954	94/00	94/00	94/00	30th June 31st Dec	31-12-69	(g)
8,00,00,000	8,00,00,000	5½	Burnmah-Shell Refineries Ltd	1954	93/25	93/25	92/75	1st Jan 1st July	1-1-70	(N)
2,68,00,000	2,32,88,400	5½	Calcutta Electric Supply Corporation	1950	90/75	90/75	86/10	1st Jan 1st July	1-1-70	(N)
2,35,00,000	2,32,88,400	5	Calcutta Tramways	1950	274/00	274/00	274/10	1st April 1st Oct	1-10-74	(T)
2,25,00,000	2,15,778	5	Calcutta Tramways	1933	98/00	98/00	98/00	1st June 1st Oct	1-6-63	(S)
19,50,000	17,50,000	7	Carew & Co (2nd Mortgage)	1941	95/00	95/00	98/00	1st March 1st Sept	28-2-70	(I)
5,50,000	2,46,000	6½	Carew & Co	1941	85/00N	85/00N	85/00N	1st Feb 1st August	1-2-64	(M)
21,00,000	21,00,000	5½	Chowringhee Properties	1945	90/00	90/00	80/00	1st Feb 1st August	1-2-64	(M)
28,00,000	10,69,000	5	Chowringhee Properties							
25,00,000	15,03,000	4½	Clive Buildings	1936	82/00	82/00	82/00	1st July 1st Jan	1-7-86	(A)
1,00,00,000	1,00,00,000	6½	Dalmia Cement	1946	86/00	86/00	86/00	31st March 30th Sept	1970	(P)
1,30,00,000	1,04,55,000	6½	Dunlop Rubber Co (I) Ltd	1950	100/25	100/25	101/00	1st Jan 1st July	1-1-73	(b)
1,00,00,000	1,00,00,000	6½	Dunlop Rubber Co (I) Ltd	1958	98/00	98/00	100/00	1st Jan 1st July	1-1-73	(W)
1,00,00,000	91,80,000	6½	Indian Cable Co Ltd	1954	92/00	92/00	96/00	31st Dec	31-12-69	(D)
20,00,000	20,00,000	5½	Kumardhul Fireclay & Silica Works	1954	90/00	90/00	84/00	31st May 30th Nov	31-5-71	(O)
10,00,000	10,00,000	4	Kumardhul Engineering Works Ltd	1948	85/00	85/00	85/00	30th June 31st Dec	31-12-74	(S)
6,50,000	6,50,000	6	Katakhal Lala Bazar Railway	1949	87/00	87/00	82/00	30th June 31st Dec	31-12-72	(S)
45,00,000	39,70,000	4	McLeod & Co Ltd (Con Notes)	1951	87/00	87/00	85/00	1st April 1st Oct	1-4-71	(P)
1,00,00,000	12,00,000	5	Macneil & Barry Ltd	1946	93/00	93/00	90/00	30th June 31st Dec	30-6-66	(V)
12,00,000	12,00,000	6	National Tobacco Co India Ltd	1949	96/00	96/00	96/00	31st May 30th Nov	1-12-64	(S)
1,00,00,000	50,50,000	6	Patna Electric Supply Co Ltd	1946	93/25	93/25	94/00	1st May 1st Nov	1-5-68	(H)
4,00,00,000	4,00,00,000	5½	Rohas Industries Ltd	1953	95/00	95/00	95/00	Jan & July	15-7-66	(E)
10,00,000	10,00,000	5½	Esso Standard Ltd	1944	264N	264N	264N	1st Jan 1st July	30-6-76	(L)
2,20,00,000	2,20,00,000	4½	Shree Ganga Paper Mills Ltd	1954	91/00	91/00	91/00	1st Jan 1st July	30-6-76	(L)
15,00,000	11,40,000	5	Shahdara Delhi Saharanpur Rly.	1941	93/00	93/00	90/00	31st March 30th Sept	31-12-64	(C)
30,00,000	30,00,000	4½	Situa Theriah							(M)
30,00,000	30,00,000	4½	United Provinces Elec. Supply Co Ltd	1949						
TEA										
2,50,000	2,50,000	6	Baltakhal	1943	95/00	95/00	95/00	30th June 31st Dec	1-7-63	(M)
(BOMBAY)										
1,00,00,000	88,28,000	4	Andhra Valley Power Supply	1940	98/50	98/50	98/50	1st April 1st Oct	1952	(M)
80,00,000	80,00,000	4	Tata Power	1941	86/00	86/00	86/00	..	1951-53	(M)

(Continued from foot of previous page)

- (A) Repayable at par by 1986 by annual Drawings on 1st July each year. May repay the issue in full after 30th June 1961 on 6 months notice.
- (B) Repayment at par on 31st Dec. 1964 with the option of repayment on 31-12-64 or any subsequent interest date at a premium of 2%.
- (C) Rs. 50,000 to be redeemed at par annually by drawing.
- (D) With option to redeem any part at 101% after 31-12-64 and at 100% after 31-12-68.
- (E) Rs. 80 Lacs will be redeemed annually by drawings from 1st May 1964 onwards. The Co. has option to redeem all Debentures at 101% on 1st May 1963 on 6 months notice.
- (F) Option to redeem all or any of the Debentures at a premium of Rs. 1/- per cent by giving one month's notice on the 31st December 1964 or any subsequent interest date.
- (G) May be redeemed on 30th June, 1967 at a premium of 5% or on 30th June, 1962, at a premium of 1%.
- (H) May be redeemed at a premium of Rs. 20/- per debenture (i.e. 2%) if redeemed earlier than 31st Dec. 1953 on 3 months notice.
- (I) The Company has option to repay all or any at par by giving notice for 4 months expiring on any interest date after 30th Sept. 1953. At any time on or after 1st Oct. 1957 the holders may convert each note of Rs. 500/- into 25 ordinary shares to take effect on 1st Oct. in each year on giving 15 days' notice prior to such day.
- (J) May be redeemed at 101% at any time after 31st March 1963 and at 100% on any time after 31st March 1965.
- (K) Rs. 1,00,00,000 Debentures will be redeemed at par annually by drawing from 1-9-65. Any Debenture outstanding on 1-9-69 will be redeemed on that date with option to redeem all Debentures at 101% on 1-9-64.
- (L) Any time on 6 months notice.
- (M) At par in September 1960.
- (N) May be redeemed at the end of 1965 or thereafter at 101%.
- (O) Option to repay at par on or after 31st May 1961.
- (P) Redeemable at par on 31st Dec. 1972 with option to redeem at par at any time on 6 months notice after 30th June 1958. At any time after 31st Dec. 1949 each note of Rs. 300/- may be converted into two ordinary shares of Rs. 100/- each ranking for dividend from 1st January following.
- (Q) With option to redeem annually Rs. 2,00,000/- at par after 31-3-55 by drawing or by purchase in the open market.
- (R) May be redeemed annually at par by drawing after 10th year also the whole issue at 101% on or after 31-3-63.
- (S) (Option to repay at par one month's notice) At any time after 1st October 1956.
- (T) (Option to repay at par on 6 months notice) after 1-1-67.
- (U) (Option to repay on 3 months notice). At any time after 31st December 1960.
- (V) May be redeemed at par on 30-6-56 or any subsequent interest date on one month's notice.
- (W) After giving six months notice.
- (X) Rs. 3,00,000 will be redeemed each year from and after 1964.

* These Debentures are registered and are transferable by transfer Deeds.

GOVERNMENTS LOANS

PORT TRUST LOANS

IMPROVEMENT TRUST LOANS

Outstanding Amount	Interest per cent	Year of issue	Repayable	Market quotations	Amount	Interest per cent	Year of issue	Repayable	Market quotations	Amount	Interest per cent	Year of issue	Repayable	Market quotations
Rs.				Rs.	Rs.				Rs.	Rs.				Rs.
GOVERNMENT OF INDIA														
2,48,91,00,000	3	1946	1986 or later	63/45	90,24,300	4	1914	1974	98/25	36,50,000	4	1904	1964	98/25
			At the option of the Government of India after 6 months' notice		76,90,100	4	1915	1975	98/25	35,00,000	4	1905	1965	98/25
3,39,32,000	5	1896-97		63/00	98,02,300	3	1921	2nd 1981	82/00	15,00,000	4	1906	1967	96/00
					1,50,00,000	5	1921	2nd 1981	144/00N	44,00,000	4	1907	1968	96/00
1,10,11,78,000	3	1943	1966-68	97/85	88,92,600	5	1923	1953-83	281	75,00,000	4	1908	1968	96/00
					2,901,000	5	1924	1954-84	281	40,00,000	4	1909	1969	96/00
30,33,10,000	3	1950	1964	99/50	1,24,00,000	4½	1954	1984	99/50	58,00,000	4	1910	1971	92/00
14,77,48,000	3	1946	1976	83/50		4½	1956	1986	99/00	75,00,000	4	1911	1972	92/00
1,15,05,83,000	3	1948	1970-75	90/30	30,00,000	4½	1958	1988	99/00					
1,58,17,94,000	3½	1954	1964	99/85	1,50,00,000	4½	1961	1971	98/75					
1,53,67,92,000	3½	1955	1965	99/65	30,00,000	4	1931	1991	93/00					
86,63,53,000	3½	1456	1974	96/75	30,00,000	3½	1932	1982	98/00	2,892,600	5	1923	1953-83	281
56,99,30,000	3½	1967	1967	99/60	30,00,000	3	1941	1974	83/50	2,901,000	5	1924	1954-84	281
1,54,70,22,000	4	1957	1972	99/35	30,00,000	3	1942	1975	83/75	2,835,100	5½	1932	1962	2961
94,51,44,000	4	1958	1973	99/20	30,00,000	3	1943	1976	83/75					
1,97,40,92,000	3½	1956	1967	99/35	30,00,000	3	1945	1978	83/75					
70,00,000	3½	1958	1968	98/20	30,00,000	3	1946	1979	83/75					
1,36,64,22,000	3½	1958	1968	98/40	30,00,000	3	1947	1980	81/00					
1,93,85,42,000	3½	1959	1969	97/15	30,00,000	3	1948	1981	81/00					
81,06,39,000	4	1959	1970	99/60	30,00,000	3	1949	1982	81/00					
82,63,41,000	3½	1960	1966	98/40	30,00,000	3	1949	1979	81/00					
98,05,17,000	4	1960	1980	98/40	30,00,000	3	1951	1981	81/00					
65,96,55,000	4	1961	1981	98/60	30,00,000	3	1951	1981	81/00					
84,12,52,000	4	1963	1969	99/45	30,00,000	3	1951	1981	81/00					
28,07,95,000	4½	1962	1972	100/30	30,00,000	3	1951	1981	81/00					
52,01,71,000	4½	1963	1986	100/00	30,00,000	3	1951	1981	81/00					
1,14,03,37,000	4½	1962	1985	100/15	30,00,000	4½	1953	1985	98/75					
					30,00,000	4	1953	1985	98/75					
					30,00,000	4	1953	1985	98/75					
					30,00,000	4	1953	1985	98/75					
					30,00,000	4	1953	1985	98/75					
					30,00,000	4	1953	1985	98/75					
					30,00,000	4	1953	1985	98/75					
					30,00,000	4	1953	1985	98/75					
					30,00,000	4	1953	1985	98/75					
					30,00,000	4	1953	1985	98/75					
					30,00,000	4	1953	1985	98/75					
					30,00,000	4	1953	1985	98/75					
					30,00,000	4	1953	1985	98/75					
					30,00,000	4	1953	1985	98/75					
					30,00,000	4	1953	1985	98/75					
					30,00,000	4	1953	1985	98/75					
					30,00,000	4	1953	1985	98/75					
					30,00,000	4	1953	1985	98/75					
					30,00,000	4	1953	1985	98/75					
					30,00,000	4	1953	1985	98/75					
					30,00,000	4	1953	1985	98/75					
					30,00,000	4	1953	1985	98/75					
					30,00,000	4	1953	1985	98/75					
					30,00,000	4	1953	1985	98/75					
					30,00,000	4	1953	1985	98/75					
					30,00,000	4	1953	1985	98/75					
					30,00,000	4	1953	1985	98/75					
					30,00,000	4	1953	1985	98/75					
					30,00,000	4	1953	1985	98/75					
					30,00,000	4	1953	1985	98/75					
					30,00,000	4	1953	1985	98/75					
					30,00,000	4	1953	1985	98/75					
					30,00,000	4	1953	1985	98/75					
					30,00,000	4	1953	1985	98/75					
					30,00,000	4	1953	1985	98/75					
					30,00,000	4	1953	1985	98/75					
					30,00,000	4	1953	1985	98/75					
					30,00,000	4	1953	1985	98/75					

JOINT STOCK COMPANIES PREFERENCE SHARES

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

Year of Issue	NAMES	Amount Issued In 000's	Rate per cent	Paid-up per Share	Market Quotations 25-2-64	A year ago	Year of Issue	NAMES	Amount Issued In 000's	Rate per cent	Paid-up per Share	Market Quotations 25-2-64	A year ago										
		Ra.		Ra.	Ra.	Ra.			Ra.		Ra.	Ra.	Ra.										
BANK																							
1901	Allahabad Bank (May Nov.)	15.00	6	100	94/00	96/00	1895	Bengal Assam Steamship (Nov.)	3.00	7	60	56/50	47/00										
COALS																							
1896-97	Borra (June Dec.)	4.00	6	100	84/00	84/00	1926	Bengal Chemical (Aug.)	6.25	7	10	11/50	11/62										
1901-19	Burrakur (Jan July)	22.98	7	100	95/00	93/00	1889	Bengal Paper Mill (Mar Sept.)	2.00	7	60	51/00	46/50										
1946	Burrakur (June Dec.)	4.50	6T	10	5/12	6/10	1923	Bengal Paper Mill "A" (Mar Sept.)	4.00	7	100	98/00	98/00										
1895	Equitable (May Nov.)	4.00	6	100	89/00	79/00	1936	Birds Investments (Dec.)	24.00	54T	100	52/50	53/37										
1931	Khas Kajora (March Sept.)	1.93	5	10	9/00	6/87	1962	Braithwaite & Co	40.00	9T	100	104/50	104/50										
1920	New Beerboom (Jan July)	2.00	7	10	10/50	10/25	1918	Britannia Biscuit (Feb Aug.)	15.00	8	10	11/00	11/00										
1898-00	Ondal (June Dec.)	2.00	5	100	85/00	64/10	1920	British India Corporation (Feb.)	81.00	8	100	108/50	115/00										
COTTONS																							
1902	Ahmedabad Advance (Apr. Oct.)	10.00	5	100	77/00	70/00	1925-28	Burn Eng (1st & 2nd) (Feb Aug.)	13.00	7	100	113/00	115/50										
1894	Bangalore (Jan July)	6.00	6	100	71/50	106/90	1903-5	Burn Engineering (Feb Aug.)	15.00	6	100	103/50	101/00										
1938	Basanti (Oct.)	5.00	6	100	7/00	7/00	1909-11	Calcutta Electric Supply (Mar Sept.)	21.900	5	100	7/70	8/12										
1896	Bengal-Nagpur (Apr Oct.)	3.00	7	100	48/00	48/00	1937	Calcutta Silk Manufacturing (July Jan.)	2.00	6	100	70/00	49/12										
1900	Bowreah "A" (Apr Oct.)	6.00	8	100	111/00	114/00	1938	Calcutta Tramways (Jan July)	22.50	5T	100	8/25	8/25										
1900	Bowreah "B" (6) (1) (Apr Oct.)	6.00	7	100	88/00	82/50	1940	Carew & Co (Jan.)	8.00	6	100	73/50	77/00										
1919	Bradbury "B" (Jan Dec.)	14.85	7	50	60/50	53/00	1940	Cawnpore Sugar Works (Feb Aug.)	10.00	8	100	114/50	117/00										
1920	Buckingham & Carnatic (Jan July)	21.30	7	100	109/00	114/59	1936	Chrestien Mica Industries Ltd.	30.00	54T	100	39/00	38/00										
1928	Cambodia (July)	1.00	7	100	44/00	40/50	1937	Daimia Cement (Bharat)	35.00	6	10	8/12	8/62										
1912	Central India (Apr Oct.)	50.00	5	500	16/63	18/63	1937	Delhi Flour Mills (Oct.)	90.00	7T	100	101/00	101/00										
1912	Delhi C. & General (Oct.)	20.00	4	100	113/00	113/00	1935	Deshwarhar Power Supply "A" (Jan.)	16.00	5	100	69/50	56/00										
1912	Elgin (May Nov.)	11.00	8	100	78/00	74/00	1926	Duncan Brothers & Co Ltd	45.00	4	100	56/50	103/50										
1943	Elgin "B"	10.00	5	10	6/44	7/25	1936	Dunlop Rubber "First" (Jan July)	30.00	8	100	103/00	103/50										
1919	Elphinstone (May Nov.)	25.00	7T	100	106/00	107/00	1897	Dunlop Rubber "Second" (Apr.)	40.00	54T	100	68/75	76/50										
1919	Kesoram (Jan Dec.)	20.00	7	100	81/50	80/50	1908	East India Distilleries (Jan July)	22.00	7	20st	18/25	18/90										
1925	Khatu Mankaji (Nov.)	10.00	6	10	7/78	8/76	1947	General Investment & Trust (Feb Aug.)	1.00	5	100	56/00	56/00										
1937	Kothari (Nov.)	12.00	6	10	7/78	8/76	1946	General Investment & Trust (Feb Aug.)	1.00	6T	100	48/00	49/00										
1900	Mulr (Feb Aug.)	30.00	6	100	108/00	130/00	1946	Gillanders Arbuthnot (Apr Oct.)	25.00	5T	100	55/50	55/00										
1913	New Great Eastern (Mar.)	8.00	5	200	120/00	107/00	1946	Gladstone Lyall & Co Ltd	15.00	6T	100	60/00	60/00										
1920	New Victoria (Apr Oct.)	16.00	6	100	2/62	2/96	1940	Godfrey Phillips India Ltd	30.00	6T	100	59/75	56/00										
1933	Palani Andavar (Mar.)	2.00	7	50	115/45	118/64	1940	Gwalior Sugar (Redeemable) (Dec.)	6.75	7	100	62/00	62/00										
1935	Swadeshi (Bombay) (May)	15.00	5	100	68/00	82/00	1940	Gwalior Sugar (Dec.)	5.00	7	100	62/00	62/00										
1927	Swadeshi (Cawnpore) (Mar.)	35.00	6	100	68/50	68/00	1936	Humayan Properties Ltd (Nov.)	12.00	6	10	7/00	6/62										
1931	Vasanta (Apr Oct.)	3.00	6	100	83/18	92/04	1936	Indian Aluminium (Mar Sept.)	40.00	5T	100	66/75	67/37										
1903	Vishnu (Apr.)	18.00	7	500	390/00	385/00	1927	Indo Burma Petroleum (Jan July)	50.00	7T	100	67/00	78/00										
JUTES																							
1927	Agarpara (Jan July)	10.00	7	100	91/00	90/50	1899	India General Nave & Railways	22.44	6	100	83/50	79/00										
1905	Alexandra (Feb Aug.)	9.00	7	100	85/50	85/50	1923	Indian Cable Co (Nov.)	12.88	6	10	31/75	31/75										
1895	Alliance (March Sept.)	15.00	6	100	76/00	76/00	1918	Indian Standard Wagon (Aug or Sept.)	19.68	7	100	112/00	113/50										
1917	Anglo-India (May Nov.)	40.00	7	100	98/00	94/00	1936	Indian Iron & Steel	2.69.95	5	100	82/00	84/00										
1907	Auckland (July Jan.)	10.00	5	100	72/00	68/50	1936	Investment and Finance (Feb Aug.)	2.00	5	100	69/00	69/00										
1945	Auckland (July Jan.)	15.00	4	100	59/50	56/00	1936	Investment and Finance (Feb Aug.)	2.00	6T	100	60/00	60/00										
1918	Bally (Jan July)	20.00	7	100	111/00	96/50	1937	James Wright (Jan July)	1.30	6	100	14/00	14/00										
1896	Barnagore (Oct Dec.)	2.00	5T	25	41/50	38/00	1941	Jardine Henderson Ltd.	50.00	54T	100	55/25	54/50										
1940	Barnagore (Oct Dec.)	10.60	5	100	70/00	68/50	1915	Jessop & Co	10.00	5	100	74/00	75/50										
1919	Birla (June Dec.)	23.60	7	100	78/50	62/50	1915	Kumardhubi Engineering (June)	12.00	6	100	72/00	68/00										
1894	Budze Budze (May Nov.)	9.00	6	100	95/00	77/00	1940	Marlin Burn Ltd.	30.00	5	100	80/50	84/00										
1934	Calcutta (Jan July)	6.00	6	100	72/00	68/50	1940	McLeod & Co	10.00	5T	100	44/50	45/00										
1915	Caledonian (June Dec.)	10.00	7	100	93/00	91/50	1936	Mettur Chemical & Industrial (Sept.)	40.00	5	100	59/50	61/00										
1919	Cheviot (June Dec.)	10.00	7	100	96/00	90/50	1936	Mittal Box Co of India Ltd	20.00	6	10	4/25	9/25										
1928	Chitavalshah (Mar Dec.)	8.00	6	100	89/00	89/00	1938	Mysore Chemical Mfg (Sept.)	30.00	6T	100	75/50	83/50										
1930	Clive (First) (May Dec.)	8.00	6	100	57/00	52/00	1942	National Tobacco (June Dec.)	25.00	5	100	64/87	7/55										
1905	Clive "A" (Second) (May Dec.)	8.00	7	100	74/00	66/50	1944	National Tobacco (Jan Dec.)	20.00	4	100	57/50	57/50										
1903-13	Dalhousie (July Jan.)	11.76	7	100	91/00	87/50	1917	Poona Electric Supply Co Ltd (June Dec.)	4.00	7	100	99/50	101/00										
1897	Delta (June Dec.)	5.00	6	100	74/00	64/75	1936	Premier Construction "First" (Apr.)	10.00	6T	100	75/00	73/00										
1912	Empire (Jan July)	10.00	7	100	95/00	90/50	1936	Premier Construction "Second" (Apr.)	15.00	6T	100	71/00	69/50										
1890-93	Fort Gloster (Jan July)	14.00	7	100	111/00	97/00	1936	Purbhagar (Sugar) (Oct.)	4.00	10	10	10/58	10/58										
1941	Fort Gloster (2nd)	7.00	5	100	70/50	65/50	1933-35	Ramnuzgar Cane & Sugar (Aug.)	4.00	6	100	82/00	82/00										
1948	Fort William (May Nov.)	10.00	7	100	115/00	80/80	1935	Rohas Industries (April)	20.00	7	100	101/00	97/00										
1916	Ganges (June Dec.)	6.00	8	100	104/50	102/00	1935	Rohas Industries "B" (April)	86.00	4	100	53/50	52/00										
1895-04	Gouropore (June Dec.)	28.50	6	100	88/50	87/00	1936	Shaw Wallace & Co Ltd.	75.00	6T	100	55/25	54/00										
1935	Hastings (Aug Feb.)	11.76	6	100	88/50	84/50	1936	Shree Krishna Paper	7.50	7	100	104/00	104/00										
1913	Howrah (July)	11.76	10	10	12/50	10/25	1937	Shree Krishna Granodad Sugar "A" (Oct.)	6.00	6	100	45/00	62/00										
1890	Howrah (Jan July)	8.75	7	100	90/50	89/50	1918	Smith Stanistreet (Chemists) (Nov.)	12.00	8	100	70/00	70/00										
1903-06	Howrah "A" (Jan July)	17.50	7	100	95/50	92/00	1933	Sonchar Sugar (Oct.)	5.00	10	50	74/50	62/50										
1919	Kankumchand (June Dec.)	40.00	7	100	93/00	92/00	1897	Spencer & Co "A" (Provisions) (Jan July)	23.20	64T	10	6/55	6/55										
1898-04	Kankumchand (Apr Oct.)	18.00	6	100	81/00	73/00	1936	Spencer & Co "B" (Provisions) (Jan July)	36.80	84T	10	9/50	9/50										
1930	Kedarnath (Jan July)	10.00	6	100	81/50	126/00	1936	Star Paper (Apr Oct.)	10.00	5	100	68/50	68/00										
1907	Kelvin (Mar Sept.)	2.00	7	100	99/00	90/50	1939	Surat Electricity (April)	8.00	6	100	104/00	107/00										
1895-09	Khardah (May Nov.)	10.00	7	100	100/00	91/50	1910	Tata Chemicals (Nov.)	60.00	5	100	91/50	85/50										
1900-13	Kinnison (July Jan.)	15.00	7	100	94/50	90/00	1906	Tata Hydro Electric Power (Sept Mar.)	89.28	7	100	97/30	95/50										
1905	Lansdowne (July Jan.)	15.00	7	100	94/00	91/00	1918	Tata Iron & Steel (First) (Nov.)	75.00	6T	100	123/00	132/50										
1912	Lawrence "A" (July Jan.)	5.00	7	100	95/00	85/50	1919	Tata Power (May Nov.)	6.93.82	71T	100	102/00	100/00										
1908-07	Lawrence "B" (July Jan.)	10.00	5	100	71/00	64/50	1928	Titashur Paper Mills (Mar Sept.)	88.97	7	100	110/00	98/00										
1905-06	Naihati (July Jan.)	7.50	7	100	125/00	112/00	1936	Vellore Electric (Sept Mar.)	1.25	6	40	5/78	5/81										
1945	Naihati (July Jan.)	10.00	4	100	90/00	83/00	TEAS																
1917	National (May Nov.)	5.00	7	100	93/50	88/50	1903	Amluckie (May Nov.)	75.00	7	10	21/00	21/00										
1919	Nellimara (Jan Oct.)	5.00	6	100	76/00	78/00	1901	Banarhat (Jan.)	4.00	6	100	87/00	75/00										
1915	New Central (Jan July)	33.00	7	100	74/00	70/00	1910	Birnara (Jan.)	1.00	8	100	104/00	104/00										
1908-09	Northbrook (July Jan.)	15.00	7	100	89/50	94/00	1914	Brooke Bond Estate India Ltd.	35.00	6T	100	55/00	55/00										
1935	Rameshwara (Jan July)	7.00	6	100	12/44	10/00	1901	Choonabhat (Jan.)	2.00	6	100	90/50	92/50										
1900-12	Reliance (Jan July)	20.00	7	100	118/50	93/00	1901	Dimakuri (June Dec.)	70.00	8	10	3/50	3/50										
1928	Shree Ambica (Mar Sept.)	11.70	7	100	91/00	82/55																	

COAL COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	25-2-64	19-2-64	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		1960	1961	1962	Rs.	Rs.	Rs.
85,50,000	58,52,284	43,77,820	3,90,484	16,40,057	39,096	6-12	315	Amalgamated	10	12 1/2	15	10
1,20,00,000	3,15,46,304	2,44,30,490	36,03,083	86,68,875	10,42,254	3	236	Bengal P	25	21	..	100
4,99,850	4,37,932	1,30,142	91,796	43,397	4,471	10	2	Bengal Bhatdee	..	..	..	10
2,25,000	3,06,216	5,45,835	5,19,015	1,55,638	16,129	12	368	Bengal Nagpur	10	26	..	10
15,97,000	23,27,321	4,87,308	63,982	2,82,417	21,275	12	..	Bhalgora	..	..	..	10
40,00,000	67,23,820	2,75,000	21,19,681	11,80,003	2,120	9	152	Bharat Collieries P.	..	..	..	10
7,15,000	14,98,845	11,02,672	64,329	-3,06,408	-4,92,536	6	335	Bhulanbararee	..	..	..	10
16,00,000	38,87,275	18,18,636	7,185	1,21,936	-79,196	12	362	Bokaro & Ramgur	..	..	..	10
7,50,000	19,13,792	22,77,003	12,32,439	5,26,414	33,647	12	106	Borena P	15	15	..	10
90,92,480	2,32,19,267	1,46,53,383	33,70,740	37,97,832	90,768	8	21	Burrakur P.	13	13	13	10
49,97,000	50,93,754	6,86,120	6,35,532	16,11,088	3,58,023	3	166	Central India	10	10	10	10
8,00,000	18,69,439	12,97,430	98,040	6,357	214	12	..	Central Kurkend P.	..	..	..	10
6,00,000	1,55,159	6,08,672	63,765	7,043	12	106	..	Churulia	..	..	..	10
16,00,000	25,01,205	..	19,429	-6,45,261	-5,39,034	12	444	Demo Main	..	..	..	10
2,24,000	2,86,330	2,561,905	2,13,858	2,288,462	2,62,34	4	128	East India	Nil	Nil	20 1/2	10
29,63,700	1,42,23,054	1,18,76,898	27,65,725	10,14,185	33,594	12	19	Equitable P.	15	10	..	10
15,00,000	1,00,420	41,000	26,500	-6,24,344	3	307	..	Ghusick & Muslia	Nil	Nil	Nil	10
6,50,000	4,21,847	..	12,025	10,670	-14,705	12	20	Guzdar Kajora	..	..	..	10
8,00,000	5,43,022	..	18,702	-10,172	-3,65,023	12	393	Hurridadih	..	..	..	10
15,00,000	23,47,952	27,81,855	39,74,704	3,95,071	1,40,029	12	21	Karanpura Development	5	5	..	100
6,00,000	..	..	..	..	..	..	..	..	..	..	..	10
20,00,000	34,15,533	9,86,018	3,72,692	8,92,065	32,810	2	21	Karanpura Collieries P.	7 1/2	10	10	10
14,88,460	20,68,761	16,01,825	8,75,590	8,29,962	1,11,842	1	2	Katras Jherriah	95	40	25	10
1,38,400	6,75,090	95,000	11,80,294	49,776	1,918	6-12	337	Khas Kajora P.	..	..	..	10
8,65,750	5,95,833	..	9,780	-1,80,535	-16,47,497	3	372	Mundulpur	..	..	..	10
7,48,240	3,39,261	56,489	7,29,802	1,15,573	74,711	12	347	Nazira	7 1/2	..	..	10
81,97,210	61,58,848	34,47,233	3,39,307	9,75,812	98,645	10	2	New Beerbhoom P.	16	10	10	10
9,90,340	9,04,373	5,21,710	75,374	4,12,216	43,822	3	202	New Manbhoom	7 1/2	9	12	10
15,00,000	7,03,719	4,31,409	49,364	1,44,042	15,045	12	441	North West	20	20	..	10
4,50,000	1,33,788	13,22,645	22,85,007	1,91,515	45,080	12	106	Ondal P.	6	7 1/2	..	10
8,34,000	23,06,066	4,52,212	4,78,984	1,79,344	589	12	207	Parasea P.	11	11	..	10
13,75,000	32,95,182	24,58,123	4,11,065	5,41,674	54,253	3	236	Pench Valley	10	10	10	10
2,50,000	5,62,405	7,500	11,530	2,003	18,581	6-12	5	Pure Sitalpur	..	..	..	10
23,58,000	50,26,723	40,85,000	1,26,141	11,54,576	35,781	8	370	Ranegunge	15	17	17	10
13,50,000	25,32,135	20,80,190	18,89,318	13,18,197	41,523	12	236	Rewa	20	20	..	10
87,50,000	74,38,430	38,61,070	1,69,086	12,37,914	26,993	12	48	Sansa	10	8/00	8/00	10/03
5,50,000	4,47,534	74,281	10,748	-19,279	-4,27,396	1	353	Searsale	Nil	1/25	1/25	1/94
2,80,000	10,74,006	12,23,716	10,17,267	5,13,147	67,383	12	2	Seebore P.	42 6/7	42 6/7	..	45/00
8,00,000	6,208	4,54,848	13,04,570	78,390	1,540	12	106	Senidra	6	5/00	5/00	5/75
17,50,000	28,29,652	10,02,341	50,728	2,66,373	2,926	8	21	South Karanpura	15	10	Nil	8/56
8,00,000	1,30,001	15,45,969	28,78,255	1,84,925	38,908	12	108	Standard	25	11/87	11/87	16/00
2,50,000	4,36,300	3,23,000	36,680	1,37,973	1,77,952	12	..	Union	..	..	..	10/37
69,98,150	63,57,150	6,08,055	2,69,620	11,91,182	1,19,182	8	186	Western Bengal	..	7 1/2	9	9/06
7,00,000	26,06,335	..	47,091	-6,51,403	-6,23,711	12	444	West Jamuria	Nil	Nil	..	9/37

COTTON MILLS

Paid-up Capital Ordinary	Number on Spindle Looms	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Mg. Agt. Securitization, etc.	NAMES	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	A year ago			
Rs.		Rs.	Rs.	Rs.	Rs.	Rs.				1960	1961	1962	Rs.	25-2-64	19-2-64	Rs.
15,00,000	14,108	356	14,06,683	3,15,002	12,59,541	26,012	41,532	12	49	Basanti P.	..	..	10	13/37	13/37	12/75
7,11,280	36,000	932	17,17,120	2,20,369	30,842	3,66,177	47,818	8	27	Banga Luxmi	..	..	40	30/00	30/00	28/00
87,00,000	31,476	624	17,77,373	..	..	..	..	12	223	Bengal Nagpur P.	Nil	..	10	2/44	2/44	3/37
50,00,000	..	..	1,66,35,360	49,94,800	62,56,090	28,04,759	17,588	12	394	Bharat Commerce P.	5	15	15	23/50	22/75	24/12
89,95,950	38,764	992	60,94,300	1,21,02,782	53,37,204	39,77,025	1,67,525	8	22	Birla Cotton	10	20	20	27/00	27/00	22/75
85,80,000	43,136	841	1,00,69,568	40,37,080	2,04,094	21,74,042	1,94,107	12	138	Bowreah P.	10	20	15	24/62	23/44	23/61
30,00,000	22,000	610	32,89,583	62,22,574	9,41,816	13,74,402	49,055	12	25	Cawnpore Textiles	7 1/5	10	10	7/00	6/81	6/94
3,38,36,225	1,97,348	3,307	9,79,20,896	8,21,37,642	91,82,065	2,15,43,296	1,46,548	8	238	Delhi Cloth & Genl P.	13	13	13-13*	48/84	45/62	48/37
85,00,000	43,040	618	61,51,897	54,80,125	1,40,191	32,83,543	1,03,713	12	138	Dunbar	20	20	15	29/87	28/87	26/87
63,00,000	54,000	1,200	1,20,30,927	2,33,36,673	87,18,503	41,89,328	5,435	9	389	Elgin P.	11 1/2	17 1/2	17 1/2-17 1/2	22/50	22/19	20/69
6,25,00,000	..	..	3,48,97,571	56,34,321	65,50,730	19,28,764	1,22,795	12	158	J. R. Cotton (Rayon) P.	12 1/2	10	..	13/00	12/50	14/00
49,18,000	6,272	202	61,44,000	24,71,500	4,76,536	28,42,100	87,266	12	22	Jay Shree	10	10	..	16/37	16/19	15/37
30,00,000	38,000	1,825	47,44,548	52,19,301	92,65,055	18,77,941	-7,77,290	12	208	Muir P.	..	..	100	74/50	74/30	135/00
85,11,963	78,848	1,367	47,49,840	3,96,980	1,09,256	12,73,361	-83,55,495	12	237	New Victoria P.	Nil	..	..	1/62	1/56	1/62
48,00,200	..	..	1,08,10,352	78,144	2,34,188	12,34,741	-22,17,524	8	399	Orissa Textiles P.	Nil	..	..	4/75	4/75	9/00
19,47,750	23,198	798	15,49,229	80,773	2,37,475	3,38,087	..	6	4	Rampooria Cotton	3	Nil	..	13/00	13/00	12/00
5,00,00,000	..	..	..	..	..	..	..	..	..	..	Nil	Nil	..	3/00	3/00	2/00
1,57,50,000	1,14,836	2,077	4,48,79,351	2,63,83,071	2,15,81,180	78,20,241	5,044	12	333	Swadeshi (Kanpur) P.	5 1/2	..	..	12/00	12/00	11/50
..	..	..	..	..	..	..	..	..	..	..	..	..	10PO	6/75	6/87	7/00

*1963

TEA COMPANIES

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds	Area Hectares	Output and Average Price per Kg realised for crop		Estimate 1963	Net Profits including taxation	Accounts closed	Dividends per cent	Paid-up Share	Latest Market Quotations as available until								
				Kg	Rs.						Rs.	Rs.	Rs.	Rs.	A year ago				
Rs.	Rs.	Rs.		Kgs.	Rs.	Kgs.	Rs.	Rs.	1960	1961	1962	Rs.	Rs.	Rs.	Rs.				
ASSAM																			
4,45,700	16,40,103	16,37,403	..	4,24,104	4.81	413,012	5.67	4,71,700	2,90,039	12	165	Amluckie P	Nil	10	7 1/2	17/25	17/25	20/00	
7,00,000	12,87,204	8,65,604	506 1/2	3,11,077	6.58	301,064	6.71	..	3,50,091	12	88	Anandabag P.	30	32 1/2	20	10	33/25	33/25	33/25
5,50,000	16,63,877	15,34,741	..	3,53,284	5.32	320,928	5.99	3,62,900	1,91,032	12	165	Baghmari	Nil	15	7 1/2	10	13/37	13/37	18/50
1,80,000	18,61,913	10,56,655	160	3,13,600	6.01	286,300	6.60	2,90,000	3,93,858	12	349	Barduar Tea	..	..	6	8/50	8/50	8/50	
7,65,000	..	..	..	4,12,342	4.34	..	..	..	..	12	345	Bateli	35	25	20	10	27/25	27/25	27/25
4,95,900	..	..	..	4,08,269	6.56	405,929	6.66	..	5,57,424	12	88	Betjan	40	45	30	5	15/25	15/25	13/00
6,40,000	12,12,739	12,28,191	619 1/2	4,08,269	6.56	405,929	6.66	..	5,57,424	12	88	Betjan	40	45	30	5	15/25	15/25	13/00
33,00,000	38,97,401	18,10,167	1,394	16,30,448	5.80	1,517,589	6.71	15,78,600	15,42,968	12	279	Bishnauth	13	13	20	10	30/42	30/42	30/42
6,00,000	11,68,235	5,03,003	194	2,23,909	5.90	209,073	7.12	2,43,125	2,62,960	12	202	Bokakhat	Nil	12	13	10	17/27	17/37	13/37
7,50,000	13,90,224	11,90,375	..	3,03,665	5.50	300,721	5.85	3,08,400	3,94,385	12	165	Bormah Jan P.	15	15	15	10	13/12	13/12	13/70
4,50,000	7,86,600	2,36,500	239	2,65,021	5.25	258,733	6.32	2,90,300	1,15,476	12	279	Bor Pukhuri	Nil	Nil	10	11/25	11/25	11/25	
35,00,000	68,93,654	15,66,180	..	14,26,351	5.27	13,51,189	4.75	1,99,600	2,85,668	12	165	Brooke Bond P.	15	10	7 1/2	10	11/75	11/75	11/50
1,20,000	9,24,434	9,31,522	..	1,73,277	5.19	200,496	5.90	1,99,600	2,85,668	12	127	Deioi Valley	15	20	30	60/00	60/00	49/25	
8,40,000	13,39,224	9,51,460	535	5,43,624	5.68	597,724	6.12	5,33,773	7,20,815	12	218	Dessa & Parbutia	Nil	10	15	100	209/00	200/00	141/00
7,53,440	..	..	..	2,94,761	6.64	..	..	..	..	12	124	Delhakhat	12 1/2	10	..	10	20/87	20/87	20/00
7,00,000	20,46,800	8,35,000	558	2,94,761	6.64	..	..	..	..	12	365	Dhunsar P.	20	15	10	11/87	11/87	15/00	
4,50,000	17,18,470	16,36,685	..	6,32,799	4.70	554,700	6.68	3,30,200	5,86,433	12	165	Dibrugarh	40	40	30	32/00	32/00	32/00	
4,73,400	10,37,000	9,52,500	256	3,01,383	5.81	297,513	6.44	3,08,000	2,71,648	12	279	Dimakuri P.	25	20	25	10	24/62	21/62	21/87
7,00,620	14,88,200	15,53,500	274	4,64,789	5.77	403,594	6.70	4,36,000	5,29,546	12	279	Dufflaghur	25	25	30	10	25/81	27/87	27/87
10,00,000	20,32,480	11,26,500	281	5,25,798	5.76	494,612	6.30	5,27,000	2,06,168	12	279	East India	Nil	Nil	10	15/12	15/12	18/87	
5,03,760	10,40,556	6,32,810	242	3,38,797	5.81	259,394	7.44	2,62,000	4,74,030	12	354	Gillapukri	25	20	15	10	27/56	27/56	25/44
6,76,000	12,41,500	7,48,500	228	2,54,919	5.81	259,394	7.44	2,62,000	4,74,030	12	379	Gohpur	Nil	5	20	10	14/69	14/69	13/31
23,29,085	54,85,603	36,46,798	1,042	10,79,308	4.98	1,038,276	6.17	11,32,167	3,83,294	12	202	Grob	6	6	6	5	7/00	7/00	8/06
5,00,000	11,67,377	7,55,258	..	3,58,885	..	3,45,217	..	1,67,965	12	354	Hoograjuli	20	20	17	10	27/62	27/62	27/12	
8,70,000	26,52,302	15,02,799	542	4,83,000	5.71	515,500	6.62	3,00,000	4,51,521	12	2	Hoongoorie	10	7 1/2	20	100	200/00	200/00	185/00
9,00,000	18,88,785	11,65,055	953	5,39,472	5.99	533,423	6.50	..	6,31,655	12	88	Juthibari	30	30	20	10	31/50	31/50	32/00
2,40,000	18,88,785	11,65,055	953	5,39,472	5.99	533,423	6.50	..	6,31,655	12	236	Kingsley Golaghat P.	35	35	..	10	125/00	125/00	212/00
1,80,000	17,18,470	16,36,685	..	6,32,799	4.70	554,700	6.68	3,30,200	5,86,433	12	165	Dibrugarh	40	40	30	32/00	32/00	32/00	
5,00,000	19,59,626	14,50,000	494	5,24,469	4.60	488,346	4.97	5,20,000	1,21,490	12	63	Kotamullai P.	Nil	Nil	Nil	5	9/75	9/75	10/31
2,90,000	11,19,728	3,07,818	140	1,37,581	5.29	166,356	6.02	180,000	1,13,899	12	41	Krishnabehari	15	8	10	10	11/80	11/80	10/50
6,50,000	14,12,161	9,50,234	268	2,79,777	5.15	281,500	5.30	2,85,000	5,35,354	12	63	Lede	Nil	Nil	Nil	10	8/06	8/06	8/06
8,00,000	11,99,968	1,30,508	275	2,28,707	6.96	210,642	5.26	2,23,167	1,25,716	12	..	Maud Tea & Seed	10	7 1/2	10	10	13/75	13/75	17/25
10,00,000	16,16,636	14,78,000	262	3,82,580	6.03	374,221	7.12	3,81,045	6,21,941	12	202	Methoni	15	14	20	10	14/94	15/23	18/80
4,80,000	..	..	..	5,15,200	1.92	..	..	..	..	12	..	Moheema	Nil	Nil	..	10	11/50	11/50	11/50
1,50,000	3,24,738	13,65,825	..	83,921	..	122,745	..	..	1,22,731	12	138	Mothola	30	30	35	100	507/00	507/00	507/00
1,75,000	14,68,025	9,31,447	160	1,82,900	6.01	171,400	8.41	2,00,000	4,99,564	12	2	Murphulani (Assam)	5	15	25	10	26/50	26/50	26/50
2,00,000	..	..	..	..	..	..	..	..	..	12	10,63	..	20,63	30,63	10	10	26/87	26/87	28/75
4,00,000	12,90,728	7,77,458	220	3,19,104	4.51	326,748	5.10	3,40,000	1,24,658	12	143	Naga Hills	10	10	10	10	21/25	21/25	22/69
5,35,000	..	..	..	3,19,104	4.51	326,748	5.10	3,40,000	1,24,658	12	12	Namburnadi	12	12	..	10	12/87	12/87	14/56
5,00,000	7,84,102	3,97,500	299	2,90,978	5.98	296,696	7.64	2,90,000	5,86,793	12	63	New Cinatollah	Nil	Nil	New	10	455/00	455/00	302/00
13,50,000	14,50,587	7,57,922	170	2,16,800	5.31	230,700	6.35	2,22,500	1,06,796	12	2	Raigarh	40	134	174	10	18/50	18/50	21/37
2,49,000	25,76,607	4,53,937	..	6,32,808	..	604,795	..	..	1,86,864	12	354	Sapor	223	20	10	10	19/50	18/50	19/87
5,98,000	17,86,091	15,24,544	..	3,73,286	4.99	390,802	5.36	2,21,000	5,75,627	12	179	Seajuli	224	15	30	10	25/12	25/12	21/12
8,00,000	12,30,761	7,41,936	345	3,48,111	6.59	338,378	6.81	3,41,000	1,94,888	12	88	Telpozani	25	25	25	10	22/12	22/12	27/75
19,82,800	30,75,956	23,51,846	1,926 1/2	29,72,880	1.82	2,301,040	2.62	2,28,000	8,36,276	12	236	Tenzoni	30	30	224	10	35/75	35/75	35/00
7,50,000	..	..	..	3,15,004	3.96	..	..	..	..	12	95	Tongani	20	124	..	10	14/25	14/50	15/25
5,20,000	35,17,473	30,30,165	..	5,90,423	5.14	651,147	5.76	6,71,300	7,11,074	12	165	Tyoon	Nil	Nil	..	10	5/31	5/31	6/50
..	..	..	..	..	..	..	..	..	..	12	165	Tyoon	10	15	25	10	27/75	27/75	24/37
CACHAR																			
3,00,000	..	..	..	1,49,850	4.07	139,861	4.03	1,66,500	..	12	..	Arcuttipore	Nil	5	6	10	7/00	7/00	7/00
4,00,000	..	..	..	1,58,349	4.45	..	..	..	..	12	35	Baitakhal	24	24	..	10	7/81	7/75	6/59
11,00,000	20,18,349	9,26,687	..	5,45,645	4.26	454,449	4.77	3,52,060	..	12	128	Central Cachar	5	7 1/2	5	100	71/00	75/00	73/00
7,00,000	..	..	..	1,22,864	4.63	..	..	..	..	12	383	Eastern Cachar	Nil	Nil	..	10	4/56	4/56	4/12
4,50,000	3,31,773	2,80,000	..	1,34,400	3.21	..	..	..	..	12	393	Kathlugger Khorec	6	2	..	100	87/00	87/00	87/00
12,60,000	19,84,808	13,56,132	943	7,23,716	3.84	580,232	3.97	7,25,747	3,11,563	12	202	Hatikihira	8	8	Nil	10	7/75	7/75	9/44
3,80,000	..	..	..	1,53,008	3.88	..	..	..	..	12	63	Kunchunpore	Nil	Nil	..	10	6/00	6/00	6/00
5,65,890	5,22,633	1,36,689	228	1,66,156	3.81	151,283	4.26	1,63,293	23,090	12	202	Loobah	Nil	Nil	Nil	10	4/69	4/69	4/37
12,00,000	22,28,419	11,42,054	2,221 1/2	5,70,970	4.08	518,387	4.33	5,80,000	6,13,497	12	128	North Western	30	20	100	175/00	175/00	114/00	
2,50,050	8,88,340	1,916	231	2,71,967	3.85	213,805	4.21	2,72,155	140,484	12	85	Pathamara	Nil	Nil	Nil	10	8/50	8/50	7/50
2,60,000	6,82,449	2,92,663	..	3,26,670	4.40	195,018	4.62	2,50,400	1,73,960	12	165	Roopacherra	Nil	10	Nil	10	9/94	9/94	13/62
5,25,000	12,22,431	12,03,600	310	3,07,903	3.94	279,277	4.46	2,90,000	6,11,92	12	63	Rungamatter	5	5	50	50/00	50/00	50/00	
4,00,000	..	..	..	2,47,927	3.56	..	..	..	..	12	..	Sonai River	Nil	Nil	..	10	5/06	5/06	9/12
DARJEELING																			
3,99,750	..	..	..	82,803	8.66	77,090	8.74	84,000	61,557	12	101	Bloomfield	Nil	..	..	10	3/19	3/19	3/25
2,79,900	3,72,700	1,55,000	165	3,05,978	5.22	313,229	6.63	3,08,443	..	12	279	Chamong	Nil	10	10	10	9/00	9/00	10/25
3,75,900	..	..	..	72,236	6.12	..	..	..											

TEA COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds	Area Hectares	Output and Average Price per Kg. realised for crop	estimate	Net Profits including taxation	Accounts closed	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	NAMES	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until
Rs.	Rs.	Rs.		1961	1962	1963	Rs.	1960	1961	1962	Rs.	1960	1961	1962
DOOARS														
27,00,000	62,03,995	32,62,760	1,034	15,51,500	4,51	14,84,400	4,86	15,25,000	11,19,005	12	2 Banarhat P.	22 1/2	21	21
12,00,000	27,38,435	23,27,925	436	7,24,364	4,69	6,66,481	5,13	6,64,600	6,59,538	12	128 Baradighi	30	25	25
9,00,000	19,19,630	30,59,434	..	5,93,617	4,42	7,00,569	4,68	6,16,885	5,74,606	12	386 Batakawa	15	15	20
9,00,000	25,07,423	22,16,500	577	6,66,763	4,37	6,69,958	5,01	6,50,000	6,43,459	12	63 Birpara P.	17 1/2	12 1/2	17 1/2
6,00,000	12,14,870	10,73,000	244	2,99,250	4,17	2,80,187	4,70	2,95,000	1,58,268	12	63 Carron	20	5	7 1/2
9,00,000	24,85,741	14,56,681	365	5,14,200	4,45	5,21,400	4,69	5,30,000	2,82,148	12	2 Choonabhatti P.	32 1/2	20	20
3,00,000	5,84,327	5,93,500	197	2,19,480	4,05	2,25,971	4,59	2,03,000	1,33,979	12	63 Ellenbarrie	5	5	10
1,20,000	..	..	..	1,62,255	3,73	..	..	..	..	12	397 Engo	60	30	40
4,30,000	9,33,182	71,548	..	2,24,026	..	2,64,339	..	..	93,085	12	354 Ethebari	5	5	7 1/2
7,50,000	13,32,430	10,34,583	1,088 1/2	5,33,092	4,88	5,04,794	5,46	..	4,67,197	12	88 Garikata	25	20	11
14,00,000	27,81,035	19,25,521	425	521,329	..	5,85,748	..	..	200,689	12	387 Gopalpur	12	2	10
36,00,000	50,92,343	42,81,500	1,048	14,33,022	4,07	13,74,053	4,76	13,90,000	7,93,764	12	63 Hantapara P.	15	5	10
64,00,000	70,47,491	75,82,749	..	28,49,021	5,54	30,66,464	5,78	30,64,500	30,07,101	3	74 Hasumara	17	..	18-15 1/2
16,50,000	26,67,650	17,26,078	..	8,89,068	4,02	6,99,826	4,51	961,600	2,06,848	2	74 Huldibari	22 1/2	..	19 2/7-11 1/2
7,00,000	8,95,117	5,13,133	246	1,90,300	4,48	1,88,900	4,59	..	61,500	12	2 Jaybirpara	10	Nil	Nil
9,00,000	18,12,126	21,89,000	375	5,63,337	4,23	5,07,738	5,50	5,20,000	3,57,699	12	63 Killcott	25	15	15
2,00,000	14,67,422	5,53,176	..	2,47,991	..	253,867	..	..	88,005	12	354 Manabbarrie	10	6	10
9,60,000	20,68,495	24,61,500	..	6,03,619	4,07	5,07,732	4,76	4,90,000	3,21,819	12	63 Nagasoree	25	15	15
14,00,000	34,04,657	21,71,728	471	7,84,700	4,31	6,40,900	5,10	7,50,000	2,30,662	12	2 New Dooars P.	35	20	14 1/2
6,40,000	..	..	..	3,07,645	3,89	..	..	..	..	12	363 Oodlabari	12 1/2	7 1/2	..
2,50,000	3,90,272	3,37,500	126	1,00,575	4,22	1,26,816	4,64	1,30,000	17,963	12	63 Phaskowa	Nil	Nil	Nil
6,00,000	9,22,423	11,53,058	..	3,63,864	4,36	3,91,836	4,70	3,62,900	2,08,311	12	165 Raabhat	15	15	7 1/2
7,65,000	17,57,543	17,47,050	..	5,03,638	4,32	4,76,526	5,07	5,33,500	1,63,000	12	165 Ranicherra	15	15	7 1/2
14,92,800	36,77,342	30,35,064	727	9,21,964	4,79	9,78,337	5,44	10,10,245	8,77,496	12	128 Rydak	25	20	25
3,46,000	10,20,398	10,25,325	..	4,00,500	4,10	3,30,000	4,76	3,73,200	2,40,377	12	44 Sarugaon	40	40	40
TERAI														
4,50,000	..	..	..	2,40,454	3,83	..	..	..	..	12	101 Atal	5	..	..
5,00,000	..	..	..	7,94,331	4,01	7,22,909	4,63	7,90,000	5,50,624	12	345 Belgachi	20	20	..
13,44,000	20,65,841	27,42,000	646	2,88,960	4,29	3,17,061	4,74	2,75,000	3,07,829	12	63 Gungaram	20	12 1/2	12 1/2
5,00,000	11,02,805	13,18,500	214	2,75,784	4,10	2,95,710	4,54	2,95,000	2,25,077	2	74 New Chumta	15	..	12 6/7-20*
3,00,000	6,68,527	9,72,507	..	3,14,332	3,83	3,33,644	4,04	3,12,073	..	12	139 New Terai	22 1/2	10	15
7,20,000	..	..	..	4,71,480	4,08	4,71,480	4,45	4,89,915	..	12	139 Pahargoomlah	20	20	2 1/2
11,70,000	..	..	..	..	..	..	..	..	..	12	63 Putinbaree	14	14	..
1,00,000	..	..	..	3,88,528	4,53	3,84,347	5,05	408,200	..	12	165 Tirrihannah P.	60	60	..
2,20,000	..	..	..	..	..	..	..	..	..	12	..	..	..	..
CHITTAGONG														
1,25,000	..	..	..	3,07,360*	1,76	..	..	..	..	12	139 Kodala	Nil	Nil	..
2,40,000	..	..	..	3,53,000*	1,64	..	..	..	..	12	139 Kornafuli	Nil	Nil	..
2,00,000	..	..	..	2,88,000*	1,74	..	..	..	..	12	139 Oodaleah	Nil	Nil	..
SYLHET														
3,00,000	14,19,689	17,99,706	637 1/2	2,76,309	4,48	2,14,907	7,92	2,54,012	7,17,391	12	.. Chundeecherra	Nil	Nil	Nil
6,00,000	9,95,449	12,20,551	230	2,33,890	4,97	2,03,558	8,17	218,000	8,36,913	12	.. Dauracherra	22 1/2	22 1/2	20
2,46,050	..	..	..	1,26,336	4,28	..	..	..	..	12	358 Kalihi	Nil	Nil	..
5,59,930	..	..	..	11,42,720*	1,99	..	..	..	..	12	236 New Samanbagh P.	25	Nil	Nil
36,00,000	59,49,869	63,43,644	1,660	19,52,002	5,02	17,98,140	8,16	1,851,000	90,15,000	12	63 Patrakali	32 1/2	40	15
3,20,000	4,21,718	1,48,642	740 1/2	4,28,560*	1,83	4,24,800*	3,23	360,000	4,07,821	12	236 Rajnagar	Nil	Nil	Nil
9,00,000	21,92,086	22,53,327	483	4,18,826	5,01	3,69,737	8,08	417,000	12,91,452	12	63 Taliapara	22 1/2	22 1/2	10

MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	NAMES	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		1960	1961	1962	Rs.	1960	1961	1962
MININGS													
23,369,790	..	2,218,881	22,781,590	212,559	2174,204	12	153	Burma Mines	2 1/2	5	Nil	3 1/2	0/44
30,00,000	37,08,889	32,04,468	34,00,355	15,96,846	13,914	12	312	Christian Mica Industries P.	15	12 1/2	..	100	9/75
21,371,300	21,758,381	2,225,873	2,755,274	21,057,163	2,72,310	12	98	Indian Copper Corporation	25	20	..	5Dd	6/87
50,00,000	61,72,031	10,43,352	53,971	5,66,976	14,41,622	3	343	Metal Corporation P.	27	27	..	2a	3/76
30,00,000	46,06,415	87,87,431	55,46,956	13,17,757	38,801	6	21	Orissa Mineral Development	Nil	..	..	100	7/56
CEMENT, LIME, SLATE, ETC.													
59,90,843	1,58,98,785	17,06,000	2,33,036	4,97,991	10,914	3	381	Ashoka Cement	7	7	7-7*	10	7/37
13,14,800	41,51,412	11,43,429	29,64,072	1,70,813	6,44,075	3	80	Assam Bengal Cement	..	..	..	100	7/25
70,97,600	98,02,889	19,77,396	66,723	24,46,663	1,703	12	150	Bengal Potteries	15	..	..	1Dd	5/86
65,23,146	75,55,750	28,31,137	7,76,724	23,10,445	50,122	3	21	Bisra Stone Lime	30	30	10	10	35/00
86,00,000	1,86,81,933	98,52,704	1,90,71,398	1,16,81,256	..	12	123	Dalmia Cement (Bharat) P.	12	12	12	100	13/94
50,00,000	94,43,463	94,05,545	5,54,170	63,02,100	4,94,598	3	335	Jalpur Udyog P.	6	8	8,36	10	11/19
30,00,000	89,55,197	56,53,899	6,48,783	21,48,526	25,499	12	21	Kumardhubi Fireclay & Silica P.	18	18	10	10	18/45
1,25,00,000	3,71,58,590	1,30,03,808	30,93,905	98,75,491	12	362	Orissa Cement P.	15	15	10	10	14/31	14/31
6,00,000	20,07,006	21,78,065	17,41,738	4,88,806	30,441	2	223	Reliance Firebricks & Pottery	22	15	10	10	22/75
75,00,000	63,53,000	32,78,500	2,04,361	16,63,364	7,167	12	357	Sone Valley Portland Cement	4	6	8	5	4/37
9,64,320	18,00,054	10,46,890	6,23,484	10,16,971	23,408	12	3	Sutna Stone & Lime	27 1/2	30	35	10	28/31

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Portfolios Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	NAMES	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		1960	1961	1962	Rs.	1960	1961	1962
CHEMICAL INDUSTRIES													
22,00,000	8,04,72,738	2,26,33,273	3,46,012	1,10,87,234	5,671	9	121	Alkali & Chemical Corp. of (I)	12	15	15-15*	10	34/50
48,00,000	17,39,281	15,681	11,245	..	..	12	442	Bathgate & Co. Ltd. P.	Nil	Nil	..	5	0/84
15,00,000	76,41,344	68,84,605	21,11,440	18,06,052	1,30,717	3	245	Bengal Chemical & Pharm. P.	7	10	..	100	98/00
11,08,900	..	..	..	..	..	3	377	Calcutta Chemical P.	18	18	18	10	18/69
22,54,700	36,34,102	22,82,883	19,49,050	12,04,892	6,978	6	129	Frank Ross P.	8	3/19	3/19	8/25	3/25
4,95,000	99,022	Nil	41,564	72,146	2,561	2	191	Smith Stanistreet P.	25	25	25-22 1/2*	5	13/50
20,00,000	13,61,137	17,67,251	7,35,789	13,17,366	19,167	6	191	..	..	..	..	..	..
ELECTRIC LIGHTING, POWERS													
19,99,000	1,15,72,761	51,20,883	27,74,213	4,56,810	52,889	3	32	Agra Electric Supply	11	11	11	100	125/00
8,00,000	29,33,889	15,51,202	8,09,008	2,00,631	25,623	3	32	Bareilly Electric Supply	11	11	11	10	11/87
17,00,000	1,03,03,450	52,64,411	19,58,453	4,34,454	47,298	3	32	Benares Electric Supply	11	11	11	10	11/87
5,91,560	15,55,473	807,502	2,70,659	1,35,558	41,730	3	202	Banapur Electric Supply	8	6/25	6/25	6/08	6/08
24,26,646	22,10,641	21,03,240	17,73,606	21,599,019	21,00,524	3	90	Calcutta Electric Supply	7	7	7	10	14/44
6,00,040	22,18,400	17,77,744	32,6	151,465	62,783	3	202	Cuttack Electric Supply	10	10	10	100	10/50
43,20,000	68,87,445	29,73,446	41,87,140	14,22,862	4,27,783	3	2	Dishergarh Power Supply P.	10	10	10	100	86/00
5,34,640	17,29,086	96,513	95,409	55,283	3,590	3	168	Jhansi Electric Supply	..	..	..	10	5/90
2,49,550	60,50,848	29,21,749	5,35,563	2,69,909	33,302	3	32	Jubbulpore Electricity Supply	10	10	10	10	11/87
4,45,000	6,70,374	2,24,149	1,00,770	46,495	39,011	3	256	Muzaffarpur Electric Supply	..	..	..	9	7/56
6,82,380	24,50,815	6,87,284	3,48,886	2,22,292	22,259	3	202	Muzaffarpur Electric Supply	12 1/2	12 1/2	12 1/2	10	11/50
6,99,700	13,47,574	1,14,377	1,15,991	43,664	18,988	3	232	Muttia Electric Supply	..	..	..	10	11/06
35,07,380	98,50,374	48,67,675	8,95,458	12,96,460	1,27,547	3	202	Patna Electric Supply	10	10	10	100	10/00
9,10,000	8,77,208	2,86,692	3,19,022	1,58,667	17,201	3	202	Shahjahanpur Electric P.	6 1/2	6 1/2	6 1/2	10	6/87
16,80,000	24,13,949	16,03,825	9,75,497	458,680	3,975	3	21	Shiv Uheria Electric	11	11	11	100	162/00
56,00,000	2,03,16,819	80,94,613	25,83,868	11,08,426	92,879	3	82	United Provinces Electric	13 1/2	13 1/2	13 1/2	10	18/00
5,00,000	21,74,345	14,00,467	7,69,903	1,82,745	33,674	3	82	Upper Jumna Valley Electric	13 1/2	13 1/2	13 1/2	10	18/00
ENGINEERING & METAL													
6,00,000	17,68,727	7,28,551	3,76,395	8,30,223	4,14,416	12	30	Acton Butler (Muzaffarpore) P.	Nil	Nil	10	10	21/25
50,00,000	36,87,587	44,13,221	72,862	34,13,224	5,246	12	31	Bartia Electric Steel	10	10	12 1/2	10	14/44
10,00,000	1,53,20,711	94,55,491	65,84,179	1,06,44,579	2,757	12	289	Brathwaite & Co (India)	25	25	14	10	32/50
19,00,000	62,65,971	50,43,274	7,42,812	21,52,136	12	24	24	Bridg & Roof	30	30	30	10	32/50
19,88,670	62,65,971	50,43,274	7,42,812	21,52,136	-611,196	12	192	Britannia Building & Iron P.	Nil	Nil	10	10	37/50
1,00,00,000	1,24,97,389	62,55,465	1,14,787	24,17,175	6,115	12	168	Britannia Engineering P.	10	10	10	10	10/25
25,00,000	20,85,656	18,18,384	24,752	14,07,837	..	12	24	British India Electric Cons.	45	20	15	10	29/12
84,00,000	3,58,68,539	2,99,02,509	74,40,547	1,42,69,633	..	6	82	Burn & (Engineering)	28 1/2	28 1/2	28 1/2	100	302/00
1,00,00,000	57,61,970	17,65,495	8,43,845	38,47,174	65,077	3	437	Calcutta Steel	15	15	15-12 1/2*	10	14/00
80,00,000	1,12,20,938	24,07,000	2,06,672	22,94,248	1,09,021	3	437	Dalmia Iron	10	10	10	10	11/87
4,00,00,000	6,83,01,978	6,98,32,765	2,11,42,172	1,27,55,580	..	12	227	Geest. Keen. Williams	16	14	14	10	27/87
12,50,000	19,72,889	6,43,100	27,549	3,79,950	5,801	12	32	Hooftly Docking	Nil	Nil	12-16*	50	101/00
2,44,08,990	62,73,23,096	30,89,05,725	1,72,10,301	9,11,89,201	..	6	82	Indian Iron & Steel P.	Nil	..	..	50	25/68
3,85,000	11,52,812	14,001	1,82,994	..	-4,03,294	3	223	Indian Malleable Casting	Nil	..	..	1D	6/00
1,54,00,000	50,88,821	87,57,038	63,89,397	1,71,88,152	24,064	6	82	Indian Standard Wagon P.	28 1/2	28 1/2	28 1/2	10	38/62
96,79,740	3,43,55,519	3,41,31,025	1,54,09,567	-57,25,817	6,022	3	122	Indian Steel & Wire Products	23	23	23-18*	100	33/50
12,00,070	7,75,186	3,56,629	2,872	9,92,071	12	24	24	Industrial Containers	17 3/20	17 3/20	15-10*	10	19/81
1,51,87,197	2,85,54,325	1,36,61,053	15,13,085	41,24,528	4,896	3	443	Jay Engineering	..	..	..	10	16/44
40,00,000	59,72,635	35,85,706	10,46,960	20,45,980	86,647	1	132	J. K. Steel P.	8,58	8,58	8,58	10	23/94
2,04,00,000	3,50,50,970	2,30,16,815	78,81,184	1,52,79,876	51,159	10	380	Jessop & Co. P.	10	11 1/2	15	3	9/20
27,64,800	1,16,46,982	53,04,910	97,324	21,89,856	2,088	11	21	Kumardhubi Engineering P.	10	11 1/2	15	3	9/20
10,50,000	3,74,383	19,18,004	14,49,75	-8,36,768	-5,63,688	6	170	Marshall Sons (India)	Nil	Nil	Nil	2	2/62
49,98,000	61,94,985	19,84,995	3,83,038	2,56,716	-4,42,917	3	192	National Iron and Steel	Nil	Nil	10	10	6/20
6,00,000	9,79,466	20,52,302	2,49,725	5,14,476	13,304	8	28	Saran Engineering	8 1/2	10	12 1/2	10	8/12
14,00,070	8,16,570	12,38,002	2,56,891	20,72,177	10	12	24	Steel Containers	30	20	20	10	28/12
1,80,00,000	2,73,21,766	61,37,433	13,28,341	52,01,525	62,642	12	22	Textile Machinery	10	10	..	10	23/80
SUGAR BREWERIES ETC.													
19,23,537	27,74,143	10,85,375	21,121	-1,66,279	-1,53,368	6	371	Bairampur Sugar	8	8	4-Nil*	2 1/2	1/85
15,50,000	15,56,707	11,43,842	10,86,872	5,09,358	7,761	9	234	Balsapur Sugar	18 1/2	10	..	7 1/2	7/57
30,00,000	8,17,746	22,06,086	17,06,173	5,98,492	9,429	6	316	Bansagar Sugar P.	15	15	15-15*	10	16/00
80,00,000	8,001,728	55,23,048	4,75,535	58,20,900	153	6	89	Barwahi (Sugar) P.	Nil	Nil	Nil-Nil*	10	11/50
18,00,000	90,08,963	59,84,997	6,94,684	-21,74,424	-25,45,362	10	26	Cawnpore Sugar P.	Nil	Nil	Nil	10	9/12
38,01,380	29,70,913	47,91,301	1,37,198	-47,404	-8,50,783	4	26	Champanar Sugar P.	15	12	Nil-Nil*	10	12/62
25,88,250	31,50,540	1,79,345	4,77,197	1,97,076	1,97,076	6	395	Durbhanga	4	Nil	6	10	9/87
11,00,000	6,45,722	3,75,000	10,90,564	5,437	52,205	6	140	New Savan Sugar and Gur	..	..	..	10	4/50
9,00,000	4,91,831	23,02,870	2,00,743	2,86,458	4,006	10	406	Purapur Sugar P.	..	..	..	10	10/81
19,58,820	41,61,410	57,86,996	6,074	26,41,778	3,047	8	1	Ramnagar Cane & Sugar P.	..	..	30-15*	10	29/31
85,00,000	51,91,073	36,97,845	15,35,449	19,41,864	10,384	10	35	Raza Buland	12 1/2	10	10	10	10/56
4,00,000	..	..	..	..	13,209	4	25	Ram Sugar P.	..	..	..	10	4/50
11,99,000	..	..	..	..	4,24,482	6	..	Samastipur Central Sugar	..	..	..	10	3/60
39,99,000	22,10,101	17,54,087	2,09,165	-2,24,407	-2,20,853	6	335	Sree Krishna Gyanodaya Sugar P.	15	..	..	10	7/50
7,94,500	87,65,968	39,25,624	16,75,659	1,67,559	34,778	4	141	Sitara Sitaram Sugar	..	..	..	10	7/12
3,99,950	13,54,858	11,65,178	11,16,888	1,90,787	7,991	4	141	Sitara Sitaram Sugar	..	..	..	10	7/12
18,00,000	42,22,843	19,40,309	2,03,163	-11,15,414	-7,18,697	6	341	United Provinces	15	15	Nil	10	11/00
8,00,000	..	..	..	..	..	6	341	United Provinces	15	15	Nil	10	11/00

TEA COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds	Area Hectares	Output and Average Price per Kg. realised for crop					estimate	Net Profit including taxation	Accounts closed	Mg. Acre, Secretary, etc.	NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		A year ago Rs.
				1961	1962	1963	1964	1965						1960	1961	1962		25-2-64	19-2-64	
Rs.	Rs.	Rs.		Kgs.	Rs.	Kgs.	Rs.	Kgs.	Rs.							Rs.	Rs.	Rs.		
DOOARS																				
27,00,000	62,03,995	32,62,760	1,034	15,51,500	4.51	14,84,400	4.86	15,25,000	11,19,005	12	2	Banarhat P.	22½	21	21	100	230/00	233/00	255/00	
12,00,000	27,38,435	23,27,925	436	7,24,364	4.69	6,66,481	5.13	6,64,600	6,59,538	12	128	Baradighi	30	25	25	10	23/69	23/69	23/00	
9,00,000	19,19,630	30,59,434	..	5,93,617	4.42	7,00,569	4.68	6,16,885	5,74,606	12	386	Biratkawa	15	15	20	10	17/25	17/25	17/37	
9,00,000	25,07,423	22,16,500	577	6,66,763	4.37	6,69,950	5.01	6,50,000	6,43,459	12	63	Binatpa	17½	12½	17½	100	162/00	162/00	151/00	
6,00,000	12,14,870	10,73,000	244	2,99,250	4.17	2,80,187	4.70	2,95,000	1,58,268	12	63	Choonabhatti P.	20	5	7½	100	161/00	161/00	145/00	
9,00,000	24,85,741	14,56,681	365	5,14,200	4.45	5,21,400	4.69	5,30,000	2,82,148	12	2	Ellenbarrie	32½	20	20	100	211/00	211/00	262/00	
3,00,000	5,84,327	5,93,500	197	2,19,480	4.05	2,25,971	4.59	2,03,000	1,33,979	12	63	Engo	5	5	10	100	184/00	184/00	184/00	
1,20,000	..	..	..	1,62,265	3.73	..	..	..	..	12	397	Etheibari	60	30	40	100	136/00	136/00	136/00	
4,90,000	9,33,182	71,548	..	2,24,026	..	2,64,339	..	..	93,085	12	354	Garkhata	5	5	7½	10	11/87	11/87	11/87	
7,50,000	13,32,430	10,34,583	1,088	5,33,092	4.88	5,04,794	5.46	..	4,67,197	12	88	Gopalpur	25	20	11	10	21/50	21/50	21/50	
14,00,000	27,81,035	19,25,521	425	5,21,329	..	5,85,748	..	..	200,689	12	387	Hantapara P.	12	2	10	25	20/00	20/00	20/00	
36,00,000	50,92,343	42,81,500	1,048	14,33,022	4.07	13,74,053	4.76	13,90,000	7,93,764	12	63	Hasumara	15	5	10	100	107/00	107/00	103/00	
64,00,000	70,47,491	75,82,749	..	28,49,021	5.54	30,68,464	5.78	30,64,500	30,07,101	3	74	Huldibari	17	..	18-15½	10	12/62	12/62	12/75	
16,50,000	26,67,650	17,26,078	..	8,89,068	4.02	6,99,626	4.51	961,600	2,06,848	2	74	Jaybirpara	22½	..	19,2/7-11	10	12/25	12/25	13/75	
7,00,000	8,95,117	5,13,133	246	1,90,300	4.48	1,88,900	5.59	..	61,500	12	63	Killoot	10	Nil	Nil	10	8/62	8/62	10/31	
9,00,000	18,12,126	21,29,000	375	5,63,337	4.23	5,07,738	4.50	5,20,000	3,57,689	12	354	Manabbarie	25	15	15	10	15/50	15/50	17/31	
2,00,000	14,67,422	5,58,176	..	2,47,991	..	253,887	..	..	88,005	12	354	Nagasuree	25	15	10	100	180/00	180/00	169/50	
9,60,000	20,66,495	24,61,500	..	6,03,619	4.07	5,07,732	4.76	4,90,000	3,31,819	12	63	New Dooars P.	25	15	15	100	234/00	232/00	258/00	
14,00,000	34,04,657	21,71,728	471	7,84,700	4.31	6,40,900	5.10	7,50,000	2,30,662	12	2	Oodlabari	35	20	14½	100	137/37	137/37	14/25	
6,40,000	..	..	..	3,07,645	3.89	..	..	..	..	12	363	Phaskowa	12½	7½	..	100	125/00	125/00	127/00	
2,50,000	3,90,272	3,37,500	126	1,00,575	4.22	1,26,816	4.64	1,30,000	17,963	12	165	Raibhat	Nil	Nil	Nil	100	12/00	12/00	12/12	
6,00,000	9,22,423	11,53,058	..	3,63,864	4.36	3,91,886	4.70	3,62,900	2,08,311	12	165	Ranicherra	Nil	Nil	6	10	12/75	12/75	16/75	
7,65,000	17,57,543	17,47,050	..	5,03,638	4.32	4,76,526	5.07	5,33,500	1,63,000	12	128	Ridhak	15	15	7½	10	25/75	25/75	27/81	
14,92,800	36,77,342	30,35,064	727	9,21,664	4.79	9,78,337	5.44	10,10,245	8,77,496	12	44	Sarugaon	25	20	25	10	36/31	36/31	36/25	
3,46,000	10,20,398	10,25,325	..	4,00,500	4.10	3,30,000	4.76	3,73,200	2,40,377	12	44		40	40	40	10				
TERAI																				
4,50,000	..	..	..	2,40,454	3.83	..	..	..	..	12	101	Atal	5	..	..	10	8/34	8/34	6/75	
5,00,000	..	..	..	7,94,331	4.01	7,22,909	4.63	730,000	5,50,624	12	345	Belgachi	20	20	..	10	20/25	20/25	20/50	
13,44,000	20,65,841	27,42,000	646	2,88,960	4.29	3,17,061	4.74	275,000	3,07,829	12	63	Gungaram	20	12½	12½	100	131/00	131/00	158/00	
5,00,000	11,02,805	13,16,500	214	2,68,960	4.10	2,95,710	4.54	295,000	2,25,077	2	74	Hansqua	20	15	17½	10	20/00	20/00	23/50	
3,00,000	6,69,527	9,72,507	..	3,14,832	3.83	3,33,644	4.04	3,12,073	..	12	63	New Chumta	15	..	12 6/7-20*	10	20/37	20/37	36/60	
7,20,000	..	..	..	4,71,480	4.08	4,71,480	4.45	489,915	..	12	139	New Terai	22½	10	15	10	23/00	23/00	31/12	
11,70,000	..	..	..	..	..	..	..	..	..	12	139	Panargoomiah	20	20	2½	10	14/37	14/37	14/37	
1,00,000	..	..	..	..	..	..	..	..	..	12	63	Putinbaree	14	14	..	10	43/00	43/00	45/00	
2,20,000	..	..	..	3,88,528	4.53	3,84,347	5.05	408,200	..	12	165	Tirihannah P.	60	60	60	10	49/00	49/00	49/00	
CHITTAGONG																				
1,25,000	..	..	..	3,07,380*	1.76	..	..	..	..	12	139	Kodala	Nil	Nil	..	10	9/25	9/25	9/33	
2,40,000	..	..	..	3,53,000*	1.64	..	..	..	..	12	139	Kornafuli	Nil	Nil	..	10	9/31	9/31	13/08	
2,00,000	..	..	..	2,88,000*	1.74	..	..	..	..	12	139	Oodaleah	Nil	Nil	..	10	8/00	8/00	8/00	
SYLHET																				
3,00,000	14,19,689	17,99,706	637	2,76,309	4.48	2,14,907	7.92	254,012	7,17,391	12	..	Chundeecherra	Nil	Nil	Nil	10	26/00	26/00	23/00	
6,00,000	9,95,449	12,20,551	230	2,33,890	4.97	2,03,558	8.17	218,000	8,36,913	12	63	Dauracherra	22½	22½	20	10	11/87	11/87	7/31	
2,46,050	..	..	..	1,26,336	4.28	..	..	..	..	12	358	Kaliti	Nil	Nil	..	10	10/00	10/00	10/00	
5,59,930	..	..	..	11,42,720*	1.99	..	..	..	..	12	236	New Samanbagh P.	25	Nil	Nil	10	16/37	16/37	18/37	
36,00,000	59,49,669	63,43,644	1,660	19,52,002	5.02	17,96,140	8.16	1,851,000	90,15,000	12	63	Patrakola	32½	40	15	100	135/00	135/00	148/00	
3,20,000	4,21,718	1,48,642	740	4,28,560*	1.83	4,24,800*	3.23	380,000	4,07,821	12	236	Rajnagar	Nil	Nil	Nil	10	9/56	9/56	9/56	
9,00,000	21,92,086	22,53,327	483	4,18,826	5.01	3,69,737	8.08	417,000	12,91,452	12	63	Teliapara	22½	22½	10	100	94/50	94/50	99/00	

MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Mt. Asia Securities etc.	NAMES	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	A year ago			
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.				1960	1961	1962	Rs.	Rs.	Rs.	Rs.
MININGS															
22,369,796	..	2218.681	22,781,590	212,559	2174,204	12	153	Burma Mines	2 3/5	Nil	Nil	3 1/8	0/44	0/44	0/44
30,00,000	37,08,889	32,54,468	4,05,355	15,96,846	13,914	12	312	Chrestien Mica Industries P.	15	12	100	9/75	9/75	9/75	10/50
15,00,000	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
21,371,300	21,158,381	2225,873	2755,274	21,057,163	272,310	12	88	Indian Copper Corporation	25	20	..	6/87	6/87	6/87	8/50
50,00,000	61,72,031	10,43,352	53,971	5,66,976	14,41,622	3	343	Metal Corporation P	27	27	..	3/76	3/64	3/64	4/50
30,00,000	46,05,415	87,87,431	55,46,956	13,17,757	38,801	6	21	Orissa Mineral Development	36	28	100	8/00	7/56	7/56	32/00
CEMENT, LIME, SLATE, ETC.															
59,90,843	1,58,98,785	17,06,000	2,33,036	4,97,991	10,914	3	381	Ashoka Cement	7	7	7-7*	10	7/25	7/00	7/37
63,14,800	41,51,412	21,43,429	29,84,072	1,70,813	6,44,675	3	80	Assam Bengal Cement	..	..	..	100	3/75	3/75	4/00
70,976Dd	..	..	..	..	..	..	..	..	..	..	..	1Dd	0/50	0/50	0/69
55,23,146	98,22,899	19,71,396	66,723	24,46,663	1,703	12	156	Bengal Potteries	15	..	..	21	4/69	4/69	5/66
40,00,000	73,55,750	28,31,157	3,76,724	23,10,445	50,122	3	21	Bisra Stone Lime	30	30	10	10	21/00	21/00	35/00
1,88,00,000	1,88,81,933	99,52,704	1,90,71,398	1,16,81,256	..	12	133	Dalmia Cement (Bharat) P.	12	12	12	100	13/25	12/87	13/94
5,00,000	..	..	..	..	..	..	..	..	..	..	..	1Dd	2/56	2/56	2/15
2,50,00,000	3,94,43,463	94,05,545	5,54,170	95,02,100	4,94,598	3	335	Jaipur Udyog P.	6	8	8,36	10	12/50	12/06	11/19
30,00,000	89,55,197	56,55,899	6,48,783	21,48,526	25,499	12	21	Kumardhubi Fireclay & Silica P.	18	18	18	10	18/45	18/45	18/45
2,25,00,000	3,77,58,590	1,36,03,808	30,93,905	98,75,491	1,12,362	12	362	Orissa Cement P	15	15	10	10	14/31	14/31	15/81
6,00,000	20,07,000	21,78,065	17,41,738	4,85,806	30,441	2	223	Reliance Firebricks & Pottery	22	15	10	10	22/75	22/75	22/75
75,00,000	63,53,090	32,76,500	2,04,361	16,83,364	7,187	12	357	Sone Valley Portland Cement	4	6	8	5	4/50	4/16	4/37
9,64,520	19,00,054	10,46,890	6,23,484	10,16,971	23,403	12	3	Sutna Stone & Lime	27	30	35	10	28/31	28/31	35/00

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares, if any	Cash & Securities	Net Profit including taxation	Carry forward	Accounts closed	Securities, etc.	NAMES	Dividend per cent	Paid-up per Share	Latest Market Quotations as available until	A year ago			
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		1960	1961	1962	Rs.	Rs.	Rs.	Rs.
CHEMICAL INDUSTRIES															
62,00,000								Alkali & Chemical Corp of (I)	12	15	15-15*	10	34/50	31/50	34/50
2,48,00,000	8,04,72,738	2,26,33,273	3,46,012	1,10,87,234	5,071	9	121	Bathgate & Co Ltd P.	Nil	Nil	..	5	0/84	0/84	0/84
40,00,000	17,39,281	15,681	11,245	-88,949	-9,86,991	12	442	Bengal Chemical & Pharm P.	7	10	..	100	98/00	98/00	101/00
15,00,000	76,41,344	68,84,605	21,11,440	18,06,053	1,30,71,7	3	245	Calcutta Chemical P.	18	18	18	10	18/69	18/69	18/00
22,54,700B								Frank Ross P.	..	..	25-22*	5	3/19	3/19	3/25
15,00,000	36,34,102	22,82,883	19,49,050	12,04,892	6,978	6	377	Smith Stanistreet P.	25	25	25-22*	5	13/50	13/50	13/37
4,95,000	98,022	Nil	41,554	72,146	2,561	2	129								
20,00,000	13,61,137	17,67,251	7,35,789	13,17,306	19,157	6	181								
ELECTRIC LIGHTING, POWERS															
19,99,600	1,15,72,761	61,20,883	27,74,218	4,56,810	52,889	3	32	Agra Electric Supply	11	11	11	100	125/00	122/00	120/00
8,00,000	29,33,899	15,51,302	8,09,008	2,00,631	25,623	3	32	Bareilly Electric Supply	11	11	11	10	11/87	11/87	11/75
17,00,000	1,03,03,450	52,26,411	19,58,483	4,34,454	47,298	3	32	Benares Electric Supply	11	11	11	10	11/87	11/87	12/37
5,91,360	15,65,473	807,902	2,70,659	1,38,558	41,730	3	202	Bhagairup Electric Supply	8	10	8	8	6/25	6/25	6/08
24,262,646	2,10,040,641	2,10,815,240	2,173,696	2,159,019	2,100,524	3	90	Calcutta Electric Supply	7	7	7	10	14/44	14/44	14/19
8,00,040	22,18,403	17,17,141	32,6	151,468	..	3	202	Cuttack Electric Supply	10	10	10	10	10/50	10/50	12/62
43,20,000	68,87,445	29,73,446	41,87,140	14,42,862	4,27,783	3	202	Disnergarh Power Supply P.	10	10	10	100	86/00	86/00	88/00
5,34,640	17,29,086	96,513	95,409	65,283	3,590	3	168	Jhansi Electric Supply	..	..	..	10	5/90	5/90	5/90
22,49,550	68,50,848	29,21,749	5,35,563	2,69,909	33,302	3	32	Jubulpore Electricity Supply	10	10	10	10	11/87	11/87	11/37
4,95,000	6,70,324	2,24,149	1,09,770	46,498	39,016	3	258	Muzarpur Electric Supply	..	..	..	9	7/56	7/56	12/00
6,82,390	24,50,815	6,87,284	3,48,986	2,22,292	22,258	3	258	Muzafferpore Electric Supply	12 1/2	12 1/2	12 1/2	10	11/50	11/50	12/25
6,96,700	13,47,574	1,14,377	2,14,991	43,664	18,988	3	329	Muttra Electric Supply	..	..	..	10	11/06	11/06	11/12
35,07,380	98,50,374	48,67,675	8,93,458	12,96,460	1,27,547	3	202	Patna Electric Supply	10	10	10	10	10/00	10/00	10/48
9,10,000	8,77,208	2,86,692	3,19,022	1,58,667	17,201	3	202	Shahjahanpur Electric P.	6 1/2	6 1/2	6 1/2	10	6/87	6/37	7/00
16,80,000	24,13,949	16,03,685	9,75,497	458,680	3,975	3	21	Sijua (Jherrian) Electric	10	9	9	100	162/00	9/50	9/06
56,00,000	2,03,16,819	80,84,613	25,53,868	11,08,426	92,879	8	32	United Provinces Electric	11	11	11	100	162/00	162/00	119/00
8,09,000	21,74,345	14,00,467	7,69,903	1,92,745	33,674	3	32	Upper Jumna Valley Electric	13 1/2	13 1/2	13 1/2	10	18/00	18/00	14/00
ENGINEERING & METAL															
8,00,000	17,68,727	7,28,551	3,76,395	3,30,223	4,14,416	12	30	Artur Buter (Muzafferpore) P.	Nil	Nil	10	10	21/25	21/25	14/50
50,00,000	36,87,587	44,13,221	72,862	34,13,246	5,246	12	41	Banaris Electric Steel	10	10	12 1/2	10	14/44	14/44	14/50
1,00,00,000	1,53,20,721	94,55,491	65,84,179	1,06,44,578	2,757	12	289	Braithwaite & Co (India)	25	25	14	10	32/50	32/50	36/50
12,00,000	32,65,971	50,43,274	7,42,812	21,52,136	..	12	24	Bridge & Roof	30	30	30	10	52/25	52/25	32/25
19,88,670	33,76,748	1,09,706	1,86,299	1,80,146	-61,196	12	162	Britannia Building & Iron P.	Nil	Nil	Nil	10	3/37	3/37	3/65
1,00,00,000	1,24,97,359	62,95,465	1,14,787	24,17,175	5,115	12	195	Britannia Engineering P.	10	10	10	10	10/25	10/25	10/37
25,00,000	20,85,656	18,18,384	24,752	14,07,837	..	12	24	British India Electric Cons.	45	20	15	10	29/12	29/12	32/12
94,00,000	3,58,68,539	2,99,02,509	74,40,547	1,42,69,633	..	4	32	Burn P. (Engineering)	28 1/2	28 1/2	25*	100	302/00	302/00	519/00
1,00,00,000	57,61,970	17,65,495	8,43,845	38,47,174	65,077	3	437	Calcutta Steel	15	15	15-12 1/2	10	14/00	13/50	14/27
90,00,000	1,12,20,938	24,01,000	2,06,672	22,94,248	1,09,021	3	434	Dalmia Iron	10	10	10	10	11/87	11/69	11/87
4,00,00,000	6,63,01,978	6,98,32,755	2,11,42,172	1,27,55,590	..	12	227	Guest, Keen, Williams	16	14	14	10	27/87	27/37	33/50
12,50,000	19,72,898	6,45,100	37,549	3,79,950	5,801	12	32	Hooghly Docking	Nil	Nil	12 1/2	50	101/00	101/00	102/00
12,44,08,990	62,73,23,096	30,89,05,725	1,72,10,301	9,11,89,201	..	8	32	Indian Iron & Steel P.	15	16	16-16*	10	25/68	25/20	21/70
3,85,000	11,52,812	14,001	1,82,994	-4,15,836	-4,03,294	3	223	Indian Malleable Casting	Nil	..	..	50	6/00	6/00	6/00
1,54,00,000	50,88,821	87,57,038	68,89,397	1,71,88,152	24,064	8	32	Indian Standard Wagon P.	28 1/2	28 1/2	28 1/2-20*	10	2/06	2/06	2/50
77,87,000													36/62	36/62	29/30
98,79,7400	3,43,55,519	3,41,31,023	1,54,09,567	-37,25,817	6,022	3	122	Indian Steel & Wire Products	23	24	23-18*	100	33/50	33/50	39/00
12,00,070	7,75,186	3,56,629	2,872	9,92,071	..	12	24	Industrial Containers	Nil	10	10	10	20/00	20/00	22/00
1,51,87,197	1,75,186	3,56,629	2,872	9,92,071	4,896	3	443	Jay Engineering	17 3/20	17 3/20	15-10*	10	19/81	19/87	24/25
40,00,000	2,85,54,325	1,36,61,953	15,13,055	41,24,328	86,947	4	132	J. K. Steel P.	20	20	10	10	16/44	16/06	15/75
2,04,00,000	3,50,50,970	2,30,16,815	78,81,184	1,52,79,678	51,159	10	290	Jessop & Co. P.	8.58	8.58	8.58	10	23/94	23/94	23/12
27,64,800	61,46,982	53,04,910	97,324	21,99,856	3,088	11	21	Kumardhubi Engineering P.	10	11 1/2	15	3	9/20	9/20	7/44
10,50,000	3,74,383	19,18,004	4,14,975	-8,36,768	-5,63,688	6	170	Marshall Sons (India)	Nil	Nil	Nil	2	2/62	2/60	3/25
49,98,000	61,94,985	13,58,398	3,83,036	2,56,716	-4,42,917	3	192	National Iron and Steel	Nil	Nil	Nil	10	6/20	6/19	4/25
6,00,000	9,79,466	2,52,302	2,49,725	5,14,476	13,304	8	26	Saran Engineering	10	10	12 1/2	10*	8/12	8/12	8/00
14,00,070	8,16,570	12,38,002	2,56,891	20,72,177	..	12	24	Steel Containers	30	30	20	20	28/12	28/12	19/75
1,50,00,000	2,73,21,766	61,37,433	13,28,341	62,01,325	62,642	12	22	Textile Machinery	10	10	..	10	23/80	27/95	21/35
SUGAR BREWERIES ETC.															
14,00,000	17,74,143	10,85,375	21,121	-1,66,279	-1,53,368	6	371	Bairampur Sugar	8	8	4-Nil*	2 1/2	1/85	1/75	2/00
29,23,537	25,56,707	11,43,842	10,86,872	3,09,358	7,767	9	234	Belsund Sugar	18 1/2	15	15-15*	10	7/37	7/37	9/62
15,00,000	8,17,746	22,06,086	17,96,173	5,98,492	9,429	6	81	Bharat Sugar P.	15	15	15-15*	10	16/00	16/00	13/00
32,00,000	49,01,728	55,23,048	4,75,335	58,20,900	..	6	Nil	Caray (Sugar) P.	Nil	Nil	Nil	Nil	11/50	11/50	12/50
80,00,000	90,86,963	59,84,997	6,94,684	-21,74,424	-25,45,362	10	26	Cawnpore Sugar P.	Nil	Nil	Nil	10	9/12	9/12	11/12
18,00,000	29,70,913	47,91,301	1,37,198	-49,013	-8,50,783	4	26	Champaran Sugar P.	15	12	Nil-Nil*	10	12/62	12/62	13/87
38,01,380	25,88,250	31,90,540	1,79,345	4,77,197	1,97,076	8	396	Durbhanga	4	Nil	5	10	9/87	9/87	8/12
11,00,000	6,45,722	3,75,000	10,90,564	65,437	52,205	6	140	New Savan Sugar and Gur	..	..	..	10	4/50	4/50	5/25
9,00,000	19,4,931	23,02,870	2,05,748	2,86,458	4,006	10	400	Purandarpur Sugar P.	30	35	30-15*	10	10/81	10/81	11/50
16,58,820	41,61,410	57,86,996	6,074	26,41,178	3,047	8	1	Ramnugger Cane & Sugar P.	..	..	..	10	29/31	29/31	30/37
65,00,000	51,91,073	36,97,845	15,30,449	19,41,664	10,384	10	82	Raza Bulpur	12 1/2	10	10	10	10/56	10/25	9/75
4,00,000	7,72,238	1,72,778	4,77,484	1,24,492	13,204	2	26	Ryan Sugar	..	..	..	10	4/50	4/50	8/48
11,00,000	22,10,161	18,54,067	2,09,185	-2,24,407	-2,20,855	8	4	Samarapur Central Sugar	..	..	..	10	3/60	4/10	9/62
39,99,000	67,62,908	25,85,624	21,94,758	34,779	34,779	6	32	Shree Krishna Gyanoday Sugar P.	15	..	..	10	7/50	7/50	7/50
7,94,500	13,54,858	11,65,178	11,18,366	1,90,697	7,991	4	14	Shree Sitapur Sugar	..	..	..	10	7/12	7/12	7/12
3,99,950	20,47,130	68,548	66,643	-7,18,847	-7,19,847	6	94	Sitalpore Sugar	4	Nil	Nil-Nil*	10	3/69	3/69	6/12
18,00,000	42,22,843	18,40,304	2,03,163	-11,15,414	-9,17,147	4	341	United Provinces	15	15	15	10	11/00	11/00	10/62
8,00,000	90,57,769	69,09,675	9,18,326	37,10,114	25,765	6	360	Upper Ganges Sugar P.	7 1/2	7 1/2	7 1/2	10	85/00	85/00	60/00

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profit including taxation	Carry forward	Accounts closed	Names	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.			1960 1961 1962	Rs.	Rs. Rs. A year ago Rs.
MISCELLANEOUS										
6,30,000	3,65,800	2,09,907	5,89,590	1,44,140	2,623	10 85	A Firpo (Restaurateur)	7 1/2	10 1/2	5 5/8
93,75,000	5,89,89,976	2,43,84,621	3,09,108	30,58,004	11,965	3 132	Aluminium Corporation P.	12 1/2	12 1/2	12 1/2
20,00,000	42,23,258	16,50,000	53,38,477	4,16,437	11,325	12 382	Anderson Wright P.	11 1/2	Nil	6
30,00,000	16,96,729	44,23,928	21,81,674	26,48,673	2,17,061	8 268	Angelo Bros	25	28 1/2	28—28 1/2
30,00,000	20,74,660	33,58,937	16,15,347	24,27,478	12,842	12 114	Assam Match	18	20	20
13,89,998	20,06,639	20,17,850	6,814	1,79,203	94,397	9 348	Assam Saw Mills & Timber	Nil	Nil	3
1,18,00,000	54,61,855	98,34,917	67,73,791	53,69,644	7,978	8 491	Associated Battery	25	15	15—15 1/2
23,00,000	1,41,96,365	57,08,103	7,65,347	2,25,357	4,66,659	3 204	Associated Hotels of India P.	Nil	10	10—10 1/2
80,01,430	46,97,674	1,20,07,997	93,50,429	51,62,806	..	12 396	Balmer Lawrie & Co.	25	25	25
12,00,000	5,51,865	12,52,902	8,77,227	10,64,446	..	3 128	Bararee Coke	Nil	Nil	15—15 1/2
44,00,000	9,27,823	68,58,981	2,87,091	50,926	9 160	10	Birds Investments P.	25	30	25—21 1/2
68,85,530	1,16,23,032	83,79,866	8,27,110	86,51,567	6,999	3 50	Britannia Biscuit P.	4	7	9
3,25,00,000	2,19,19,061	1,50,51,719	1,34,28,907	2,53,254	12 33	33	British India Corporation P.	12 1/2	13	10
50,00,000	21,88,577	40,58,031	9,91,498	24,64,559	27,856	12 392	British Paints	12 1/2	13	10
5,00,000	6,83,781	1,65,739	1,54,429	2,83,717	5,201	3 213	Calcutta Silk Manufacturing P.	Nil	Nil	..
1,33,80,000	14,77,426	1,78,29,586	15,08,523	2,46,740	12 2	2	Chive Row Investment	8	7 1/2	7 1/2
90,00,000	24,68,979	1,27,43,000	1,98,66,116	2,42,095	12 196	196	Duncan Brothers & Co P.	14	14	14
4,50,00,000	6,09,38,229	5,05,74,162	11,32,452	30,38,275	25,89,011	12 36	Dunlop Rubber Co (India) P.	21 1/2	20	15
27,56,355	1,31,99,222	1,76,30,095	24,30,790	1,00,50,937	12,604	3 116	Dyer Meskin (Breweries)	25	30	..
76,89,000	63,98,196	76,15,692	1,11,25,276	1,32,549	12 41	41	Eastern Investments P.	14	14	12
90,93,496	95,80,000	34,47,000	14,32,081	29,35,962	21,399	10 388	Electric Construction P.	10	10	10—10 1/2
30,00,000	28,94,555	27,23,508	19,90,832	15,65,118	2,10,371	3 61	French Motor Car	20	20	..
14,00,000	23,33,841	18,85,308	38,577	11,59,599	17,856	12 19	Ganges Rope	17 1/2	20	20
2,25,000	76,065	5,16,267	51,428	4,826	2 21	21	General Investment & Trust P.	10	11	11—11 1/2
65,00,000	31,77,135	58,42,190	1,57,85,100	30,47,005	15,471	3 105	Gillanders Arbuthnot & Co P.	10	11	11—11 1/2
40,00,000	17,89,681	1,21,344	36,90,302	5,43,666	8,524	12 209	Gladstone Lyall & Co. P.	40	40	30
40,00,000	34,79,636	31,88,500	1,29,460	46,26,030	38,310	12 210	Godfrey Phillips (India) P.	9	9	..
30,00,000	43,74,366	17,66,560	1,60,432	1,09,512	794	3 225	Great Eastern Hotel	15	15	12—12 1/2
4,68,75,000	3,08,48,439	..	2,33,36,903	2,11,555	2,11,555	12 438	Hindustan Aluminium P.	Nil	..	..
8,07,66,250	5,43,03,252	3,24,89,010	4,52,97,214	3,50,00,438	3,043	3 22	Hindustan Motors P.	9	12	12 1/2
30,00,000	16,00,000	39,09,791	28,38,711	1,31,125	10	10	Hindustan Pilkington	10	19/78	19/19
39,38,550	86,39,248	Nil	1,22,648	-12,14,232	-11,50,824	3 211	Hindusthan Twtford P.	10	16/19	16/19
39,20,000	23,35,537	16,00,000	24,48,008	4,91,968	36,500	12 294	Hoare Miller & Co.	10	13/25	13/25
15,16,00,000	8,60,23,909	10,67,60,544	1,25,08,131	4,46,29,511	3,29,429	3 325	Imperial Tobacco	8	9	9
2,40,23,886	3,64,77,842	4,53,66,220	60,96,109	2,40,34,073	56,98,466	12 329	Indian Aluminium P.	15	15	17 1/2
4,68,65,450	1,86,02,390	3,35,26,675	90,27,691	1,56,84,867	21,521	3 34	Indian Cable	22 1/2	22 1/2	22 1/2
3,64,00,000	5,89,31,205	2,05,01,886	32,59,129	1,40,40,263	35,587	9 306	Indian Oxygen	15	15	12—12 1/2
8,27,970	8,82,919	12,42,783	10,99,551	12,01,372	63,791	3 223	Indian Rubber Manufacturers P.	20	30	36
20,00,000	2,57,217	27,98,665	29,32,360	21,71,601	3,26,125	4 68	Indian Wood Products	30	30	30
74,89,150	72,05,408	..	2,48,612	-8,28,764	-14,08,461	12 63	Isaac Holdens	..	Nil	..
5,00,000	..	3,15,956	11,39,628	1,17,622	12,910	4 21	Investments and Finance P.	7 1/2	7 1/2	7 1/2
1,25,00,000	1,51,51,941	36,00,000	1,25,80,918	26,30,706	30,393	6 439	J K Synthetics	..	3	Nil—10*
5,87,500	4,28,843	Nil	5,88,284	-1,19,242	-1,18,804	12 281	James Wright P.	..	..	..
2,00,00,000	61,16,247	87,10,720	5,34,83,359	41,88,190	..	3 39	Jardine Henderson P.	7	7	6—7*
97,46,630	1,62,75,000	73,74,126	6,46,513	37,33,223	18,445	12 22	Jay Shree Industries P.	14	12 1/2	12—13*
1,09,94,325	8,77,31,151	4,34,03,080	55,33,798	1,07,12,489	26,969	3 23	Kesoram Industries P.	..	..	..
4,44,300	3,17,363	6,02,998	3,21,617	-14,078	-4,849	3 133	Macfarlane & Co.	..	..	..
1,50,00,000	1,07,01,720	98,61,347	2,91,71,046	33,69,977	43,205	12 334	Macneill & Barry P.	..	..	..
1,47,12,250	70,44,126	1,22,46,546	2,05,42,132	78,17,248	2,34,727	9 309	Martin Burn Ltd P.	27 1/2	27 1/2	25
47,12,000	18,46,595	90,33,368	2,73,18,501	25,28,932	2,44,687	12 282	McLeod & Co. P.	15	15	18
1,61,00,000	2,76,53,533	2,38,95,151	41,04,252	1,23,59,734	38,785	3 167	Metals Box Co. of India P.	25	25	19
1,35,00,000	90,71,426	1,24,32,229	6,55,304	62,89,944	11,708	9 7	National Insulated Cable P.	20	20	25—18*
30,00,000	22,68,464	34,26,465	18,44,015	22,10,080	10,564	6 7	National Pipes & Tubes P.	13	13	20
40,00,000	34,43,104	43,03,095	14,39,946	30,01,359	75,533	12 375	National Rolling & Steel Ropes	Nil	64	15—15 1/2
80,00,000	69,05,819	16,52,447	4,31,039	11,41,474	3,61,143	12 79	National Rubber P.	16	7	8
79,97,000	77,87,804	1,29,48,132	28,35,366	17,51,943	40,378	12 35	National Tobacco P.	8 1/2	..	..
23,31,600	1,014	13,02,891	9,90,509	6,26,950	..	..	New India Investment Corpn.	75	55/00	45/00

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profit including taxation	Carry forward	Accounts Closed	Names	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.			1960	1961	1962	Rs.	25-2-64	19-2-64	A year ago	
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.							Rs.	Rs.	Rs.	
MISCELLANEOUS (Contd.)															
60,00,000	6,27,241	59,20,402	91,23,845	14,28,049	24,342	12 321	Octavius Steel P.	10	7 1/2	7 1/2	100	..	..	..	
2,20,00,000	1,99,24,542	89,30,483	25,74,107	1,20,21,148	1,39,632	12 364	Philips India	12	12	13	10	23/00	27/25	26/25	
2,86,200	53,496	6,12,800	1,02,081	4,43,784	48,408	3 140	Publicity Society	10	75	75-50*	4	22/62	22/62	26/19	
2,25,00,000	1,04,34,519	67,80,570	1,53,00,153	73,34,623	5,962	8 332	Railis India P.	4	84	84-10*	100	136/00	132/50	130/00	
6,00,00,000	7,93,37,818	3,87,81,855	1,16,91,228	1,22,07,255	4,305	3 330	Rontas Industries P.	20	10	8-9*	10	13/00	12/37	12/06	
94,27,389	5,54,68,835	Nil	14,04,497	1,50,253	37,513	9 72	Sirsilk P.	Nil	..	..	10	9/15	9/19	9/06	
70,00,000	2,31,09,587	55,67,480	20,33,664	23,36,729	13,552	9 876	Sen Raleigh Industries P.	8	8	8	10	15/12	15/12	14/00	
75,00,000	1,02,89,547	55,43,000	1,78,35,987	41,86,452	5,57,492	12 278	Shaw Wallace P.	15	15	7 1/2	10	17/19	17/00	18/27	
3,00,000	4,33,174	23,169	40,501	17,483	1,789	12 111	Spencers Hotel	2 1/2	2 1/2	..	2	0/59	0/59	0/94	
2,80,00,000	5,74,94,906	3,16,49,275	38,74,069	1,86,24,531	4,44,246	12 301	Union Carbide	18	18	12 1/2	10	34/75	33/37	42/50	
2,10,200,000	7,04,778	29,75,610	9,48,447	11,31,642	5,406	12 195	Walford Transport	30	30	20	10	2/81	2/69	2/25	
6,40,800,000								30	30	30	10	3/87	3/97	1/56	
INSURANCE COMPANIES															
13,50,000	6,89,803	61,56,126	1,56,73,630	5,94,228	32,703	12 174	Concord of India	20	20	20	5	10/25	9/87	11/00	
24,00,000	1,43,152	95,20,456	1,36,84,067	17,38,669	20,229	12 248	Hercules	22 1/2	26 1/2	26 1/2	10	23/25	23/25	25/00	
32,00,000	27,24,852	1,56,73,464	2,30,92,019	30,35,783	12,241	12 278	Ruby General	10	13 1/2	15 1/2	8	10/00	10/00	9/69	
8,00,000		21,62,072	27,92,606	..	..	12 278	Standard General	..	..	..	10	6/12	6/12	8/00	
5,75,000	7,133	77,12,554	1,05,52,159	10,05,738	..	12 39	Triton	45	60	50	25	130/00	130/00	131/00	
FLOUR MILLS															
12,00,000	4,11,000	29,55,620	6,63,425	10,87,621	1,80,000	12 24	Bengal	40	25	25	10	34/12	34/12	34/25	
6,00,000	6,51,040	2,47,038	2,17,808	1,05,473	1,26,480	10 97	Delhi P.	..	..	..	10	14/00	14/00	14/00	
48,90,137	47,18,433	77,72,310	56,85,368	33,61,767	4,07,398	12 278	Ganesh P.	..	..	..	12 1/2	13/75	13/75	15/25	
9,00,000	4,53,646	4,52,302	8,883	2,19,375	32,614	12 236	Hoonhly	15	Nil	Nil	10	19/76	19/76	19/75	
5,00,000	2,77,355	6,61,791	25,812	2,25,689	6,571	11 236	United	35	10	7 1/2	10	27/81	27/81	30/09	
OIL COMPANIES															
22,900,001	22,366,123	1,875,442	1,080,797	1,537,436	1,68,520	12 249	Attock Oil	13 1/3	13 1/3	13 1/3	10	sh. 37/6	sh. 36/-	sh. 33/3	
282,419,080	235,843,356	12,750,000	13,148,421	18,446,093	2,582,661	12 52	Burmah Oil P.	9 2/5	..	..	10	sh. 64/4 1/2	sh. 62/4 1/2	sh. 18/3	
1,00,00,000	59,29,364	1,75,25,203	2,84,68,306	54,63,502	1,19,330	12 249	Indo Burmah Petroleum P.	30	25	22 1/2	10	21/75	21/75	23/50	
6,00,000	3,20,016	9,89,137	4,92,803	4,47,005	12,113	10 2	Tide Water Oil	50	35	35	10	33/19	33/19	26/00	
PAPER MILLS															
58,50,000	1,09,71,994	63,55,637	10,43,959	47,17,412	50,816	12 436	Bengal P.	32	27 1/2	20	10	28/00	27/50	31/37	
88,20,000	1,18,27,908	90,40,934	1,10,010	40,65,122	28,615	3 2	India Paper Pulp	15	13	12-15*	10	18/94	18/25	18/81	
1,90,87,250	67,80,000	57,39,270	1,08,97,843	1,40,08,528	93,457	8 22	Orient Paper P.	22 1/2	22 1/2	22 1/2-20*	10	39/40	38/10	37/10	
1,25,51,920	3,84,89,769	1,77,04,218	90,74,618	1,15,62,333	73,294	12 140	Shree Gopal Paper P.	17 6/7	17 6/7	17 6/7	10	26/12	25/81	22/81	
2,73,19,050	4,28,25,108	94,29,176	63,90,889	2,93,680	1,08,791	6 22	Sirpur P.	64	64	8 1/2-5*	10	13/31	12/56	12/12	
1,00,00,000	4,41,41,480	8,52,298	5,66,797	-1,17,823	56,480	9 36	Star Paper P.	Nil	Nil	Nil	10	8/25	9/12	10/00	
4,37,500,000								10	13	13-13*	2 1/2 PQ	3/44	3/44	3/78	
66,00,000,000	4,87,90,174	3,15,32,295	20,74,443	-20,620	15,112	3 106	Titlaghur P.	25	20	10-10*	10AO	16/19	16/19	13/19	
56,04,800,000								25	20	10-10*	10BO	16/19	16/19	18/19	
1,50,00,000,000	4,95,97,051	95,00,000	1,73,752	58,44,196	17,196	6 373	West Coast P.	6	7 1/2	..	100	170/00	170/00	169/50	
PRESSING COMPANY															
4,30,000	1,81,531	1,45,000	5,34,786	65,294	24,928	7 326	Camperdown	11	11	..	100	105/00	105/00	100/00	
REAL PROPERTY STORAGE															
10,00,000,000												A500	900/00	900/00	1,050/00
1,25,00,000	14,69,599	8,53,120	3,54,870	1,24,262	3,212	4-10 73	Bengal Bonded Warehouse	11	6	8-9*	B92 1/2	125/00	125/00	135/00	
2,00,00,000												C100	185/00	185/00	8/37
25,00,000												D12 1/2	45/00	45/00	14/75
1,42,150	11,68,346	6,23,135	33,823	81,259	3,142	3 8	Calcutta Safe Deposit	..	..	..	100	7/75	7/75	8/03	
1,00,00,000,000	19,85,068	9,01,590	13,43,272	3,61,779	1,33,593	9 432	Humayan Properties P.	6	..	..	100	11/00	11/00	11/00	
2,00,000,000								Nil	..	..	11Dd	2/10	2/10	2/15	
79,90,000	8,080	Nil	13,10,942	-74,850	-19,01,272	4 2	Midnapore Zemindary P.	Nil	Nil	Nil-Nil*	35	21/09	21/00	10/06	
FRAMWAYS & STEAMER															
20,00,000	29,74,805	27,13,587	10,28,887	3,59,472	11,765	10 2	Bangal Assam Steamship P.	7 1/2	7 1/2	..	100	123/00	123/00	106/00	
6,25,000	5,18,823	7,61,818	11,59,363	5,18,780	5,967	10 83	Calcutta Landing & Shipping	31	7 1/2	22	10	34/00	34/00	35/06	
12,60,000	23,78,412	13,35,110	25,895	26,490	-42,626	12 598	Calcutta Steam Navigation	10	Nil	Nil	10	8/87	8/87	11/08	
2,700,000	2,23,93,715	21,560,682	2,315,682	2,105,509	2,107	12 83	Calcutta Tramways P.	..	..	..	210	10/62	10/50	35/00	
6,04,880	6,97,987	4,56,706	33,440	1,35,098	-637	3 139	Fraser & Co.	Nil	..	..	10	8/94	9/87	10/00	
8,855,580	1,974,808	2,432,456	2,419,913	-284,854	-284,854	8 431	India General Nav. & Railway P.	Nil	..	..	10	41/75	42/00	66/50	
4,47,40,000	15,60,63,417	1,57,29,564	1,17,13,241	-30,02,498	..	8 391	India Steamship P.	10	Nil	Nil-Nil*	10	7/19	6/87	6/00	
14,08,220	13,34,304	74,870	7,291	-62,391	-4,09,480	12 ..	Port Shipping	Nil	Nil	..	10	14/50	14/56	12/00	

BOMBAY COTTON MILLS

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

Paid-up Capital Ordinary	Number of Spindles Looms	Net Block Account	Reserve & other Funds	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	After interest, etc.	NAMES	Dividends per cent	Paid-up Share	Latest Market Quotations as available
Rs		Rs	Rs	Rs	Rs	Rs				1960 1961 1962	Rs	Rs Rs A year ago
40,00,000	48,652	1,016	1,28,56,136	46,70,822	20,69,878	10,39,741	26,620	259	Ahmedabad Advance P.	16 12	100	140/00 140/00 170/00
50,00,000	48,254	896	20,17,010	9,99,960	10,78,394	1,49,501	2,24,486	12	229 Apollu	Nil Nil	2	2/00 1/94 1/98
40,00,000	41,135	980	43,32,511	11,42,781	4,76,501	1,42,728	351	351	Beharilal Ramcharan	Nil Nil	100	138/00 134/00 82/50
2,50,98,000	2,03,942	4,911	5,87,37,535	3,82,76,018	47,87,842	62,56,837	17,586	12	196 Bombay Dyeing, etc.	14 14	25	64/20 63/30 61/30
10,00,000	1,18,294	2,760	4,98,32,541	26,61,466	25,80,077	19,89,180	362	362	Bradbury P.	10 25	50	151/00 151/00 150/00
1,27,75,700	1,15,188	2,062	2,99,18,029	10,75,722	15,14,712	3,59,283	40,19,762	6	269 Central India P.	Nil Nil	100	703/00 690/00 548/00
46,87,500	24,916	719	37,44,825	42,32,454	1,91,658	1,28,751	3	68	Coorla	11 11	100	162/50 162/50 150/00
28,00,000	43,512	..	43,97,504	29,03,236	3,19,244	2,06,873	12	362	Dawn	30 30	50	154/50 152/50 142/00
34,00,000	49,164	920	74,35,701	43,13,002	1,86,929	3,94,132	59	59	Edward Textiles	9 9	6	200 305/00 300/00 325/00
29,98,050	47,700	886	1,32,62,451	48,56,520	2,59,089	4,04,302	241	241	Elphinstone P.	18 22	50	101/00 98/00 99/00
59,00,000	63,212	784	55,32,658	71,62,852	16,834	37,155	24	24	Finlay	23 23	100	325/00 318/00 310/00
39,04,700	77,966	..	19,75,306	43,25,176	33,64,704	12,85,523	56	56	Gokak	14 18	100	188/00 174/50 176/00
12,00,000	40,856	1,116	64,14,595	58,13,236	10,75,932	4,27,954	3	305	Hindoostan	50 50	250	950/00 950/00 965/00
2,00,00,000	2,48,870	6,498	4,41,45,022	1,84,70,022	11,82,625	1,32,22,197	5,89,816	12	15 India United	8 14	10	21/88 22/00 23/80
50,00,00,000	50,074	1,202	15,80,496	61,57,161	4,26,274	..	3	305	Indian	13 37	1D6	2/56 2/52 2/88
50,00,000	50,074	1,426	74,72,292	26,00,000	26,71,578	4,58,532	8,880	12	103 Indore Malwa United	23 1/5 8 10	25	875/00 875/00 160/00
59,85,000	65,260	1,514	1,07,21,546	82,79,165	25,00,707	76,87,297	38,751	6	149 Khatav Makanji P.	32 16	100	208/75 201/25 397/50
1,00,00,000	1,20,504	1,846	1,38,52,384	1,07,07,211	9,13,088	38,39,253	1,555	12	146 Kohinoor	15 18	100	341/50 334/50 282/00
89,60,000	49,883	1,369	1,26,36,356	62,49,272	7,11,717	-21,14,041	-10,60,896	12	83 Lakshmi Vishnu P.	5 7	Nil	101/50 102/00 106/25
51,75,000	71,652	1,620	2,44,04,456	78,75,201	1,68,667	33,39,749	..	6	104 Morarijee Goculdas P.	21 24	24-20*	100 395/00 384/00 450/00
39,03,250	50,480	500	55,13,433	39,56,794	22,08,037	2,05,256	Nil	2	261 Mysore Spg & Mfg P.	14 14	50	44/00 42/25 46/00
24,00,000	45,944	432	23,52,760	1,45,700	10,79,000	15,67,753	8,436	12	.. New City of Bombay	Nil Nil	100	185/00 176/00 142/60
30,00,000	46,884	1,029	22,27,098	25,72,444	27,32,567	12,48,697	153	12	.. New Great Eastern P.	Nil Nil	100	178/00 178/00 270/00
48,00,000	54,244	728	33,94,222	35,22,899	1,54,21,523	21,027	-27,380	12	119 Phoenix	15 20	100	235/00 231/00 206/00
10,00,000	9,520	277	13,17,604	2,78,222	9,963	4,22,456	257	12	257 Sassoon & Alliance	17 20	10	11/00 11/00 13/00
75,40,000	96,488	2,127	2,21,73,468	1,58,87,542	13,77,729	28,73,906	3,192	12	384 Sassoon Spinning	15 20	10	40/00 40/00 47/50
60,48,000	49,840	1,256	1,34,95,513	34,48,460	1,44,640	22,79,548	376	13	376 Simplex	18 20	100	275/00 272/00 232/00
1,00,00,000	77,436	1,640	1,62,20,494	86,36,202	95,49,874	35,49,582	51,723	12	327 Shree Niwas P.	15 Nil	22-16*	100 130/00 124/00 143/50
1,00,00,000	65,940	2,004	1,96,83,714	1,42,81,829	24,73,107	35,08,617	8,176	12	259 Swadeshi P.	17 19	14	100 275/00 272/00 232/00
38,00,000	40,328	549	46,14,824	71,73,335	1,77,177	2,20,551	26,967	12	141 Swan	36 21 3/5	100	254/00 249/50 258/00
65,37,873	63,243	1,806	2,12,86,475	1,12,83,538	11,32,192	20,80,953	1,422	12	266 Tata	20 22	25	267/50 267/50 80/00
12,00,000	45,508	1,308	62,07,441	12,11,933	31,81,227	52,10,985	8,027	3	205 Western India	46 2/5 25	250	847/50 847/00 835/00

* 1962

* 1963

BOMBAY MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Cash & Securities	Net Profits including Taxation	Carry forward	Accounts closed	Names	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.			1960 1961 1962	Rs.	Rs. Rs. A year ago
19,06,69,750	28,49,18,153	12,76,85,523	5,86,09,994	5,14,17,633	60,243	7	Associated Cement	12 12 12-12*	100	152/50 146/25 142/50
4,74,77,100	11,61,05,785	1,36,08,785	30,82,878	78,42,905	623	7	Ahmedabad Electricity	7 6	100	97/20 96/50 93/80
4,02,77,000	9,34,77,781	1,23,99,917	32,27,570	52,28,395	36,154	3	Andhra Valley Power P.	5 5	1000	1,041/25 1,043/75 1,005/00
1,75,00,000	3,95,16,553	1,21,07,263	17,22,838	38,87,421	27,536	3	Bombay Suburban Elec.	8 8	100	105/00 104/50 101/00
2,39,99,975	7,17,76,350	1,39,56,841	51,85,971	80,68,808	29,938	3	Tata Hydro Elec Power P.	5 5	100	111/25 111/25 104/00
5,15,36,000	17,59,03,832	3,61,11,341	57,28,753	1,22,80,113	29,938	3	Tata Power P.	5 5	1000	1,106/25 1,105/00 1,070/00
33,42,200	17,06,292	4,41,637	1,54,08,311	5,79,668	1,35,820	12	Alcock Ashdown	17 22 1/2	100	311/00 303/00 321/00
14,75,050	7,99,713	4,61,618	2,25,568	..	3	8	Jost's Engineering	10 10-11 1/2	50	56/00 56/00 98/00
1,65,00,000	1,36,83,136	1,15,74,779	1,09,19,945	48,29,564	11,973	3	Larsen & Toubro P.	18 14-14 1/2	10	24/00 23/00 27/00
11,00,000	1,03,70,225	3,45,914	..	..	1,016	7	Mckenzie	12 14	100	148/75 150/00 140/00
2,50,000	5,834	1,00,53,052	1,79,52,042	3,35,178	59,102	12	Premier Construction P.	33 1/3 33 1/3	300	182/50 170/50 133/00
7,99,97,300	17,30,38,018	5,09,28,017	13,84,385	3,61,61,616	14,962	3	Tata Eng & Locomotive P.	12 14 1/2	100	310/00 291/75 289/00
57,57,67,693	1,03,32,39,005	42,98,94,270	10,44,14,243	10,55,68,012	32,095	3	Tata Iron & Steel P.	9 10 10 1/2	100	150/50 144/75 121/25
20,00,000	..	23,84,913	95,96,033	4,24,629	1,18,606	12	British India General	.. ..	10	12/64 12/64 11/80
18,74,940	25,01,134	2,88,61,156	2,61,49,442	38,951	4,85,316	12	Jupiter General P.	.. ..	15	7/00 7/00 12/52
1,42,42,125	23,46,782	3,80,68,899	1,41,74,747	92,81,255	14,28,397	12	New India	38 38	15	47/50 48/25 58/50
15,90,270	..	29,41,860	59,86,789	6,05,803	3,81,242	12	Vulcan	20 20	10	16/00 16/00 16/40
70,49,650	41,70,604	1,23,53,608	1,09,82,038	67,94,850	3,00,263	9	Belapur Sugar	58 50	25	232/00 234/50 200/00
1,83,50,000	3,34,19,072	2,76,00,447	1,67,73,491	1,13,92,935	2,25,985	5	Bombay Burmah Trading	30 33 33-35 1/5*	25	62/20 60/70 ..
84,00,000	4,66,81,360	3,67,07,011	23,74,064	4,77,27,501	53,585	12	Hindustan Lever	26 26	10	46/75 46/75 45/00
24,36,000	4,754	20,08,794	1,44,31,615	6,97,490	30,418	12	Industrial Inv't Trust	6 6	10	41/74 39/50 45/00
99,99,250	13,82,957	1,34,142	4,55,2231	56,232	10,942	8	Kemp (Chemists)	12 12	100	76/00 74/50 305/00
1,11,12,100	7,40,36,031	2,03,71,161	27,33,067	1,89,61,608	4,41,151	12	National Hayon	12 12	200	275/00 275/00 305/00
11,27,98,680	25,25,08,055	11,58,24,547	11,18,89,983	48,75,907	3,82,640	1	Scindia Steam Navign.	2 3	100	441/00 421/50 10/00
2,00,00,000	6,32,84,424	1,44,04,272	23,87,449	89,88,449	3,923	6	Shivrajpur Synd.	8 6	20	16/12 15/80 25/50
3,02,33,815	2,21,68,319	1,25,42,386	47,75,465	70,73,815	1,187	6	Tata Chemicals P.	6 6	10	19/50 18/80 14/50
1,05,05,475	1,16,85,302	1,08,92,603	71,80,468	1,37,48,151	2,91,854	8	Volta	23 23	25	70/50 66/20 61/00
2,55,00,000	2,71,29,042	2,32,60,865	1,47,82,908	1,39,56,381	82,645	12	Western India Match	14 14	100	281/50 270/50 258/00
2,75,00,000	2,71,29,042	2,32,60,865	1,47,82,908	1,39,56,381	82,645	12	Western India Match	16 16	100	274/00 268/00 255/00

* 1963

SOUTH INDIA PLANTATION COMPANIES

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

Paid-up Capital Ordinary	Number of Spindles Looms	Net Block Account	Reserve & other Funds	Cash & Securities	Net Profits including Taxation	Carry forward	Accounts closed	Names	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until
Rs.		Rs.	Rs.	Rs.	Rs.	Rs.			1960 1961 1962	Rs.	Rs. Rs. A year ago
475,000	16,06,067	1,50,000	1,992	7,996,001	9,68	1,19,757	3	Amalgamated P.	10	10/01	10/01 10/36
850,000	12,57,795	5,72,253	878	1,12,000	1,43	70,011	12	Anandam P.	15	14/19	14/19 15/24
825,000	6,09,131	1,50,000	402	1,28,902	1,47cts	3,501	2	Athimattam	Nil	1/23	1/23 0/80
8,98,999	13,90,078	4,83,841	1,630	225,168*	4,34	1,11,296	3	Balanor P.	15	13/25	13/25 12/91
8,00,000	3,94,072	2,05,000	319	1,07,785*	3,2	1,11,970	6	Baimadies P.	7 1/2	5	1/80 1/80 1/90
17,32,230	13,36,711	4,36,253	977	1,99,531	1,65cts	43,110	6	Be Be P.	Nil	5	2/40 2/40 2/15
4,00,000	1,23,45,152	25,11,425	1,329	8,53,764*	4,81	12,37,849	6	Blue Mountain	12 1/2	10-10*	2/40 2/40 2/56
14,00,100	27,96,388	14,46,380	4,586	3,36,263*	3,15	6,16,055	3	Chembra Pear	20 20	2	4/65 4/58 3/62
26,31,278	48,15,737	19,60,914	8,051	11,05,303*	..	8,00,694	6	Jochin Malabar P.	17 1/2	20-12*	6/40 6/40 6/18
50,50,000	39,31,704	30,58,661	2,710	19,48,320	..	4,71,249	6	Coffee Lands P.	6	..	10 16/12 15/75
71,55,000	1,15,74,484	63,44,278	7,001	60,81,120	..	25,60,567	6	Consolidated Coffee P.	20	..	20/35 20/00 16/00
1,66,730	21,85,561	13,31,210	411	4,49,066	2,32	1,58,198	9	Concor P.	17 1/2	15	18/37 18/37 19/25
4,80,000	10,36,443	4,76,798	432	3,53,888	1,52	1,19,880	3	Coorg P.	20	..	

SOUTH INDIA SUGAR MILLS

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net profits	Carry forward	Accounts closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
									1960	1961	1962		25-2-64	18-2-64	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.							Rs.	Rs.	Rs.	Rs.
30,00,000	62,64,264	25,55,000	5,52,400	10,92,779	22,959	9	417	Andhra P.	..	..	..	10	17/36	17/36	18/20
40,00,000	80,62,883	12,61,424	1,58,472	13,46,266	1,40,987	6	218	Cauvery P.	6	8	..	100	103/50	105/00	99/00
39,84,000	80,95,449	50,28,500	10,91,223	29,00,521	9,587	5	218	Deccan Sugar	25 1/2	12	18-18 1/2	5	12/10	11/90	9/25
1,127,700	2,346,073	2,075,782	2,414,795	2,648,473	2,21,999	9	319	EID Parry	21 3/7	21-3/7	28 3/7	1	37/50	36/75	39/75
63,97,850	45,80,752	15,25,348	64,67,521	12,34,087	3,17,077	9	418	Indian Sugar P.	14	10	..	10	10/00	10/00	10/25
92,45,572	1,22,66,623	18,99,861	1,01,502	5,99,416	4,090	6	418	Jeyapore P.	8	..	..	10	14/68	16/00	15/00
10,52,700	2,87,27,773	1,23,75,000	31,53,982	20,76,426	91,745	6	420	K. C. P.	Nil	Nil	Nil-Nil*	10	22/85	22/85	25/07
79,98,000	1,40,86,734	..	3,14,482	16,486	-1,26,762	6	264	Kothari	30	30	30-30*	10	7/00	7/10	51/30
21,79,280	69,98,950	1,19,98,416	46,28,924	1,22,390	4,559	6	264	Mysore	10	10	..	10	44/65	44/65	6/85
30,00,000	35,93,381	11,41,000	10,12,037	4,88,902	1,46,735	4	218	Travancore P.	60	60	25-Nil*	10	33/00	33/00	95/00
25,00,000	45,92,397	91,28,520	73,43,307	34,22,332	..	3	320	United Breweries	60	60	25-Nil*	10	33/00	33/00	95/00

* 1963

SOUTH INDIA MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net profits	Carry forward	Accounts closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
									1960	1961	1962		25-2-64	18-2-64	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.							Rs.	Rs.	Rs.	Rs.
1,00,00,000	86,99,116	39,83,750	10,36,603	19,80,945	1,52,818	3	421	Aluminium Industries	18	..	..	10	19/00	18/87	21/40
71,03,270	81,97,857	9,97,508	8,37,425	14,43,157	2,172	12	16	Andhra Cement P.	10	10	10-9*	10	10/00	10/00	9/75
4,02,57,656	1,39,33,383	25,63,016	1,94,694	30,01,443	20,076	12	422	Asnok Leyland	8	..	..	10	7/25	7/05	7/70
1,00,00,000	17,47,081	49,33,435	2,75,867	18,86,913	4,39,222	12	423	Binny	12 1/2	..	..	100	282/00	282/00	327/17
7,50,000	1,44,487	46,538	41,650	93,226	-1,46,143	12	270	Brunton & Co.	..	..	..	10	5/00	5/00	5/30
24,99,000	40,82,511	3,52,644	62,051	3,35,188	4,810	12	424	Enfield P.	8	..	..	10	10/40	10/15	9/50
2,44,44,750	321,08,642	66,66,496	73,60,475	51,28,679	1,38,608	3	425	India Cement P.	11	9	12	8	5/90	5/72	6/25
23,82,732	16,92,196	2,50,222	93,924	2,16,808	2,977	12	230	Indian Steel Rolling P.	..	..	..	10	9/80	9/80	10/50
1,40,00,000	1,39,97,059	37,48,801	36,09,251	29,82,180	11,631	3	263	Mettur Chemical Industries P.	12 1/2	12 1/2	133-183 1/2	10	13/85	13/10	13/70
24,51,220	12,59,939	10,47,778	17,48,674	6,48,541	8,514	3	253	Mysore Chem & Fert	10	10	..	10	7/90	7/95	9/75
8,00,000	5,20,889	4,52,189	2,18,413	4,33,791	85,187	3	151	Mysore Chemical Mfgs. P.	20	..	..	10	16/70	16/70	18/26
6,56,250	5,13,585	9,38,696	6,374	1,23,899	3,146	3	426	Mysore Lamp P.	20	..	..	10	30/00	30/00	34/68
25,00,000	55,50,342	37,12,500	2,43,664	14,29,395	36,663	3	226	Mysore Paper	15	15	..	10	12/40	12/00	14/25
10,00,000	7,56,329	3,16,884	29,32,342	75,422	622	3	201	Mysore Tobacco	10	..	..	10	12/00	12/00	7/00
10,00,000	6,54,248	8,02,000	2,60,194	4,84,833	1,51,607	3	218	Parrys Conf.	30	..	..	10	3/25	3/22	3/63
40,00,000	82,50,079	1,03,14,883	40,58,627	23,52,432	10,74,117	6	221	Spencer (Provisions)	18	18	18	10	22/00	21/50	22/50
47,00,000	86,53,610	20,65,000	51,902	1,80,996	3,889	12	427	Standard Motors P.	9	..	..	10	10/33	10/33	16/13
11,56,300	5,95,547	14,04,007	16,66,624	4,19,707	41,732	9	428	T. Stanes P.	32 1/2	..	..	10	27/40	27/40	29/75
39,64,400	42,48,656	13,07,759	26,027	4,92,416	832	4	429	Textool	15	..	..	100	146/00	144/00	157/00
8,50,00,000	4,26,61,684	2,14,79,630	72,21,483	85,33,091	50,510	7	430	Tube Investments	10	10	10-10*	100	215/00	215/00	235/00

11963

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Accounts	Reserve & other Funds	Net Savings	Carry forward	Accounts closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
								1960	1961	1962		25-2-64	18-2-64	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.							Rs.	Rs.	Rs.	Rs.
17,24,000	18,02,732	12,576	-2,52,424	..	3	165	Ahmedpur Katwa	1.90	1.90	1.75	100	26/00	26/00	29/00
21,89,300	34,93,519	6,11,706	3,03,621	2,918	3	32	Arrah Sasaram	5	5	5	100	30/50	30/50	30/50
24,00,000	35,33,840	21,816	-4,66,034	..	3	165	Bankura Damoodar	1.90	1.90	1.75	100	30/00	30/00	29/50
17,80,000	20,25,854	10,772	-3,07,176	..	3	165	Burdwan Cutwa	1.90	1.90	1.75	100	29/00	29/00	29/50
31,00,000	28,10,290	44,296	1,72,713	1,480	3	32	Chaparmukh-Silghat	2.90	2.90	2.80	100	40/00	40/00	35/00
4,75,000	1,48,268	5,33,369	1,35,796	3,691	8	296	Cherra Chhatak Ropeway	9	12	12	5	4/62	4/62	5/75
2,47,850	2,28,169	59,790	42,389	4,003	3	101	Darjeeling Ropeway	..	..	..	10	8/50	8/50	8/00
40,00,000	49,80,137	14,51,000	19,14,361	35,951	3	335	Dehri Bhoitas	17	20	15	10	12/50	12/06	14/00
11,49,700	15,85,943	8,500	59,013	1,489	3	32	Futwab Islampur	1.90	1.90	1.90	100	28/70	28/70	28/70
18,00,000	49,13,938	13,57,712	1,70,485	3,022	8	32	Howrah Amta (P)	6	6	4 1/2	100	34/00	34/00	48/00
8,00,000	13,66,352	5,14,960	62,731	4,225	8	32	Howrah Sheekhala	6	6	4 1/2	100	45/00	45/00	45/00
8,91,100	11,74,348	15,024	73,560	160	3	165	Katakhal Lala Bazar	3.50	3.10	1.90	100	41/00	41/00	41/00
18,00,000	60,91,311	18,08,821	1,11,807	6,893	8	32	Shahdara (Delhi)	6	6	..	100	52/00	52/00	60/75

1. Anderson Wright Ltd.—7, Wellesley Place Calcutta.	58. Cowasjee Jehangir & Co., Ltd.—Ready Money Mansion, Churchgate Street, Fort Bombay.	116. K. G. Khanna—Solan Brewery (H.P.), Satta Narain Gupta—Subzimandi, Delhi.	174. N. M. Cole—K. Clive Row, Calcutta.
2. Andrew Yule & Co., Ltd.—8, Clive Row Calcutta.	59. N. K. Jalan—Kamini Chamber, 32, Nicol Road, Ballard Estate Bombay.	117. Hari Sons—Avlur (Cochin State).	175. Satya Narain Gupta—Subzimandi, Delhi.
3. S. N. Beri—6, Middle Road, Hastings, Calcutta.	60. Chandrie & Co., Ltd.—Madras.	118. Hormusjee Sons & Co.—605, Girgaum Road, Dhobi Talao, Bombay-2.	176. Moton & Co.—Maung Pauley Street, Rangoon.
4. Hazareemull, Heeralal—148, Cotton Street, Calcutta.	61. Bagaria More Co., Ltd.—5 Clive Row, Calcutta.	119. Ramnarayan Sons Ltd.—Bombay.	177. H. B. Marshall—1, Humayan Place, Calcutta.
5. Amritlal Ojha & Co., Ltd.—"Security House" Netaji Subhas Road, Calcutta.	62. Dayaram & Sons—9, Old Court House Street Calcutta.	120. Industrial Financing Co.—63, College Street, Calcutta.	178. Madura & Co. Ltd.—Cochin.
6. Alcock N. C.—Hultsdorf Mills, Colombo.	63. Duncan Brothers & Co., Ltd.—31, Netaji Subhas Road Calcutta.	121. Imperial Chemical Industries (India) Private Ltd.—34, Chowringhee, Calcutta.	179. A. D. Shroff—New India Assurance Bldgs, Mahatma Gandhi Road, Fort, Bombay.
7. Associated Industrial Development Co. (Private) Ltd.—"Nico House", Hare Street, Calcutta-1.	64. Dutt Thomas & Co.—2 and 3, Clive Row, Calcutta.	122. Indra Singh & Sons Private Ltd.—7, Wellesley Place, Calcutta.	180. Mafatali Gagalbhai & Sons—Rustam Bldgs, 29, Churchgate Street, Fort, Bombay.
8. Agarwala S. L.—Indian Insurance Building, Old Cantonment Road, Dehra-Dun.	65. Dass Bros.—29 and 30, Strand Road, Calcutta.	123. Hari Brothers Private Ltd.—Scindia House, New Delhi.	181. Murphy C.—Rampart Row, Fort, Bombay.
9. Aspinwall & Co. (Travancore) Ltd.—Chavadi Parambu North Commercial Canal Road, Alleppey.	66. A. K. Das—15, Netaji Subhas Road, Calcutta.	124. R. Raja Rao—Honnawal Road, Shimoga.	182. Mehta Chunilal V. & Co. Ltd.—Queen's Mansions, Prescott Road, Bombay.
10. Aryan Planter Agency—P-12, Chowringhee Square, Calcutta.	67. Day, P. E.—Anderson's House, Bishoppagar, London E.C.2.	125. Iyer I. R. Anantharam & Bros. Ltd.—Pushpagiri Trichur.	183. Sir V. N. Chandavarkar—Standard Buildings, Hornby Rd, Fort, Bombay.
11. Allum Bharucha & Co.—214, Hornby Road, Bombay.	68. Hari Brothers Private Ltd.—Scindia House, New Delhi.	126. N. Sirur & Co. Private Ltd.—70, Forbes Street, Fort, Bombay.	184. Mysore Industrial Development Co.—3, Gandhinagar, Bangalore City.
12. Associated Planters Private Ltd.—25, General Patters Road, Madras.	69. Dadabhai Sir M. B.—Kampte Road, Civil Lines, Nagpur.	127. J. P. Hannay—2 Metcalfe St., Calcutta.	185. Mascarenhas B. M.—Platform Road, Bangalore City.
13. Antony M. K.—Alleppey.	70. N. D. Bangur—14, Netaji Subhas Road, Calcutta.	128. J. K. Industries (Private) Ltd.—17, Council House Street, Calcutta.	186. Naidu, G. Kuppaswamy & Co.—Pappanaikampalayam, Coimbatore.
14. Agarwal & Co.—E. D. Sassoon Building, Douglas Road, Ballard Estate, Bombay.	71. S. C. Roy—Hindustan Buildings, 4, Chittaranjan Avenue, Calcutta.	129. S. S. Shumwal—7, Chowringhee Road, Calcutta.	187. Best & Co. Ltd.—The Hyderabad Laminated Products Ltd., Secunderabad-3.
15. Andhra Eng. Co., Ltd.—22/422, Dana-vayipeta, Rajahmundry.	72. Duffa, J. C. & Co., Ltd.—National Bank Buildings, Netaji Subhas Road, Calcutta.	130. Inajnar Bros. Ltd.—138 Harrison Road, Calcutta.	188. R. Beema Naidu & Co.—Singanaihur, Coimbatore.
16. Amte & Co.—Hubli.	73. C. C. Dey—25, Netaji Subhas Road, Calcutta.	131. Jain, B. K. & Co. Ltd.—"Devashram", Arrah, Shahabad.	189. Naidu A. G. Guruswamy & Co.—Peelamedu, Coimbatore.
17. B. M. Krishan—Sri Jayachamaraja Wadiyar Road, Bangalore-2.	74. Davenport & Co. Private Ltd.—6, Church Lane, Calcutta.	132. J. K. Industries (Private) Ltd.—17, Council House Street, Calcutta.	190. Naidu P. S. Govindaswami & Sons—Coimbatore.
18. Macneil and Barry Ltd.—2, Fairlie Place, Calcutta.	75. Desai, R. M.—14, Nicol Road, Ballard Estate, Fort, Bombay.	133. James & Co. Ltd.—25, Netaji Subhas Road, Calcutta.	191. K. Mookerjee—18, Convent Road, Entally, Calcutta.
19. Ojha Brothers Ltd.—Security House, Netaji Subhas Road, Calcutta.	76. Dodwell & Co., Ltd.—Glennie Street, Slave Island, Colombo.	134. Jute Industries Ltd.—4, Lyons Range, Calcutta.	192. B. J. Agarwalla—Stephen House, 4, Dalhousie Square, Calcutta.
20. Bird & Co. (Private) Ltd.—Chartered Bank Buildings, Calcutta.	77. Darragh Small & Co., Ltd.—Alleppey.	135. John, V. C.—Kattayam, Travancore State.	193. Kesarmal Manocha—529/1, Hall Bagn, Amritsar.
21. Birla Bros Private Ltd.—8, India Exchange Place, Calcutta.	78. Dadabhai B. A. & Co.—Ilaco House, Sir Phirozeshah Mehta Road, Bombay.	136. Jones, H. Edwin—Oriental Building, Bombay Elec. House, Ahmedabad.	194. G. V. Swatika—"Pollock House" 19/B, Brabourne Road, Calcutta.
22. Bhabai & Co. Ltd.—13, Syed Sailey Lane, Calcutta.	79. B. N. Elias & Co. Private Ltd.—1 and 2, Old Court House Corner, Calcutta.	137. John Kurian—Kottayam, Travancore State.	195. R. R. Aiyer—51 Park Street, Calcutta.
23. Balmer Lawrie & Co., Ltd.—21, Netaji Subhas Road, Calcutta.	80. Eastern Corp., Ltd.—7, Wellesley Lane, Calcutta.	138. Ketnewell Bullen & Co. Ltd.—21, Strand Road, Calcutta.	196. Srinivasan, S. D.—7, Council House Street, Calcutta.
24. British India Corporation Ltd.—Sutherland House, Kanpur.	81. Ebeling, A. F.—Rawalpindi.	139. Kilburn & Co. Private Ltd.—4, Fairlie Place, Calcutta.	197. Naraindas Lachmandas Ltd.—Rajpurva, Kanpur.
25. R. L. Thompson—Agharam Road, Bangalore-2.	82. Poddar P. L.—135, Canning Street, Calcutta.	140. Karamchand Shapper & Bros. Private Ltd.—Thapar House, 25, Brabourne Road, Calcutta-1.	198. Dharamsey M. Khatau—Scindia House, Douglas Road, Ballard Estate, Bombay.
26. Bengal Textile Agency Ltd.—11, Clive Row, Calcutta.	83. Pratapsingh Mathuradas—9, Wallace Street, Fort, Bombay.	141. Kothari & Sons Agency Private Ltd.—Armenian Street, Madras.	199. Nowrojee Wadia & Sons (Private) Ltd.—Neville House, Ballard Estate, Bombay.
27. Swedesh Enterprise Ltd.—41, Chowringhee Road, Calcutta.	84. S. B. Industrial Development Co. Ltd.—12, Old Court House Street, Calcutta.	142. K. Suryanarayan Rao—Channanapatta, Mysore State.	200. Dooduwalla & Sons—S. Mukhtaram Babu Street, Calcutta-7.
28. Beardsell, W. A. & Co. Private Ltd.—Second Line Beach, Madras.	85. A. Firpo, Jr.—19/2, Chowringhee, Calcutta.	143. S. L. Dhanuka—P-15, Bentinck Street, Calcutta.	201. P. S. Arunachalam—17, Richmond Road, Bangalore-1.
29. Bhagyalakshmi & Co.—Delhi Road, Udamalpet, D. Coimbatore.	86. Forbes Forbes, Campbell Ltd.—Forbes Buildings Home Street Fort, Bombay.	144. Khairat, D. & Sons—14, Netaji Subhas Road, Calcutta.	202. Octavius Steel & Co., Ltd.—14, Old Court House Street, Calcutta.
30. Rameshwar Pantia—1 & 2, Old Court House Street, Calcutta.	87. S. V. Iyer—38C, Old Prabhadevi Road, Bombay-28.	145. P. S. Nilkantan—1, Waterloo Street, Calcutta.	203. Matheson Bosanquet & Company Ltd.,—Beimount Coonor Nilgiris.
31. Martin Burn Ltd.—12 Mission Row, Calcutta.	88. Gillanders Arbuthnot & Co. Ltd.—Clive Buildings, Netaji Subhas Road, Calcutta.	146. Killick Industries Ltd.—Home Street, Fort, Bombay.	204. Oberoi Hotels (India) Private Ltd.—17, Chowringhee Calcutta.
32. K. M. Wilcox—Sutherland House, Kanpur.	89. R. C. Bowker—"Victoria House" Calcutta.	147. Kanga H. D.—Electric House, Post Fort, Bombay.	205. Oakley Jowden & Co., Ltd.—15, Armenian Street, Madras.
33. Sir John Brown—9, Hare St., Calcutta.	90. P. L. Fandon—India House, Fort, Bombay.	148. Kurian John—Alleppey.	206. Ogale Gopal Warkul—43, Gandhinagar, Bangalore, City.
34. Ramdutt Ramakissandas—9, Brabourne Road, Calcutta.	91. P. L. Fandon—India House, Fort, Bombay.	149. Khatua Makani & Co.—6, Ballard Road, Fort, Bombay.	207. Deepchand Kishenlal—25, Netaji Subhas Road, Calcutta.
35. Birla, L. N.—8, Royal Exchange Place, Calcutta.	92. Govan Bros (Rampur) Private Ltd.—4, Scindia House, New Delhi.	150. Killick, A. S.—2-6, 2nd Line Beach, Madras.	208. Indian Textile Syndicate Ltd.—Kanpur.
36. Birla, B. M.—India Exchange", Calcutta-1.	93. Govan Bros (Rampur) Private Ltd.—4, Scindia House, New Delhi.	151. S. Kamanthanan—Chickbanavar P.O., Bangalore Dt.	209. E. M. Elliot Lockhart—4, Fairlie Place, Calcutta.
37. John Valentine Jardine Paterson—4, Clive Row, Calcutta.	94. R. N. Datta—93-A, Dharamtalla St., Calcutta.	152. Broken Hill Secretariat Ltd.—31, Dover Street, London E.C.2.	210. Peirce Leslie & Co. Ltd.—8/222, Beach Road, Calcutta, Kerala.
38. Bhanuava, K. K.—Mohalla Masjid Bagh, Badshahagar.	95. Daga & Co., Ltd.—9, Royal Exchange Place, Calcutta.	153. Low H. V. & Co. Private Ltd.—3, Synagogue Street, Calcutta.	211. H. L. Somany—2, Wellesley Place, Calcutta.
39. Sharihar Lahoty—161-1, Harrison Road, Calcutta.	96. M. L. Bexon—57B, Free School Street, Calcutta-16.	154. Lomas, J. E. W.—19, St Swithin's Lane, London, E.C.4.	212. P. G. Krishna Iyer—Mount Pleasant, Coonoor, Nilgiris.
40. W. A. Brady & Co., Ltd.—Brady House, 12-14, Veer Nariman Road, Bombay-1.	97. Govan R. G. & Co.—Scindia House, Connaught Circus, New Delhi.	155. Bharat Ram Bhagat & Co.—45, Tangra Road, Calcutta.	213. Poddar, K. N.—37, Vivekananda Road, Calcutta.
41. Brijlal Bilasval & Co.—Aga Khan Buildings, Dalai Street, Fort, Bombay.	98. Turnbull, K. W.—P-4, Mission Row, Extension, Calcutta.	156. Hine Agents Ltd.—Indu House 15, Douglas Rd., Ballard Estate, Bombay.	214. James Warren & Co., Ltd.—31, Chowringhee Road, Calcutta.
42. Punam Chandro Satta—19, Circular Garden Beach Road, Calcutta.	99. Abinash Chandra Das—Jalpaiguri.	157. Padampat Singhania—Kamala Tower, Kanpur.	215. Parkes U. & Co.—Kottalam, Fort, Bombay.
43. Chakravarti Sons & Co.—22, Canning Street, Calcutta.	100. Guha Nalini Kumar—18/11/1-B Raja Raj Ballav Street, Calcutta.	158. Lala Gurusharan Lall—Guraru Dist. Gava.	216. Parkes U. & Co.—26, Apollo Street, Fort, Bombay.
44. G. I. Purnanatham Naidu—24, Krishnaswamy Mudaliar Road, Coimbatore.	101. F. R. Subbottam—11-15, Clive Row, Calcutta.	159. Lovelock & Lewes-4, Lyons Range, Calcutta.	217. L. L. Kanai—P-8, Mission Row Extension, Calcutta.
45. Chetty R. K. S. & Bros.—Singanaihur, Coimbatore-5.	102. George, A. V. & Co. Ltd.—Anerhill Bank Bldg, Kottavam, Travancore.	160. Lohia D. D.—173, Harrison Road, Calcutta.	218. Parry & Co. Ltd.—Dare House, Parry's Corner, Madras.
46. S. K. Poddar—33, Netaji Subhas Road, Calcutta.	103. Kundiya V. Sekaria—139, Meadow Street, Fort, Bombay.	161. Lohia D. D.—173, Harrison Road, Calcutta.	219. India Sugar Agencies Ltd.—Mangalore.
47. Calcutta Agency Ltd.—24, Netaji Subhas Road, Calcutta.	104. Gopikisan Pirmal—D. Ambekar Road, Parel, Bombay-12.	162. G. & Solomon—Dare House, Parry's Corner, Madras.	220. Price, K. G. N.—National Bank Bldg, Madras.
48. Chanda, A. P.—15, Faratola Road, Calcutta.	105. John Whitton—Eason—Gillander House, Netaji Subhas Road, Calcutta.	163. Macleod, MacKenzie & Co. Private Ltd.—16, Strand Road, Calcutta.	221. L. A. Irani—1/153, Mount Road, Madras.
49. Shoorbridge P. G.—234-3, Lower Circular Road, Calcutta.	106. J. H. Belliger & Co. (Private) Ltd.—Chartered Bank Buildings, Calcutta.	164. M. Anantaram Iyer & Bros Ltd.—Pushpagiri Trichur.	222. Caresian Mica Industries Ltd.—4, Lyons Range, Calcutta.
50. R. A. R. Macasar—175, West George Street, Glasgow C.2.	107. Howrah Trading Co. Ltd.—8, Dalhousie Square East, Calcutta.	165. McLeod & Co. Ltd.—3, Netaji Subhas Road, Calcutta.	223. K. N. Agarwala—4, Lyons Range, Calcutta.
51. Cement Agencies (Private) Ltd.—121, Queen's Road, Fort, Bombay.	108. A. & F. Harvey Ltd.—Pandyan Building, West Veil Street, Madurai.	166. Hindustan Investment Corporation Ltd.—15, India Exchange Place, Calcutta.	224. Lohia Brothers Ltd.—139, Canning Street, Calcutta.
52. Consolidated Elec. Agencies—17B, Elphinstone Circus, Fort, Bombay.	109. Holmes Wilson & Co. Ltd.—"Stephen House" Calcutta.	167. H. Barker—Barlow House 96C, Chowringhee Road, Calcutta.	225. Roy B. A.—1, 2 and 3, Old Court House Street, Calcutta.
53. K. S. R. Iyer—Imperial Bank Buildings, Bank Street, Fort, Bombay.	110. R. G. Khanna—Solan Brewery, Simla.	168. Mouna Lall & Sons—120/1, Civil Lines, Jhansi.	226. M. V. Shivanasappa—Kamegowda Road, Bangalore 4.
54. Chinnoy, F. M. & Co., Ltd.—Radio House, Adolho Bunder, Bombay.	111. Hote (Control) Private Ltd.—7, Wellesley Place, Calcutta.	169. K. G. Goenka—31, Netaji Subhas Road, Calcutta.	227. W. Morris—41, Chowringhee Road, Calcutta-16.
55. Cumberbatch & Co.—Colombo.	112. H. J. H. Bhatta, House, 36, New Broad Street, London E.C.2.	170. Marasalli (Director) Private Ltd.—33/1 Netaji Subhas Road, Calcutta.	228. Jannarath Sons Ltd.—Bank Street, Fort, Bombay.
	113. B. P. Khaitan—14, Netaji Subhas Road, Calcutta.	171. W. M. Maiden—P.O. Lohat, Dist. Darbhanga.	229. Rajputana Textile (Agencies) Ltd.—Deliana Road, Chenchopka, Bombay.
	114. Harrison & Crossfield Ltd.—Calcutta.	172. East India Agencies Private Ltd.—Palai, Kerala State.	230. Rajam U.—Oriental Bldg, Armenian Street, Madras.
	115. V. Braddelley—The Great Social Building, Sir Phirozeshah Mehta Road, Fort, Bombay.	173. Mouton G. S. & Co. (India) Ltd.—11 and 13, Esplanade Mansions, Calcutta.	

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

231. Ramamurthy, A.—Ravakhada (Orissa), Koraput Dist.
232. Ratnams Ltd.—Pugalur, Trichinopoly.
233. T. Shanmuga—1129, Vani Vilasa Road, Mysore.
234. Bangur Bros. Ltd.—14, Netaji Subhas Road, Calcutta.
235. Soorajmull Nagarmull—8, Dalhousie Square East, Calcutta.
236. Shaw Wallace & Co. Ltd.—4/3, Bankshall Street, Calcutta.
237. Srivastava, J. P. & Sons—Kanpur.
238. Bharat Ram Charat Ram & Co. Private Ltd.—Bara Hindu Rao, Delhi.
239. A. R. Kataraja Chettiar—Coimbatore.
240. A. K. T. K. M. Narayanan Nambodri—Kallai Malabar.
241. Singh, Ranjit—Lucknow.
242. N. L. Roy & Co.—9, Royal Exchange Place, Calcutta.
243. Shyamal Agarwal—9, Dalhousie Sq. East, Calcutta.
244. Sovaram Keshavdeo—13, Netaji Subhas Road, Calcutta.
245. Dr. B. N. Ghose—6, Ganesh Avenue, Calcutta-13.
246. Sundares, S.—Indian Mercantile Chambers, Nicol Road, Bombay.
247. Singhania Padampat—Kamala Tower, Kanpur.
248. E. K. Srinivasan—18, Hare Street, Calcutta.
249. Steel Bros. & Co. Ltd.—Gillanders House, Netaji Subhas Road, Calcutta.
250. T. Stanes & Co.—Coimbatore.
251. Southern India Plantations Agency Ltd.—Coonor.
252. Saha Banuulal—18/11/B, Raja Raj Bally Street, Calcutta.
253. R. H. Pradhan—Empire House, 214, Hornby Road, Bombay.
254. Sindia, A. Ramchandra Rao—3rd Road, Chamarajpet, Bangalore City.
255. Setalvad, J. C.—73, Oppo. Churchgate Station, Fort, Bombay.
256. Scindia Steam Navigation Co., Ltd.—Ballard Estate, Bombay.
257. Ramnath A. Podar—Podar Chambers, Parsee Bazar St., Fort, Bombay.
258. Swedish Match Co.—Nicol Road, Ballard Estate, Bombay.
259. S. Ramaswamy Aiyer—Trivandrum.
260. Puranmai Bhabha Sons—Indu House, Douglas Road, Ballard Estate, Bombay.
261. N. Sirur & Co. Private Ltd.—70, Forbes Street, Fort, Bombay.
262. Ramnarayan Sons Ltd.—Bank Street, Fort, Bombay.
263. Seshasayee Bros. Private Ltd.—Met-tur Dam R.S.
264. V. Venugopal Naidu—Sir Jayachama-raja Wadiyar Road, Bangalore-2.
265. Shree Hanuman Invt. Co., Ltd.—173, Harrison Road, Calcutta.
266. Talukdar, B. S.—Amiasadpur, Nadia West Bengal.
267. Tata Hydro-Elec. Agency, Ltd.—34, Bruce Street, Bombay.
268. Turner Morrison & Co., Ltd.—6, Lyons Range, Calcutta.
269. Tata Industries Private Ltd.—Bombay House, Bruce Street, Fort, Bombay.
270. Thomas, A. V. & Co. Ltd.—Alleppey.
271. Thomas, P. T.—Kottayam, S. India.
272. Thomas, M. K. & Co. Ltd.—Trivandrum.
273. Tayabjee, O. S.—158, Gunfoundry Rd., Hyderabad (Deccan).
274. A. Hydari and S. Gothberg—Indian Mercantile Chambers, Nicol Road, Ballard Estate, Bombay.
275. United Eastern Agencies—Bombay House, Bruce Street, Fort, Bombay.
276. United Agencies Ltd.—Punalur.
277. Villiers Private Ltd.—F-3, Clive Buildings, Calcutta.
278. S. M. Smith—Bankshall St., Calcutta.
279. Williamson Magor & Co., Ltd.—4, Mangoe Lane, Calcutta.
280. Whitman M. J. M. C.—Mayo Road, Rawalpindi.
281. N. K. Jha—22, Chittaranjan Avenue, Calcutta.
282. C. Hookley—3, Netaji Subhas Road, Calcutta.
283. P. H. Jhunjhunwala—Sewrie, Bombay-10.
284. Watchand & Co. Ltd.—Ballard Estate, Fort, Bombay.
285. Wallace & Co.—9, Wallace Street, Bombay.
286. Young India Agencies Private Ltd.—175/1, Mount Road, Madras-2.
287. Dass Group Private Ltd.—29, Strand Road, Calcutta.
288. B. L. Mathur—4, Clive Row, Calcutta-1.
289. K. S. Basu—63, Netaji Subhas Road, Calcutta.
290. Lloner Edwards (Private) Ltd.—21, Old Court House Street, Calcutta.
291. R. N. Jhunjhunwala & Co. Ltd.—9, Ezra Street, Calcutta.
292. J. P. Horwood—31, Chowringhee Road, Calcutta.
293. R. L. Rampuria—5, Fairlie Place, Calcutta.
294. Premnath & Sons Ltd.—New Delhi.
295. S. N. Tania—1 & 2, Old Court House Corner, Calcutta.
296. F. H. Mehta—Mehta House, Apollo Street, Bombay.
297. L. S. Vaidyanathan—Oriental Build-ings, Bombay.
298. Kishore M. Premchand—61, Apollo Street, Fort, Bombay.
299. North Bihar Trading Co. (Private) Ltd.—11, Brabourne Road, Calcutta.
300. J. W. L. Russell—1 & 3, Brabourne Road, Calcutta-1.
301. Mitra Mondal—Khatauli, Dt. Muzaf-farnagar.
302. G. S. Shroff—2, Hardinge Avenue, New Delhi.
303. James Finlay & Co. Ltd.—2, Netaji Subhas Road, Calcutta.
304. Thackersey Mooljee & Co.—15, Apollo Street, Fort, Bombay.
305. Jatta Brothers Ltd.—21, Rupchand Roy Street, Calcutta.
306. Shatters Agency Ltd.—18, Netaji Subhas Road, Calcutta.
307. The Hyderabad Constructions Co. Ltd.—Kothagudum Collieries, Singa-rem P.O. Deccan.
308. T. Leslie Martin—12, Mission Row, Calcutta.
309. D. S. Barron—Chakala, Andheri P.O., Bombay.
310. Pyne & Sons—27A, Netaji Subhas Road, Calcutta.
311. Ram Kumar Agarwalla & Sons—4, Lyons Range, Calcutta.
312. Bullion Co. Ltd.—7, Canning Street, Calcutta.
313. Brooke Bond India Ltd.—2, Metcalfe Street, Calcutta.
314. Anderson Wright (Ramgarh) Ltd.—7, Wellesley Place, Calcutta.
315. The Cotton Agents Private Ltd.—14, Radha Bazar Lane, Calcutta-1.
316. Bird & Co. (Pakistan) Ltd.—Narayan-ganj.
317. Shree Krishna Investment Co. Ltd.—1-B, Halwasha Road, Calcutta.
318. H. V. R. Iengar—Dare House, Parry's Corner, Madras.
319. F. W. J. Penn—32, Grant Road, Bangalore-1.
320. B. Ghosh—14, Old Court House Street, Calcutta.
321. Messrs Fata Sons Ltd.—New India Assurance Buildings, Mahatma Gandhi Road, Fort, Bombay-1.
322. Anderson Wright & Co.—7, Wellesley Place, Calcutta.
323. Indo Corporation Private Ltd.—5, Swinhoe Street, Calcutta-19.
324. Brian Granger Pearson—Virginia House, 37, Chowringhee, Calcutta.
325. H. L. Pyne—14, India Exchange Place, Calcutta.
326. Marwar Textiles (Agency) Ltd.—Waudby Road, Fort, Bombay-1.
327. John Taylor & Sons (India) Ltd.—Mysore Gorgan, South India.
328. Sri G. D. Shagat—13, Shib Thakur Lane, Calcutta.
329. Mahindra & Mahindra Ltd.—Gateway Building, Apollo Sunder, Bombay.
330. N. L. Roy & Sons—Canning Street, Calcutta.
331. M. P. A. Paspati—18, Hare Street, Calcutta.
332. Mungtaram Jaipuria—Swadeshi House, Civil Lines, Kanpur.
333. H. Mackay Fallack—2, Fairlie Place, Calcutta.
334. Sahu Jain Ltd.—11, Clive Row, Calcutta.
335. Kandas Kilachand—Scindia House, Douglas Road, Bombay.
336. Seriwala & Co.—63, Netaji Subhas Road, Calcutta.
337. D. H. Jones Ltd.—Hornby Road, Fort, Bombay.
338. M. G. Investment Corp. Ltd.—Mafat-lal House, Backbay Reclamation, Bombay-1.
339. K. O. Chetiyar—Travancore.
340. N. L. Kanoria—India Exchange, Calcutta-1.
341. O. N. Chatterjee—2, Royal Exchange Place, Calcutta.
342. Indra Singh—153, Canning Street, Calcutta-1.
343. V. J. Pillai—Victoria Bunder Colaba, Calcutta.
344. The National Tea Corporation—130, Cotton Street, Calcutta.
345. Seshasayee Brothers (Travancore) Ltd.—Elor Factory Alwaye.
346. Tania Brothers Private Ltd.—1 & 2, Old Court House Corner, Calcutta.
347. M. D. Jalan—62, Ballygunge Circular Road, Calcutta-19.
348. Seth Sahania Murarka—19, Circular Garden Reach, Calcutta-23.
349. K. Agarwal—Empire House, Dr. Dada-bhoi Naorji Road, Fort, Bombay.
350. L. & I. (Management) Private Ltd.—I. C. House, Dougall Road, Ballard Estate, Bombay.
351. Chinai And Co. Private Ltd.—Sadha-na Rayon House, Dr. Dadabhai Naorji Road, Bombay-1.
352. N. K. Jha—14, Netaji Subhas Road, Calcutta.
353. L. C. Kanori—P-8, Mission Row Exten-sion, Calcutta.
354. T. R. Jalan—16, Strand Road, Calcutta.
355. R. Bajoria—10, Clive Row, Calcutta.
356. A. K. Jain—11, Clive Row, Calcutta.
357. L. P. Goenka—14, Old Court House Street, Calcutta-1.
358. G. D. Kothari—15, India Exchange Place, Calcutta.
359. R. E. S. Palyarkhan—Volkart Build-ing, 19, Graham Road, Bombay-1.
360. N. K. Bose—85, Netaji Subhas Road, Calcutta.
361. Dalmia Agencies Private Ltd.—Raj-gangpur (Orissa).
362. C. L. Nahata—14, Old Court House Street, Calcutta.
363. W. A. C. H. Bosschaart—7, Justice Chandra Madhab Road, Calcutta-20.
364. S. L. Dhanuka & P. L. Dhanuka—5, Mission Row, Calcutta.
365. A. K. Sen—48/1, Diamond Harbour Road, Calcutta-21.
366. Lakshmpati Singhania—7, Council House Street, Calcutta.
367. Kalyani Mavji & Company—14, Netaji Subhas Road, Calcutta.
368. P. L. Batia—7, Canning Street, Calcutta.
369. Pannalal Saraogi—8, Lyons Range, Calcutta.
370. G. L. Saraogi—56, Sir Hariam Goenka Street, Calcutta-7.
371. R. K. Newar—9, Brabourne Road, Calcutta.
372. C. Maheswari—Shreenivas House, Waudby Road, Fort, Bombay.
373. Talukdar Law & Co. Private Ltd.—4, Chittaranjan Avenue, Calcutta-13.
374. K. N. Mookerjee—Leslie House, 19, Chowringhee, Calcutta-13.
375. K. D. Ganguli—Mercantile Buildings, Lalbazar, Calcutta.
376. K. C. Dass & B. Maltra—35, Pandita Place, Calcutta-20.
377. R. N. Goenka—18-A, Brabourne Road, Calcutta.
378. S. R. Damani—30, Clerk Road, Bombay-11.
379. British India Corporation Ltd.—Sutherland House, Kanpur.
380. A. K. Jain—Dalmianagar, Bihar.
381. B. P. Kedia—7, Wellesley Place, Calcutta-1.
382. W. R. G. Baird—9, Brabourne Road, Calcutta.
383. Punam Chand Batia—19, Circular Garden Reach Road, Calcutta-22.
384. G. P. Kanoria—5, Clive Row, Calcutta.
385. D. N. Jalan—McLeod House & Netaji Subhas Road, Calcutta.
386. Shibendra Sankar Sarbadhyaksha—Jalpaiguri.
387. A. V. Hiria—9, Kalliprasanna Singhe Road, Calcutta-2.
388. British India Corporation Ltd.—Kanpur.
389. T. Ratan—18/3, Chowringhee Road, Calcutta-13.
390. H. M. Cox—59C, Chowringhee Road, Calcutta-20.
391. R. A. Godwin—32, Chowringhee Road, Calcutta-10.
392. Khatalu M. Shethia—14, Netaji Subhas Road, Calcutta-1.
393. S. M. Birla—India Exchange, Calcutta-1.
394. Wilkinson, A.—117/119, Esplanade Road, Bombay.
395. W. P. Malden—Lohat, Darbhanga.
396. D. Manson—21, Netaji Subhas Road, Calcutta.
397. N. M. Bhuwalka—133, Canning Street, Calcutta.
398. Hoare Miller & Co., Ltd.—5, Fairlie Place, Calcutta.
399. B. Patnalk & Co. Private Ltd.—P.O. Chowdwar, Cuttack.
400. R. K. Kanoria—9, Brabourne Road, Calcutta-1.
401. K. V. Venkatasubramoney Iyer—Seeta-gundy Estate, Sitharkunda P.O., Palghat, Dist. Kerala State.
402. A. V. George & Co. Ltd.—Anchorl Bank Buildings, Post Box 1, Kottayam, Kerala State.
403. Mathew Sebastian—Thodupuzha, Kerala State.
404. Planting Agencies Private Ltd.—Or-iental Buildings, Armenian Street, Madras-1.
405. The Consolidated Coffee Estates (1942) Ltd.—Pollibetta, Coorg.
406. C. I. Machia—Pollibetta S. Coorg.
407. Srinivas Agencies—Coimbatore-2.
408. K. N. Krishna Iyer—22, Royapettah High Road, Madras-14.
409. Yong India Agencies Pvt. Ltd.—Mon-a-rama Bldgs., K. K. Road, Kottayam (Kerala State).
410. Parkins Private Ltd.—Kottayam.
411. Johnsons Estates & Agencies (Private) Ltd.—Malankara Bldgs., Kodimthi, Kottayam, Kerala.
412. Associated Planters (Pvt.) Ltd.—5, General Patters Road, Madras-3.
413. J. R. Motinshaw—Mercantile Bank Build-ing, 10, First Line Beach, Madras-1.
414. K. V. Mathew—Kottayam, Kerala State.
415. K. Ramachandran—Patton Palace, P.O. Trivandrum-4.
416. N. Kunjikutshna Pillai—T. C. 8/150, Patton Palace, P.O. Trivandrum-4.
417. Rango Rao & Co.—Venkatarayapuram, Tanjavur, West Godavari Dist., Andhra Pradesh.
418. The India Sugar Agencies Private Ltd.—139, Meadows Street, Fort, Bombay-1.
419. R. S. Industrial Corporation Private Ltd.—Rayagada, Koraput Dist., Orissa State.
420. V. Ramakrishna Sons (Private) Ltd.—38, Mount Road, Madras-6.
421. Seshasayee Brothers (Travancore) Pvt. Ltd.—1, Ceramic Factory Road, Kun-dala (Kerala).
422. Sir A. Ramaswamy Mudaliar—Ennora, Madras.
423. P. J. M. Leigh—7, Armenian Street, Madras-1.
424. K. R. Sundaram Iyer—Giruvottiyur, Madras-19.
425. Essen Private Ltd.—175/1, Mount Road, Madras-2.
426. J. L. O'Sa—Old Tumkur Road, Malles-waram, Bangalore-12.
427. The Standard Motor Co. (India) Pvt. Ltd.—29, Mount Road, Madras-6.
428. E. H. Stanes—6/33, Race Course Road, Calcutta-1.
429. Balasundaram & Co.—Satyamangalam Road, Ganapathy P.O., Coimbatore-4.
430. A. M. Arunachalam—62/33, Jehad-gir Street, Madras-1.
431. J. M. Parsons—2, Fairlie Place, Calcutta-1.
432. Mahabir, S. J. B. Rana—1, Humayan Place, Calcutta.
433. G. N. Sam & Co.—Senthottam Sow-ripalayam P.O., Coimbatore-4.
434. G. Kejriwal—Rajgangpur Dist. Sun-dergarh, Orissa State.
435. D. C. Ghosh & Co. (Agents) Private Ltd.—11, Government Place, East Calcutta.
436. N. D. Bangur—14, Netaji Subhas Road, Calcutta.
437. R. N. Shottika—4, Old Court House St., Calcutta.
438. Sita Gwalior Private Ltd.—Industry House, 159, Churchgate Reclamation, Bombay-1.
439. R. S. Bajpat—Kamala Tower, Kanpur.
440. R. L. Jatta—9, Brabourne Road, Calcutta-1.
441. S. K. Agarwalla—24, Netaji Subhas Road, Calcutta-1.
442. S. P. Shoumick—17, 18 & 19, Old Court House Street, Calcutta.
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CAPITAL

A Weekly Journal of Commerce, Industry and Finance

WITH WHICH IS INCORPORATED

THE INDIAN FINANCIAL REVIEW

FOR SURVEYING INSTRUMENTS
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76th YEAR OF ISSUE

CALCUTTA, 5th MARCH, 1964.

VOL. CLII 3300

CONTENTS

Editorials

- The Budget As a Step to Nationalise Savings ... 321
- A Closer Look at the Tax Changes for Companies ... 324
- Partial Decontrol of Steel ... 325
- Handicaps of Exporters ... 325

Current News and Comment

- More State Budgets
- Machine Tool Output behind Target
- Sources of Share Capital
- Calcutta Industries Fair
- Small Rise in National Income
- Tea Consumption Survey

A Ditcher's Diary

- ... 329

Guide for Investors

- ... 331-32
- Allahabad Bank
- Bombay Potteries
- Canara Banking Corporation
- Devakara Nanjee Banking
- Digvijay Tiles
- Engel India
- Hindustan Steel
- Indian Copper Corporation
- Indian Wood Products
- Indian Tack and Nail
- Merck Sharp and Dohme
- P.S. Ball Bearing
- Rock Mount Tea
- Syndicate Bank
- New Capital Issues

The Stock Markets

- ... 333

Bank Balance-sheet

- Allahabad Bank ... 342

Special Article

- The Functions of the New Development Bank ... 336

Newsletters

- New Delhi ... 339
- London ... 344

Sections

- Money ... 337
- Jute ... 345
- Commodity Markets ... 347

THE BUDGET AS A STEP TO NATIONALISE SAVINGS

THE Indian Budget for 1964-65, presented by the Finance Minister, Mr. T. T. Krishnamachari, to Parliament last Saturday, is a striking essay in ingenuity. Some may recall with trepidation that the last Budget which Mr. Krishnamachari presented, in May 1957, was notable for its ingenuity too—with not entirely happy results. There followed some years of humdrum (alias more orthodox) budgeting by Mr. Morarji Desai; it was during these years that the damage done by the historic effort of May 1957 was repaired in some degree, and the economy managed to stage a recovery which was responsible for the greater part of whatever limited success was achieved in completing a badly truncated second five year plan. But, feeling perhaps a little desperate and frustrated by the limitations of fiscal orthodoxy under the pressures of the emergency, Mr. Desai—or his mentors—decided to follow the Krishnamachari tradition by devising a clever Budget for the last year of his tenure at the Central Finance Ministry. That Budget, despite the gloss of optimism featuring the official speeches, surveys and statements of recent months, did not take the economy all the way to disaster, but did bring it dangerously close to economic stagnation.

Indian economic history thus suggests that the premium to be put on fiscal ingenuity is not necessarily and automatically high. If commentators have called for "fresh thinking", "bold approaches" and "new ideas", they have perhaps failed to the extent that they have not always made it clear that they did not want a budgetary revolution for its own sake. They have taken it for granted that the freshness, the boldness and the newness would be limited by the realities of the political and economic situation, as well as by the sentiment of individuals and the ability of the bureaucracy. Several aspects of Mr. Krishnamachari's Budget are bold and shrewd, the intellectual progeny of deep thought. But that does not alter the fact that the Budget as a whole, and the philosophy it reflects, give cause for serious dismay. Contrary to a popular impression, the Budget does not seek economic revival by exorcising the fiscal ogres born in the later days of the Desai era. Nevertheless although it may seem trite and platitudinous to say so, in its innovations it is very much a Krishnamachari Budget, in the sense that it reflects the personality and prejudices of the new Finance Minister. The insight and intellectual eminence of Mr. Krishnamachari is not in doubt; nor is the catholicity of his experience. The question must nevertheless be asked whether it is right for a country's fiscal thinking to be swerving constantly this way and that in response to the personal predilections of its necessarily impermanent Finance Ministers.

The aims the Budget is designed to achieve, as Mr. Krishnamachari has explained, are many. But, as he has not explained, they are also often in conflict. The primary aim rightly, is stated to be to accelerate economic growth. For this the rate of saving has to be increased. Thereafter, it is proposed that investment should be more

purposefully directed; instead of capital funds knocking around aimlessly like bagatelle balls, they should be moved to the sectors and industries where they are most required. The investment should then be made and used according to stricter criteria of economic efficiency; in that way would fresh funds be generated for further investment. At the same time, there is to be a strong attack on monopolies and on the concentration of economic power, the ultimate aim being to achieve a greater measure of social equality. If in the process voluntary savings dry up or efficiency suffers, that is of no great importance. The assumption is implicit throughout that the Government will step in to cover any shortfalls which may arise. Individually and collectively, these aims seem to add up to an admirable menagerie of sound ideas—in theory. But they are based on the unproven assumption that the Government itself has an unlimited fund of wisdom, experience, ability, honesty, knowledge and efficiency, the only thing it lacks being money. May one ask, however, that if this were actually the case, should not everything have been nationalised? More pertinently, if it were actually the case, would the economy today be in the shambles it is?

Mr. Krishnamachari's Budget is not designed to nationalise the economy, nor even any definite part of it. But it does not stop far short of nationalising savings—especially the voluntary savings which have hitherto nourished the growth of private enterprise and industry. The strategy for the purpose is clear. It is based on the assumption that people do not save enough, so the Government will force out of them whatever it thinks they ought to save. Part or much of the extra money thus squeezed will be put into the Government's coffers, and then handed out directly or through Government-owned institutions to the entrepreneurs and industries the Government happens to favour. In this way—so the argument runs—saving will be ensured instead of being left to the chancy quirks of the vulgar rich; the right investments will be made in accordance with whatever are the economic priorities; and, finally, a long step will have been taken towards reducing social and economic inequalities.

The argument, however, has at least three faults. First, if the nation's total pool of savings is to be increased, the primary attack ought rationally to be on people who save very little or nothing at all at present; there is little point in siphoning voluntary savings into the Government's coffers in the form of forced saving through direct taxes, compulsory deposits or annuities. Secondly, there is no inherent virtue in compelling entrepreneurs to seek capital from the Government or Government-sponsored institutions rather than from the open market; the wisdom of the latter has by no means yet been proven inferior to that of the former. Thirdly, economic inequalities arise not from the normal functioning of private enterprise, but from tax evasion; to claim that a certain fiscal structure will reduce inequalities is untruthful unless it can first be demonstrated that evasion has been checked. The Government

knows as well as anybody else that if evasion could have been stopped totally, India would have already, in the year of grace 1964, been the egalitarian envy of the reddest of red-hot socialist countries.

The process through which the flow of voluntary savings, especially the voluntary savings going to private industry, stands in danger of drying up is a simple one. It is not necessary to reissue the long moan about the steady increase in taxation in recent years, or to embellish it with a re-gurgitation of the customary flood of accompanying tears. The experience of the past year is salutary enough: the industrial capital market has been pretty nearly dead, and the new issue market would have been carried away by the undertakers had it not been for an occasional heart-massage from the now repentant underwriters. The disturbing condition of the economy, as well of these two markets, owes more than anything else to the very clever Budget which Mr. Morarji Desai presented a year ago, and which succeeded in spiriting away well over Rs. 300 crores from private pockets into the pockets of the Government. On top of it is now to come Rs. 40 crores of additional taxation, Rs. 15 crores of it through direct taxes. But that is not all: no less than Rs. 50 crores more is to come through the annuity deposits—deposits which are forced out of Indians earning more than Rs. 15,000 a year or, in other words, out of precisely the income groups which do most of the voluntary saving at present.

Will the Economy Recover?

The question may well be asked: can the economy possibly recover after such a powerful new squeeze? And, assuming for the sake of argument that it might, will anything but a desiccated skeleton be left of the open market for industrial capital? Mr. Krishnamachari is said to hold the latter in contempt, in the belief that it is merely the playground of speculators and manipulators from the family dynasties of commerce and industry; whether that is true or not, that is certainly what his Budget indicates. It is nevertheless to be doubted whether finance from the institutions, in quality and quantity, can ever be a superior alternative to the traditional form of a flourishing private capital market, assuming that it is allowed to flourish for a start. Mr. Krishnamachari may believe that an increased flow of Government finance will lead to a corresponding increase in the flow of private finance, so in course of time the growth of private industry will be accelerated—as is claimed to have happened in Italy. The argument misses the point, however, that the taxes and compulsions suffered by potential savers have to be a good deal less drastic than they are now before the private finance is created, let alone before it begins to flow. Secondly, the Government's own record as sponsor, financier or partner in industrial enterprise has to be less dreary than it is in India if private finance is to be attracted. In Italy, State-supported enterprises were in the hands of men with the authority, independence and business acumen of people like Signor Mattei. In India, comparable enterprises are still in the hands of the spiritual descendants of Shri Bumble.

The philosophy underlying the Budget, though not without its superficial attractions for socialist gentry, thus has serious flaws. The first is that there is no inherent virtue in forcing savings out of voluntary savers, and then routing the savings via Government institutions to private industry. The second flaw lies in the assumption that to squeeze another Rs. 90 crores out of a stagnant economy which has been paralysed by last year's Budget of over Rs. 300 crores is the way to promote its speedy recovery. Some commentators, having succumbed to the conditioned reflex which leads them to expect a large new dose of additional taxation or forced saving each year, have shrugged off the latest increases as inevitable. A closer study of the Budget estimates, however, indicates that this is simply not the case. According to the revised estimates for the current year, 1963-64, the revenue from corporation and income taxes has exceeded the Budget estimates by Rs. 70 crores. The revenue from Customs and excise duties has exceeded the estimate by Rs. 35 crores, although the *Economic Survey* issued only a fortnight ago gave the impression that there would be no substantial increase. Less money has come by

way of compulsory deposits, because Mr. Krishnamachari drastically amended the scheme in September last year. Less has also come by way of emergency risks insurance premiums. But the overall amount flowing into the Government's coffers has nevertheless proved to be far in excess of the 1963-64 Budget estimates.

During the coming financial year, 1964-65, the revenue, without allowing for the latest Budget proposals, would have risen to Rs. 2,095 crores. Revenue expenditure would have risen to Rs. 2,041 crores. There would thus have been a revenue surplus of Rs. 54 crores; with the tax changes now proposed, this surplus will now rise by Rs. 40 crores. To that Rs. 40 crores will be added the Rs. 50 crores coming as savings through the annuity deposit scheme, as a result of which the overall deficit will be reduced by Rs. 90 crores—from Rs. 176 crores to Rs. 86 crores. It is possible to sympathise with Mr. Krishnamachari's view that, after the sharp increase in prices over the past year, the inflationary impact of deficit financing is to be greatly feared, and so more attention has to be given to reducing the overall deficit rather than merely the revenue deficit. It is not so easy to understand, however, why the same object could not have been achieved by economising on civil expenditure, including plan expenditure. The first is to shoot up by Rs. 191 crores in a Government that is busy proclaiming its new-found devotion to economy, efficiency and productivity. The second, in turn, is to be jerked up by around Rs. 300 crores too. Taxpayers might well feel impelled to ask: if your plan is in a shambles, where the dickens is all this money going? After all, if completing 100 percent of the plan was to have cost round about Rs. 11,000 crores, completing perhaps 70 percent or 80 percent of it should be costing around three-fourths as much. Is the rest, then, being diverted merely to the composition of speeches on efficiency? A more selective approach to the plan would have allowed the new burdens to be entirely avoided, and by that test they are wholly unnecessary.

Foreign Investors: Incentives

Coming to the Budget proposals themselves, it must be conceded straightaway that the Finance Minister has made a sincere, if modest, effort to meet the criticism from foreign investors about the Indian tax system. This at first seemed the one really encouraging feature of his Budget. But a closer analysis shows that many of the important concessions framed with foreign investors in mind have been undermined by other aspects of the taxation proposals. In particular, the wholly welcome abolition of the super taxes on intercorporate dividends is in many cases virtually offset by the imposition of the dividend tax. The reduction in the tax on "engineering services" from 63 percent to 50 percent seems satisfactory since it provides relief to foreign consultants. So does the proposal to assume powers to exempt foreign investors from tax on income derived from loans given by them to Indian companies with the Government's approval. Similar exemption is provided in the Finance Minister's proposals from tax on income from subscriptions by foreigners to approved securities, whether governmental or private. Profits accruing from the purchase of goods in India by foreign concerns for the purpose of export will also be exempted from tax to save them from double taxation; they will pay the tax only in their home country. On the other hand, the proposals provide for an unjustified increase from 63 percent to 65 percent in the tax on the Indian branches of foreign companies. In the sphere of personal taxation, as the table on the next page shows, the reduction in the taxes on non-Indian nationals is small but welcome, although in several cases it may be neutralised by the reintroduction of the expenditure tax. It is good, however, that deductions will be allowed in relation to the expenditure on their children's education. The liberalisation of the provisions for employing technicians and experts on tax-free salaries with the Government's approval is also welcome.

On the whole, however, the first point to note about the Budget proposals is that the clever little

fiscal toys which Mr. Morarji Desai—or his mentors—invented last year are not being flung out of the window, as they should have been. They are merely being painted in nicer colours, given new names, and presented as yet another tribute to fiscal ingenuity. The new surtax on company profits, which is to replace the super profits tax, represents a rather less reprehensible Tweedledum than the existing Tweedledee of the S.P.T. has ever been. Similarly, the annuity deposit scheme, which is to replace the compulsory deposits scheme, serves much the same aim through much the same method—although in this case the improvement is not unquestionable. Finally, the previous Budget perpetrated what in another context would be given the misnomer of racial discrimination by allowing a company to spend more than Rs. 5,000 on a non-Indian employee but penalising it for spending that much on an Indian employee. Mr. Krishnamachari has now thought up a more respectable variation of the same idea, by deciding that the spending power of Indians will be reduced through an annuity scheme whereas the spending power of non-Indians will not.

Surtax on Company Profits

For the more efficient sections of business and industry, the centre-piece of the proposals for corporate taxation is the new surtax on company profits. It should be declared straightaway that the surtax is more liberal than the super profits tax it replaces, and to that extent represents a step forward to realism. But it is still a tax on efficiency, and in at least one detail is more retrograde than the super profits tax; the latter was calculated after deducting 10 percent of the company's gross profits, whereas the surtax provides for no such deduction, although that 10 percent deduction was the S.P.T.'s sole concession to efficiency.

The main concessions the surtax gives are four. First, the capital base on which it is calculated has been greatly widened; under the super profits tax the capital base consisted of paid-up capital and reserves, whereas under the surtax it consists of equity and preference capital, reserves, debentures, loans from approved financial institutions and loans for ten years or more from banks or from foreign sources for creating capital assets. Secondly, the S.P.T. applied at the rate of 50 percent for the first slab of super profits and 60 percent on the remainder; the surtax is to be at the uniform rate of 40 percent on any profits to which it may be applicable. Thirdly, the S.P.T. did not apply to a company which made a profit of up to Rs. 50,000; the surtax now will not apply to a company which makes a profit of up to Rs. 2 lakhs. Fourthly, a rebate of 20 percent of the surtax assessed will be given to companies belonging to specified "important" industries. Against all this, however, the surtax suffers from one major disadvantage: it makes no provision for the carry-forward and set-off of deficiencies in surtaxable profits, and to that extent will hit companies with fluctuating incomes badly.

The right thing to do would have been to abolish the super profits tax and not replace it by a surtax at all. Both, in the final analysis, are a penalty on the efficiency and productivity which Mr. Krishnamachari has otherwise been earnestly protesting he is eager to promote. But political pressures appear to have forced the Finance Minister to a poor compromise, for the surtax means that the super profits tax has not really been abolished but has only been diluted. The change in nomenclature is presumably intended as a psychological "concession" to investors, particularly foreign ones; they were appalled by the thought that the Indian Government should use so pejorative a term as "super profits" for what were really the fruits of efficiency. One wonders, however, whether psychological "concessions" given through titular transformations can have much value for hard-headed business men. Preliminary calculations suggest that although the concession in money terms is genuine, it is not large enough to repair the damage done by the wholly irrational principles on which both the S.P.T. and the surtax are based.

It is intriguing, furthermore, to know why the Finance Ministry is so reluctant to disclose the revenue it expects from the new surtax. It is even more intriguing to know why it is reluctant to disclose the revenue it has got from the super profits tax; with the financial year almost ended,

it must surely have a fairly good idea of the money the monster has fetched. Parliament may not condescend to be fobbed off so easily; it has a right to ask what the expected revenue is before it lets itself in for something so clever.

The next, and welcome, change in the sphere of corporate taxation is that companies belonging to specified "important" industries will get a rebate of corporation tax equivalent to 10 percent of the income tax and super tax normally payable by them. The "important" industries include basic metals like steel, copper and aluminium, mining of coal, lignite, iron ore and bauxite, industrial machinery and machine tools, cement, fertilisers, paper and pulp, tractors, equipment for generation of electricity, and tea, coffee, and rubber. These industries are also the ones which qualify for the 20-percent rebate of surtax mentioned earlier. The company tax rebates for them represent a satisfactory, if inadequate, compromise. It was clear that the burden of corporate taxation had become too heavy and needed to be reduced. Mr. Krishnamachari has now decided to reduce it, but only selectively. That, however, seems to have been only a subsidiary intention; the main one is to divert investment from "unimportant" industries to what Mr. Krishnamachari has chosen to describe as important ones.

In theory, the idea is once again good. But, in practice, the list he has chosen for a start is not comprehensive enough. There is also a danger that, in time, fiscal policy may come to be used as an instrument for distorting industrial priorities under political pressure. The choice of "important" industries assumes an omniscience on the part of the Government that is not always in evidence. If that omniscience had existed, some may ask, would the growth of these industries have been sluggish, and would it have been necessary to give them special concessions now? The expansion of the industries in question has been retarded, more than anything else, by the Government's own price, production and distribution controls, and by its ideological choices. Its claims to wisdom and omniscience can, therefore, be forgotten. Except for the good fortune of a hard kick from the World Bank, the errors which have continued uncorrected for the best part of eight or ten years would still not have begun to be corrected. Official claims to speed, efficiency and adaptability can, therefore, also be forgotten.

Tax on Dividends

Among the most deplorable aspects of the proposals for corporate taxation is the decision to revive the tax on dividends—at the rate of 7.5 percent on the amounts distributed as dividend on capital other than preference capital. Exemptions have been given to companies where dividends have to be compulsorily distributed and to new companies. But the first effect of the tax will be to reduce drastically the value of the concessions given to companies—as well as to foreign investors. The ostensible idea is that companies in general should not use the concessions they may have got for "dissipating" their resources in higher dividends; they should instead "strengthen the reserves and augment the capacity of the corporate sector to develop". But the idea that higher dividends amount to dissipation is no more than a personal whim; the evidence shows that only when attractive dividends are paid do savings get promoted and investible funds become easier to attract. At a time when interest rates are being jerked up "to reflect the scarcity of capital", dividend rates are sought to be jerked down to comply with a private fancy. Nor will shareholders be allowed to draw much satisfaction from the spectacle of having their companies bulging with reserves. That end of the problem has been seen to by deciding that not only is the bonus issue tax of 12.5 percent to stay unchanged, but bonus shares will now be subject also to a punitive capital gains tax in shareholders' hands.

The scheme of changes is thus a neat one. Equity shareholders should not expect bigger dividends. Nor, to save their skins, should they ever ask for bonus shares. Their satisfaction, if any, must come from the aberrations of fiscal ingenuity, as they watch the equity market knocked for a six and their companies compelled to depend increasingly on institutional finance. If it be thought that the irrationality of the dividend tax is com-

pensated for in some cases by the abolition of super tax on intercorporate dividends, it need not be supposed that the compensation is great. The moderate concession to intercorporate investment is realistic, although it does not go far enough; it could encourage companies with large reserves to promote the growth and diversification of industry by investing more freely in other companies. But the dividend tax on the income which such investment will bring will, in many cases, neutralise the super tax concession which has been given.

Personal Taxation

The scheme of changes relating to personal taxation is not quite so ingenious as the one relating to corporate taxation, but it has some pleasant aspects. The changes start with a falsehood: it lies in the claim that the regrading of the personal income tax structure "will mean a reduction of tax at all levels." As the accompanying table shows, it will not mean a reduction at all levels of salary income at least. The misrepresentation was supported by a trick whereby the 1963-64 tax liabilities were shown without making allowance for the compulsory deposits; and were then compared with the proposed tax liabilities for 1964-65. The comparison might have been valid if people had paid no compulsory deposits, and had preferred instead to pay the full Union surcharge on after-tax incomes. But few could have been guilty of such deliberate lunacy. The only valid assumption in the circumstances is that people have paid prac-

The reason is that the repayments, added to the rising top slab of their incomes, will suffer steadily, rising rates of tax each successive year. For the majority, therefore, the annuity deposit scheme is not a reward for saving at all; it only means that assesseees will be forced to give the Government a loan at an uneconomically low rate of interest (4 percent), in return for which the Government will merely defer the collection of the related tax liability. The main ones to benefit will be those approaching retirement; their tax liability may be significantly reduced in the last years of service, and the tax they pay on annuity repayments received after retirement will probably be small.

The most disturbing aspect of the annuity deposit scheme is that, by siphoning off an extra Rs. 50 crores from private pockets into the Government's coffers, it will shut the tap of individual voluntary savings almost completely. This will be no accident; the whole scheme of the Budget suggests that this is precisely what it intends to achieve. In answer to the call for socialism at Bhubaneswar, estate duty is being sharply raised, and so is the gift tax which is advertised as its logical corollary. Stiffer taxes are proposed for wealth, and for capital gains, particularly from houses and landed property. The reintroduction of the expenditure tax may shorten the joys of many in the higher income groups who may be celebrating the reduction in their income tax liabilities. The justification for reintroducing the tax remains unknown. It may diminish "conspic-

TAXES AND DEPOSITS ON SALARIES COMPARED

Income from	1963-64			1964-65		1964-65
				Indian National	Annuity Deposit	Non-Indian National
Salary	Gross	C.D.	Net Tax	Tax	Rs.	Tax
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
5,000	241	(149)	92	84	—	84
10,000	930	(250)	680	709	—	709
15,000	1,881	(337)	1,544	1,584	—	1,584
20,000	3,270	(415)	2,855	2,384	1,000	2,584
25,000	5,300	(479)	4,821	3,834	1,875	4,490
40,000	12,979	(639)	12,340	10,340	3,000	11,990
70,000	33,588	(845)	32,743	26,590	7,000	31,490
1,00,000	56,625	(999)	55,626	44,615	12,500	53,990
2,00,000	1,40,031	(1,368)	1,38,663	1,15,865	25,000	1,36,490

tically all the compulsory deposits they were asked to. Now, for the income groups up to Rs. 15,000 a year, the "take-home pay" will be larger because compulsory deposits have been abolished and the annuity deposits scheme will not apply to them. But the total amount many of them (e.g., those earning between Rs. 7,500 and Rs. 15,000 a year) have to pay in income tax will still be marginally bigger in the coming year than it was in 1963-64.

For most people in the income groups above Rs. 15,000 a year, there is a welcome, if in many cases only marginal, reduction in the income tax and super tax liability. But in the case of Indian citizens (the annuity deposit scheme does not apply to foreigners), the "take-home pay" will be less since the annuity deposit they will be forced to make will be much bigger than the compulsory deposits they have made hitherto. In this way the Finance Minister has tried to give such people the psychological satisfaction that, while they will be forced to save much more, they will at least have to pay less in taxes. But here again the satisfaction is in large measure illusory. The annuity deposit will admittedly be allowed as a deduction in computing the total income for the year in which it is made. But when it is repaid—in ten equated annual instalments of principal and interest commencing from one complete year after the year of assessment—the repayments will be assessed as income in the year in which they are made.

Thus, the annuity will not escape tax in the vast majority of cases. Assuming that tax rates remain unchanged over the next decade—a large assumption indeed—a person with a constant income may benefit a little. Those with fluctuating incomes may or may not benefit. But people with rising incomes—and most normally expect to belong to this category—will in all probability lose.

ous consumption"—but only of the honest assesseees. As a measure to check tax evasion, it is worthless; and its nuisance value cannot be easily forgotten by those who spent the better part of 1957-62 compiling their expenditure tax returns. In all these ways, it is hoped that in the years to come India will have a more egalitarian society—more egalitarian at least for those who care to pay their taxes honestly. It need not be supposed, however, that honesty will necessarily increase in response to the drastic measures Mr. Krishnamachari has proposed to check tax evasion. Indian experience shows that the net effect of such measures usually is that several small fry get caught, or succumb to constant harassment, while the big fish escape scot-free.

Checking Evasion

The Finance Minister has boldly declared that this time the big fish will get caught too. But he is no doubt aware that the political realities of the country do not really allow such phraseology to be reiterated with any conviction. The removal of the secrecy provision in the Income Tax Act will be warmly welcomed by the growing tribe of vengeful informers and blackmailers. The drastic powers for searching people and premises which are to be given to income tax officers stand in danger of being used with the same merry abandon as the comparable powers now exercised in private crusades under the Sea Customs Act, 1962. The main consequence may be that reputations will be besmirched at will, whether or not anybody's guilt is ultimately proven. In the process, a fair proportion of the "unaccounted money" may pass from the private pockets of income tax assesseees to the private pockets of income tax collectors. If Government servants are paid too little, that deficiency too may soon be corrected through the growing premiums of dishonesty.

A CLOSER LOOK AT THE TAX CHANGES FOR COMPANIES

By K. C. Khanna

THE mixed bag of tax proposals—good, bad and indifferent—which the Finance Minister presented to the Lok Sabha last Saturday will baffle even the most versatile of fiscal jugglers. He would be a bold, if not rash, tax adviser indeed who could explain in detail straightaway the full impact of all the Budget proposals after only a first reading of the Finance Bill and the related documents. Professor Nicholas Kaldor described the provisions for company taxation in India as "a perfect maze of unnecessary complications". Successive Budget changes seem to have added to the confusion in spite of strenuous, and possibly earnest, efforts to simplify the law. In an attempt to rationalise and reform the tax structure, the Finance Minister's proposals in the latest Budget touch the whole gamut of direct taxation—corporate taxes, including super profits tax; and personal taxation, including gift tax, wealth tax, estate duty, expenditure tax and capital gains tax. The precise implications of the changes for particular individuals and companies will be known only after the proposals have been considered in detail. But an attempt is made here to review briefly the amendments proposed in company and intercorporate taxes, and to evaluate the effect of the intended changes as compared with the existing levels of corporate taxation.

In his Budget speech, the Finance Minister stated: "In the corporate sector, the primary need of the hour is to infuse some confidence. The resources of this sector have to be augmented from within as well as from without, and it is, therefore, necessary to provide incentives for the existing companies to plough back a larger share of their profits and also diminish the disincentive for intercorporate investment. In this process, it seems to me necessary to make a distinction between capital-intensive industries and others. The need for basic industries to grow is recognised on all hands. Therefore, selective support has to be given to these industries".

With these objectives in view, he has proposed certain welcome changes in the tax structure. These include the abolition of the super profits tax; the grant of a 10 percent rebate of tax to companies engaged in specified industries; a reduction in the tax on intercorporate dividends, and the relaxation of the provisions relating to the compulsory distribution of dividends. Unfortunately, the salutary effect of these changes will be almost wholly nullified by the simultaneous introduction of other levies and amendments which will adversely affect the corporate sector. These include a surtax on the profits of companies; a tax on dividends; a drastic increase in the tax payable by companies in which the public is not substantially interested; a rise in tax chargeable on Indian branches of foreign companies; and the possible withdrawal of the development rebate from 1st April, 1966. The cumulative effect of the changes in tax rates applicable to different types of companies (excluding public companies with an income of less than Rs. 25,000 and companies with foreign minority shareholding formed before 1st April, 1959) is illustrated by the tables below. They do not take into account the burden of the proposed surtax on profits or of the super profits tax in force hitherto.

(A) Companies in which the public is substantially interested—income over Rs. 25,000

	Basic Industries	Others
Taxable profit	100.00	100.00
Company's tax	45.00	50.00
Dividend tax	55.00	50.00
Distributable dividend	3.84	3.49
Shareholder's tax @ 25%	51.16	46.51
Net return to shareholding company	12.79	11.63
	38.37	34.88
	(37.50)	*(35.00)

(B) Companies in which the public is not substantially interested

	Basic Industries	Others
Taxable profit	100.00	100.00
Company's tax	54.00	60.00
Dividend tax	46.00	40.00
Distributable dividend	3.21	—
Shareholder's tax @ 25%	42.79	40.00
Net return to shareholding company	10.70	10.60
	32.09	30.00
	(37.50)	*(35.00)

Notes: (1) Figures in brackets show net yield to shareholding company at existing rates of taxation. Those marked with an asterisk * represent net yield to parent company from an Indian subsidiary formed before 1st April, 1961.

(2) New companies will not be liable to dividend tax on dividends of up to 10 percent for a period of five years.

(3) In table (B) if the shareholding company is a foreign company, shareholder's tax will be charged at the rate of 15 percent and the net return will be 36.37 percent.

In the case of Indian branches of foreign companies, the tax liability has been increased from 63 percent to 65 percent, reducing the net return to the foreign company from 37 percent to 35 percent.

The tables show that only companies engaged in "important" or "basic" industries and in which the public is substantially interested, and their shareholding company, will benefit slightly from the proposed changes. The benefit, however, is too meagre to warrant any jubilation over tax reduction. Since a tax of 7.5 percent on dividends distributed will be payable by such companies, any assessment of the aggregate tax burden must take into account the dividend tax liability and proceed on the assumption that the entire profits will ultimately be distributed to shareholders. It is true that the tax on intercorporate dividends has been reduced; but the reduction is to a large extent wiped out by the imposition of the tax on dividends, with the result that the combined burden of company and intercorporate taxation goes down by less than 1 percent.

Companies in which the public is not substantially interested are affected worst of all. Whether engaged in an "important" industry or otherwise, such companies will have to bear a higher tax burden. Thus a company engaged in an "important" industry will have to bear a combined total burden of corporate taxes which will leave only 32.09 percent to the Indian shareholding company; the net return to a foreign shareholding company will be 36.37 percent. In the case of others, the yield to the shareholding company will go down from the existing 35 percent and 32.5 percent (depending on whether the company is a subsidiary formed before 1st April, 1961, or other) to 30 percent. The combined burden of company and intercorporate taxes on such companies will now rise to the confiscatory level of 70 percent! As remarked by the National Council of Applied Economic Research, this form of organisation is useful for small entrepreneurs who are able to expand their enterprises from small proprietary concerns. There are also a large number of medium-scale undertakings which find that public participation is either not forthcoming or is impracticable. Long-established and well-run organisations too often find public participation difficult to obtain because of the risky nature of their enterprise. All such undertakings play a vital part in the country's economy. What, then, can be the justification for penalising them if their only offence is that they came in at a time when, or ventured into a business where, others were afraid to enter? With a distribution of dividends forced on most of them, there is no ground whatsoever

CAPITAL, 5th March, 1964.

for an increase in the rate of tax applicable to such companies.

It may be noted at this stage that the position of companies in which the public is not substantially interested and which are engaged wholly in the manufacture or processing of goods (other than specified articles) is not quite clear. It seems that, besides paying income tax and super tax at the rate of 60 percent, they will also have to pay tax at the rate of 7.5 percent on all dividends distributed. Since such companies have been exempted from the provisions of Section 104 of the Income Tax Act and fall within the category of an Indian company which is not referred to in Section 108 of the Income Tax Act and whose business consists wholly in the manufacture or processing of goods, they seem liable to the dividend tax of 7.5 percent in addition to the rate of 60 percent of income tax and super tax chargeable on them. If this position is accepted, the net return to the shareholding company that has invested in a manufacturing company in which the public is not substantially interested, will be reduced to about 27.75 percent, which is astonishing. An amendment is called for in this respect.

It is apparent from this analysis that the proposals framed by the Finance Minister neither diminish the disincentives for intercorporate investment nor provide incentives for the existing companies to plough back a larger share of their profits because a considerable share of such profits is still appropriated by the Exchequer. It is true that some relief has been given to companies engaged in "important" industries, but the schedule of such industries is strictly limited (only 14 are listed in the Finance Bill). The imposition of the dividend tax has taken away most of the benefit sought to be conferred by the reduction in the tax on intercorporate dividends. It is imperative in the larger interests of the corporate sector that the tax on intercorporate dividends be reduced further.

One of the stated objectives of the Finance Minister is to augment "the sources of this (corporate) sector from within as well as from without". It has been shown above that there is very little scope for the augmentation of the resources from within. Do the Budget proposals assist in augmenting the resources from without? An investor in equities looks, among other aspects, to the following three factors: (a) a reasonable return on investment; (b) capital appreciation; and (c) growth prospects. The dividend tax will adversely affect the declaration and payment of dividends, and will reduce the return on investment. As for capital appreciation, the proposed amendment to the capital gains tax will usurp most of the appreciation. With reference to growth prospects, the tax on bonus issues is still retained and this will inhibit capitalisation issues. What is worse, an inequitable provision is proposed which renders liable to tax a gain on bonus shares received by shareholders even though such a gain has not been realised by the sale of shares and may perhaps never be realised. This is contrary to all accepted principles of taxation. It is clear that the proposals run counter to the intentions expressed in the Finance Minister's Budget speech.

Next in the list of amendments affecting corporate taxation is the replacement of the super profits tax by the surtax on company profits. On the very first look it is apparent that the new levy is nothing but a sugar-coated variety of the original bitter pill which it seeks to replace. It is disappointing to find that although the Finance Minister has admitted the uneven nature of the effects of the super profits tax on industry, an almost similar levy should have been proposed. There are certain modifications, no doubt. For instance, the rate of tax has been lowered and the capital base has been enlarged; the monetary burden of the super profits tax has, therefore, been lightened. But the basic inequity inherent in the original levy is continued in the new tax. The surtax will, like its predecessor, act as a guillotine on efficiency and its uneven nature will perhaps be felt more than before.

The super profits tax at least provided for a certain variation of the standard deduction depending on the profitability of a company, and to this extent it reduced the disincentive to efficiency. Although the statutory deduction has been raised to 10 percent of the capital base, the exemption of 10 percent of the total income from the charge to tax has been withdrawn. Debentures and loans will no

CAPITAL, 5th March, 1964.

be included in the capital base, but the interest or servicing charges on such borrowings will be added back to the chargeable profits. Moreover, the conditions for treating loans as part of capital are stringent. Contrary to court rulings, an artificial definition of reserves has been included in the Companies (Profits) Surtax Bill which narrows down the capital base. There is no provision for the carryforward and set-off of deficiency, and the dividend tax, even though paid by a company, cannot be deducted from the chargeable profits. With all these inequities built into the Surtax Bill, some companies may even find that they are being pushed out of the frying pan into the fire.

The table below shows that the total burden of corporate tax, dividend tax and surtax is not much

Total income as percentage of capital and reserves	Effective rate of corporate taxes as percentage of total income	
	Proposed	Existing
	Rates	Rates
15	53.47	50.00
25	57.20	58.00
30	59.70	60.66
40	62.80	64.00
50	64.66	66.00
60	65.88	67.33
80	67.44	69.00
100	68.37	70.00

Note: The above analyses are based on the assumption that the total income does not include any exempt items, that the statutory deduction is above the prescribed minimum and that the company has no loan capital.

less than the combined impact of corporate tax and super profits tax at the existing rates. The comparison suffers from certain minor flaws, but it shows that the new proposals do not materially reduce the existing burden.

A valuable change for the corporate sector is the proposed amendment of Sections 104 to 109 of the Income Tax Act, 1961, relaxing the provisions relating to the compulsory distribution of dividends. This reform was long overdue, and it is heartening to know that the right step has now been taken. It is hoped that in due course the provisions will be relaxed still further to enable non-manufacturing companies in which the public is not substantially interested also to expand and develop their resources.

As mentioned before, the implications of all the complicated proposals will be known only after they have been fully analysed and digested. All that can be stated at this stage is that there is not much to write home about. Whether the proposals contained in the latest Budget will achieve the desired objectives remains open to serious doubt. One thing, however, is certain: the Finance Minister has still a long way to go if he is to infuse confidence in the corporate sector and to attract the foreign investor. He has made a few useful changes; but the march has yet to proceed on realistic lines. The reduction in company and intercorporate taxes has to be carried further and inequitable burdens like the surtax on profits have to be removed. Only then will the intentions reflected in the Budget speech be fulfilled.

PARTIAL DECONTROL OF STEEL

WHETHER control over steel pricing has at all been lifted by the steps announced this week is still an open question. The transfer of decision-making authority from the Ministry to a joint plant committee gives, of course, the appearance of freedom, but the substance will depend on how this committee sets about its task. If the State-owned steel industry functions in a genuinely independent manner, its preponderance in the committee is no cause for misgiving. The essential identity of interests among all major producers should, exceptionally in this matter, produce a unified approach. But if Hindustan Steel's nominees have to do New Delhi's bidding, the joint plant committee cannot hope to evolve a healthy consensus. In the event, the transfer of pricing authority to the producers will be no more than a facade concealing the reality of the Ministry's arbitrary powers. In fact, the situation is made worse than it is now by the fiction that the Ministry no longer has any responsibility.

Some indication of the Ministry's likely attitude to the question of pricing may be obtained from the way in which the controlled categories have been dealt with. Against the private producers' claim for Rs. 37 a tonne, the Ministry has allowed only an average increase of Rs. 30 a tonne, but the gap between the two is wider than the two figures suggest. Since the claim of Rs. 37 was made in November, railway freights, excise duties and coal prices have gone up and these increases require to be neutralised. By deciding on the low figure of Rs. 30—the basis for which has not been disclosed—the Government seems to be rejecting the producers' plea for an adequate margin of profitability. The producers—Tata Steel and Indian Iron—had modestly suggested assuming a block of Rs. 1,500 a ton, as against Rs. 1,176 adopted in the 1962 price award and the Rs. 1,900 favoured by the Raj Committee. The provision for depreciation at 5 percent and for return on capital at 8 percent can hardly be considered unreasonable. Yet Mr. C. Subramaniam, Central Minister of Steel, Mines and Heavy Engineering, has chosen to disregard the producers' viewpoint to make what looks like an arbitrary decision as the one he handed down 18 months ago. On this basis, misgivings about the joint plant committee are not unwarranted. Apart from Hindustan Steel's majority the committee will have a Ministry official as its chairman and cannot, therefore, be expected to depart from the pattern Mr. Subramaniam has set. The revised prices for decontrolled categories to be announced later this month—the list issued on Monday is purely tentative and makes only marginal adjustments

for freight and excise duties—may turn out to be as disappointing as the decision on the controlled items just announced.

That this reluctance to allow fair returns is at variance with what Mr. T. T. Krishnamachari, Central Finance Minister, promised in his Budget speech is a question which will be raised both within the country and outside. New Delhi may not like to be reminded of it, but the fact remains that the Indian Government is not entirely a free agent in this matter. The World Bank, which has lent large sums of money to the two private producers (including, in Tata Steel's case, part financing through private banks), has a natural interest in the health of these enterprises. At a time when a fresh approach is being made for loans to meet the foreign exchange costs of the expansion of the Jamshedpur and Burnpur steel works, the Bank will need to be reassured that the pragmatism claimed for India's economic policies is genuine. It may not be easy to carry conviction if it turns out, after all the fanfare with which steel is being partially decontrolled, that the industry is just as badly off as ever, notwithstanding the tax reliefs granted by Mr. Krishnamachari. In the case of Tata Steel, the actual tax liability, according to one estimate, will increase by Rs. 22.4 lakhs under the new dispensation, while the relief obtained by Indian Iron will be only Rs. 26 lakhs.

From the consumers' point of view too, the merits or otherwise of decontrol are difficult to assess at this stage. They will undoubtedly have to pay more for all categories but since a price rise was inevitable even otherwise, this cannot be held

HANDICAPS OF EXPORTERS

THE deliberations of the Export-Import Advisory Council in New Delhi last week brought to the surface some of the major handicaps in stepping up the country's exports. Admittedly, there has been a big improvement in exports during 1963, the foreign exchange earnings having risen by Rs. 704 crores to an all-time high of Rs. 791 crores. Again, as Mr. Manubhai Shah, Central Minister of International Trade, pointed out in his address, the improvement is spread over almost all the items—traditional goods, commodities which are difficult to export and new manufactured products. Even cotton textiles, which had shown a declining trend, have earned more foreign exchange. Although certain special circumstances like the inclusion of

against decontrol. The Raj Committee found that the larger consumers were buying from the free market a third or a fourth of their total requirements, while smaller ones had to obtain three-quarters or more in this irregular manner. Decontrol need not necessarily mean any increase over free-market prices, after allowing for the overdue escalation on account of the rise in costs, but it remains to be seen how much of essential demand will be met on a priority basis under the new arrangements. If consumers should now find that the new priority definitions oblige them to look to the market for a larger proportion of their requirements, the effect could be an uncompensated increase in their raw material bills against which the present cost-plus contracts might provide no relief.

Consumers stand to gain if the joint plant committee is able to use its freedom to adjust category-wise prices to bring them closer to the actual costs. The present reluctance to roll particular categories should then largely disappear, and with it the unfortunate unbalances that make the steel shortage worse than it need be. But a fuller solution depends a good deal on the direction which the re-rolling industry takes after decontrol. It has hitherto tended to concentrate on doing the same things that bigger plants can do better and far more economically, instead of creating for itself an assured market through specialisation. The warmth with which re-rollers have greeted the pattern of decontrol now adopted, contrary to the vigorous protests they were making earlier, raises the suspicion that a sufficient push has yet to be given towards making re-rollers do what they should really have been doing all along. Until that happens, the problem of matching sections, required mostly in small lots, will remain because re-rollers will be too busy making profits out of bars, rods and such things to want to take on more difficult items. It is too early to say definitely how things will shape, but this is an aspect which the Ministry should bear in mind in relation to the prices it has set for billets. The rationalisation of the steel industry to allocate well-defined responsibilities to the large works and the smaller units is something which needs to be tackled now, as delay will only make a logical and technologically correct solution more difficult.

To the trader, decontrol undoubtedly poses a challenge and his reaction will depend on how well-placed he is to meet it. The mushrooming stockists with no greater claim to existence than political patronage may indeed have a hard time because survival will depend, for the first time in 25 years, on their ability to meet competition. With everyone free to obtain steel directly from the producers on a "first come, first served" basis, business will naturally gravitate towards those who can provide better service—ready stocks, facilities for minor processing to meet the exact requirements, and credit terms. This is all for the good unless of course the Government is still sticking to the Raj Committee's fantastic idea that all orders should be accompanied by a large deposit. One hopes that this recommendation has been dropped because it can only give an unfair advantage to dealers vis-à-vis the consumer, who may find it impossible to tie up his working capital in this manner. In sum, the proposed pattern of decontrol may yet be an improvement over the present system, although it is partial in more senses than one. A more definite judgment must wait until one can see how the system is worked, since many of the essential decisions have yet to be made.

Goa's exports have helped the trend, there is no doubt that exports, on the whole, have shown a buoyancy beyond all expectations.

But this should not induce any complacency or minimise the need for vigorous export promotion measures. The two biggest foreign exchange earners—jute goods, which have fetched Rs. 160 crores in 1963, and tea which has earned Rs. 133 crores—are facing strong competition in overseas markets. Pakistan, with its several natural and artificial advantages, has already taken away many of India's traditional sacking markets, and with the development programme she has in hand for her jute industry she may soon be able to enter the markets for specialties too in a big way. In the

case of tea, there is stiff competition from Ceylon and east Africa. It is true that the total earnings during 1963 have risen to Rs. 133 crores from about Rs. 124 crores in 1962, and the average export price a kilogram has been higher at Rs. 5.92, against Rs. 5.84 in 1962. But the improvement is largely due to the general rise in international prices, since tea exports have increased only marginally by 2 million kilograms to 216 million kilograms. Furthermore, India's output of tea has declined in 1963 and this may affect the export earnings in 1964. Since the common teas are subject to keen competition, the industry has to concentrate on producing quality teas, which command a high price abroad. Tea is one of the most heavily taxed industries in the country, and if it is to maintain its export earnings, the industry has to be relieved of much of its fiscal burden to enable it to undertake replantation and modernisation. In view of its importance to the economy, it is surprising that the Central Budget has not given the industry any relief apart from a rebate in corporation tax (equivalent to 10 percent of the income tax and super tax payable by tea companies) and in surtax. As for sugar, which has earned Rs. 26 crores in 1963, against Rs. 15 crores in 1962, it is now certain that the production target of 3.3 million tons is not going to be achieved. The Government had claimed that the production might amount to about 2.9 million tons, while industry sources think that the season's output will at most be only 2.6 million tons. This shortfall is not likely to permit larger exports of sugar this year.

As Mr. A. D. Ogilvie of the Associated Chambers of Commerce suggested, it is important to grant incentives for the export of traditional items, which yield the bulk of the country's foreign exchange earnings. Although Sir Ramaswami Mudaliar reportedly differed from this view on the ground that the very significance of export incentives would be lost if they were also extended to traditional items, it cannot be gainsaid that the latter do need fiscal and other concessions since they are facing stiffer competition. Export promotion, to be successful, has to be selective, and this calls for directing the promotional efforts to commodities which offer the best prospects in terms of market potential and comparative cost advantage. Mr. Shah too emphasised the need for selectivity in order that expertise and high standards of production are developed in commodities which contribute substantially to the earnings. A committee under the chairmanship of Sir Ramaswami has recently been set up to suggest a programme of selective trade with western Europe. A two-tier strategy, aimed at cultivating big potential export markets and boosting the exports of the main commodities, is being visualised.

Export promotion cannot work in isolation, but has to be supported by far-reaching changes in official policies. Mr. Shah himself recognised this indirectly when he said that the strength of the economy lay in its ability to compete, and that only by producing more at lesser cost could the country hope to achieve external viability. A major element in industrial costs today is represented by the fiscal levies on raw materials and capital equipment. Mr. Bharat Ram, president of the Federation of Indian Chambers of Commerce and Industry, called for an examination of the impact of excise duty on raw materials and intermediate products, and of the rising Customs duty on essential commodities like cotton, raw rubber and industrial machinery. As Mr. S. L. Kirloskar put it, the most important element in industry's cost structure is the cost of running the Government. A considerable portion of the taxes collected from the people goes to maintain an endlessly proliferating bureaucracy. Then there is the spate of labour legislation, which has greatly added to the burden of industry without increasing productivity. Mr. Prabhu V. Mehta, president of the All India Manufacturers Organisation, stressed that an increase in wages should be linked with a rise in productivity in order to keep costs down. The pressure of the Government's fiscal and labour policies is so widespread and far-reaching that the entire economy is in the throes of cost inflation. If the competitive position of the export industries is to be strengthened, the Government's economic policies have to become realistic and must aim at cost reduction.

The question of cost reduction is also closely linked with the optimum use of installed capacity. There is a considerable volume of idle capacity in

many industries, one of the major reasons for it being the shortage of imported raw materials, components and spare parts. According to some estimates, if the existing capacity is fully used, production can increase by over 10 percent. The import policy should permit larger imports of industrial raw materials and components. Mr. Shah's speech indicated the prospect of a slight liberalisation of the import of plant and equipment, components and basic materials—particularly those used by industries with an export potential. An equally important need is to streamline the licensing procedures with a view to speeding up the work. Mr. Ogilvie in fact emphasised the importance of expediting the disposal of applications for grants under the Kipping Loan, which has been earmarked by Britain to facilitate imports of raw materials and components by industries which traditionally depend on imports from the U.K.

A disconcerting aspect of Mr. Shah's speech was the reference to the widening rôle of State trading.

Current News and Comment

More State Budgets

Orissa, Madras, Kerala, Punjab, Madhya Pradesh, Gujarat and Mysore were the States which presented their Budgets last week. Only Gujarat of the seven has a genuine surplus on revenue account; Kerala, too, shows a revenue surplus, but because of the proposed expenditure on "social welfare measures" during 1964-65, the net position is changed into a deficit. (The social welfare measures are mainly increased dearness allowance for Government employees and other benefits including a liberal family pension scheme, which are a common feature of all State Budgets for 1964-65). The Finance Minister of Gujarat, Mr. B. Mehta, estimates revenue receipts for the current financial year at Rs. 94.15 crores and expenditure at Rs. 88.38 crores. He proposes no new taxes, on the other hand, passenger tax in municipal areas has been reduced. The additional expenditure on account of State Government employees is apparently covered within the budgeted expenditure. The Chief Minister of Kerala (who also holds the Finance portfolio) estimates the next year's revenue at Rs. 79.58 crores and expenditure at Rs. 76 crores, but because of the proposed measures to increase the welfare of Government servants, the revenue surplus of Rs. 3.58 crores will be converted into an overall deficit of Rs. 2.76 crores. Another southern State, Mysore, too shows a small revenue surplus (revenue receipts for 1964-65 have been estimated at Rs. 111.06 crores and revenue expenditure Rs. 110.9 crores), but the expenditure of Rs. 20 lakhs for old age pensions, Rs. 1.25 crores for increased dearness allowance to Government employees and Rs. 25 lakhs for giving more dearness allowance to pensioners, has not been taken into reckoning. The Finance Minister, Mr. B. D. Jatti, has left these items uncovered, with the remark that "it would be necessary to find resources to meet the expenditure on the above accounts." This presumably means that the State will either go in for borrowing or additional taxation later.

All the others show deficits on revenue account. Madras State which has been making a bold, big move in the field of social welfare by making secondary education free in the State apart, of course, from the steps to better the lot of Government employees, estimates its revenue income for the next financial year at Rs. 137.48 crores and revenue expenditure at Rs. 140.82 crores. The Chief Minister, Mr. Bhatkavatsalam (also the Finance Minister) proposes to cover the deficit by fresh taxation. Sales tax on cotton will be raised from 1 percent to 2 percent at the point of last purchase in the State. The tax on cotton waste, cotton yarn waste, artificial silk fibre yarn and staple fibre yarn will be similarly raised. A total of Rs. 1 crore is expected from these measures, so the net deficit is Rs. 2.34 crores. Another State which is levying fresh taxes is Madhya Pradesh; a tax is proposed on urban immovable property, the exemption from sales tax for several commodities has been withdrawn and in many cases, rates of the tax have been raised. Entertainment tax

He said that the quotas of established importers would be further reduced, and some of the highly profitable items handled by them would be canalised through State trading organisations and other organised agencies. Although he has not indicated whether these items will continue to be "highly profitable" for the State Trading Corporation, experience shows that as far as consumers are concerned, the prices of the imported goods will remain as high as ever before and that the big profits will be only transferred to the S.T.C. Established importers, by virtue of their long experience and contacts with overseas suppliers, offer definite advantages in arranging purchases on the most favourable terms. If their rôle is to be transferred to some other organisation, the object should not be to appropriate the high profits in a particular trade, but to offer the imported goods to consumers at lower prices. Trade associations may be able to do this better than the S.T.C.

will now cover admission fees of even 12nP and below. These measures will have the effect of yielding a fresh revenue of Rs. 1.45 crores. The revenue for the next year is estimated at Rs. 107.72 crores and the expenditure at Rs. 108.41 crores. But judging from the revised revenue and expenditure figures for 1963-64, it looks as if the Finance Minister is again under-estimating the revenue. During 1963-64, the revised revenue figure stands at Rs. 103 crores and expenditure at Rs. 96.98 crores. There is thus a revenue surplus of Rs. 6.9 crores. It is also possible that he has over-estimated next year's expenditure at Rs. 108.41 crores, in spite of the additional outlay which the Government will be incurring to better the service conditions of its employees.

The Finance Minister of Punjab, Mr. Gopi Chand Bhargava, after various adjustments in his revenue and capital Budgets for 1964-65, shows an overall deficit of Rs. 1.58 crores (revenue receipts have been placed at Rs. 112.67 crores and revenue expenditure at Rs. 112.91 crores). The deficit, he says, is likely to rise to Rs. 11 crores on account of extra expenditure on flood control and other schemes of agricultural improvement including horticulture, animal husbandry and industries. But he does not propose any fresh taxation. He hopes to borrow later "a substantial amount from the people" to finance nation-building schemes, particularly those relating to flood control. The Finance Minister has also announced substantial benefits for Government employees. Mr. Bhargava claims that the State has been able to fulfil the expenditure target for the first three years of the third plan. The plan for 1964-65 has been cut down to Rs. 55.50 crores from Rs. 57.50 crores, but it is nevertheless proposed to set up an industrial development corporation with a capital of Rs. 10 crores. Orissa has a fairly sizable deficit of 3.92 crores on revenue account, with receipts estimated at Rs. 74.53 crores and expenditure at Rs. 78.45 crores. The Chief Minister, Mr. Biren Mitra, who is also Finance Minister, levies no further taxes and proposes to raise Rs. 7 crores in loans to finance the State's social security programme, and Rs. 5 crores will be raised on behalf of the Paradip Port Trust. Orissa's financial position is unenviable. Her debts keep mounting every year, and it is estimated that as much as 18 percent of the revenue for 1964-65 will be spent on servicing the State's debts. Mr. Mitra, however, is making efforts to obtain further grants-in-aid from the Centre.

Machine Tool Output behind Target

Inaugurating the annual general meeting of the Indian Machine Tool Manufacturers Association in Ludhiana (Punjab), the Central Minister for Steel, Mines and Heavy Engineering, Mr. C. Subramaniam, regretted that new investment in the machine tool industry had remained inadequate, even though demand was assured, there was no

price control and the industry enjoyed protection. One of the causes for this unsatisfactory position, as Mr. S. L. Kirloskar, president of the Indian Machine Tool Manufacturers Association, pointed out in his speech, is the low return on capital earned by the industry due to the Government's defective economic and taxation policies. Moreover, in spite of some progress, the industry depends to a considerable extent not only on imported raw materials and machinery, but also on imported designs and technical know-how. Cumbersome formalities and frustrating procedural delays involved in getting sanction for foreign collaboration schemes, the limitation of 5 percent on royalty in the case of such collaboration and undue delays in getting approval for the terms of collaboration, in obtaining import licences and foreign exchange, all hamper the growth of the machine tool industry.

The Defence Department followed a "closed-door policy," Mr. Kirloskar added, and favoured public sector enterprises. There is no genuine justification for it, and it is definitely hindering the growth of the Indian machine tool industry. Mr. Subramaniam's suggestion to start joint ventures between public and private sectors to make machine tools is not likely to help much because the real problem is the shortage of raw materials, imported parts and components and the lack of suitable designs and specifications. As long as these difficulties persist, joint ventures might be as helpless as the existing ones. As against the Government's exhortation to the machine tool industry to increase its production by 30 percent to meet the national emergency, it increased its output of graded machine tools by nearly 42 percent. In terms of value, production rose from Rs. 7.33 crores in 1961 to Rs. 10.40 crores in 1962. If the Defence Department places more orders with the private sector and comes forward with constructive proposals, there is no reason why the latter should not be able to develop new lines of manufacture to meet the former's requirements.

It is not a small achievement for the machine tool industry that the output in 1963 was higher than in 1962, and the range of machine tools produced indigenously is much wider. But even with the present rate of increase in output, the total production by the end of the third plan is not likely to reach the Rs. 25-crore mark, as against the target of Rs. 30 crores and the expected demand of Rs. 65 crores. Unless special efforts are made to increase production, machine tool imports will have to be increased. In this connection, Mr. Kirloskar's suggestion deserves careful consideration. He has asked the Government to reconsider the policy that a new manufacturing unit should start with an initial 80-percent indigenous content. It is, of course, desirable that the indigenous content of machine tools produced in the country should be increased, but it unduly handicaps the infant industry when the "irreducible minimum" is fixed at 80 percent.

The Indian Standards Institute, it is reported, is engaged in formulating standards of tests for the various types of machine tools produced in the country. While it is absolutely necessary to improve the quality of machine tools, to be able to increase their exports and to sustain a higher rate of industrial growth, it is equally necessary that standards of tests should be in conformity with the level of development which the industry has so far reached. According to Mr. Kirloskar, the I.S.I. charts are prepared with more emphasis on theoretical considerations than on practical ones, and sooner or later the machine tool manufacturers may be unnecessarily saddled with standards which it would be difficult to realise in practice.

Sources of Share Capital

A study of prospectuses issued during July-September 1963, which Messrs S. M. Dugar and G. C. Banga have made and which appears in the latest issue of *Company News and Notes*, shows the sluggishness of the Indian capital market during this period. Only 13 prospectuses were issued, of which 11 were recorded by the Registrar of Companies. The number of issues and the total amount of capital involved was considerably less than in the previous quarter. The number of issues was almost halved, and the amount of capital issued was reduced by nearly one-third. Because of the decline in investment confidence, promoters tried

to raise funds through preference capital rather than ordinary. The offer of a high rate of fixed dividends on preference shares served as an added attraction. The percentage of equity and preference capital in the total capital issued stood at 72.6 percent and 27.4 percent, respectively, compared with 88.8 percent and 11.2 percent in the previous quarter.

A steep decline in the percentage of shares taken by foreign collaborators, promoters, directors and their friends was a disturbing factor. The bulk of the issue had to be offered to the public for subscription. Financial institutions did not participate in the share issues at all. In the previous quarter they took up about 3 percent of the total issue. Nevertheless, share capital continued to be the main source of finance for various projects although it contributed only 35.2 percent of the total project costs, compared with 50 percent in the previous quarter. Foreign loans also constituted an important source of finance. The domestic financial institutions played a significant role by providing long-term funds in the form of loans to meet the project costs of several companies. A happy feature was that the cost of raising capital dropped and amounted to 1.6 percent of the project costs, compared with 2.8 percent in the previous quarter. Of the total amount of share capital offered to the public about 83.7 percent was underwritten. Financial institutions like the Life Insurance Corporation of India, commercial banks and general insurance companies underwrote about 56 percent of the total underwritten amount. There was no managing broker for any of the issues. It is thus clear that underwriting was about the most important source of funds, which it has been in recent times.

Calcutta Industries Fair

The Calcutta Industries Fair, near Talla Park, was opened in January and will continue for a few more weeks. It is the third of the series—the first one was held in 1960 and the second in 1962. The main object of the Fair is to disseminate know-

ledge about India's economic development during the past few years. Various industrial products, machinery and equipment have been exhibited. There are many exhibits to show the progress achieved in science, literature and culture. Special attraction has been provided by working a television set. The Fair is expected to help promote closer contact between manufacturers, traders and consumers.

Small Rise in National Income

The national income of India (at 1948-49 prices) was Rs. 13,370 crores in 1962-63 and Rs. 13,060 crores in 1961-62, compared with Rs. 12,730 crores in 1960-61 at the beginning of the third five-year plan. The per capita income at 1948-49 prices has been estimated at Rs. 294.7, Rs. 294.3 and Rs. 293.2 in the years 1962-63, 1961-62 and 1960-61, respectively. This is revealed by the eleventh issue of the annual White Paper on national income just released by the Central Statistical Organisation.

The estimates for 1961-62 included in this paper are based on the detailed methods of estimation followed for the earlier years and show an increase over the preliminary estimates published last year. These increases, among others, have been due to the incorporation, for the first time, of the results of the random sample crop-cutting survey concerning sugarcane in Punjab. The estimates for 1962-63, which are still preliminary and based on partial material, have also undergone a slight upward change, compared with the "quick" estimates released in November last year.

As in 1961-62, which recorded a small rise of 2.6 percent in the total national income over the previous year, the year 1962-63 also witnessed a smaller increase of 2.4 percent in the total national income over 1961-62. This was due to a fall of 2.2 percent in agricultural output in 1962-63, the contribution to national income from agriculture in that year being less by Rs. 110 crores compared with the previous year. This fall was, however, more than offset by a total rise of Rs. 420 crores in

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the contribution made by all other sectors taken together.

Columns 2 and 3 of the following statement show the trend in net national output at current and at 1948-49 prices, respectively, during the last twelve years (1950-51 to 1962-63), whereas columns 4 and 5 reveal the trend in per capita income based on the latest available Census figures of 1941, 1951 and 1961 released by the Registrar-General.

Years	Net national output (in Rs. 100 crores)		Per capita net output (in Rs.)	
	at current prices	at 1948-49 prices	at current prices	at 1948-49 prices
1	2	3	4	5
1950-51	95.3	88.5	266.5	247.5
1951-52	99.7	91.0	274.2	250.3
1952-53	98.2	94.6	265.4	255.7
1953-54	104.8	100.3	278.1	266.2
1954-55	96.1	102.8	250.3	267.8
1955-56	99.8	104.8	255.0	267.8
1956-57	113.1	110.0	283.3	275.6
1957-58	113.9	108.9	279.6	267.3
1958-59	126.0	116.5	303.0	280.1
1959-60	129.5	118.6	304.8	279.2
1960-61	141.4	127.3	325.7	293.2
1961-62	148.0	130.6	333.6	294.3
1962-63	154.0	133.7	339.4	294.7

(preliminary)

After adjusting for purely statistical differences between the crop production estimates of 1960-61, 1961-62 and 1962-63, the increase in national income

and per capita income in real terms amounts to 5.0 percent and 0.5 percent, respectively, during the first two years of the third plan period. Expressed at current prices the national income was Rs. 15,400 crores and Rs. 14,800 crores in 1962-63 and 1961-62 respectively, as against Rs. 14,140 crores in 1960-61. The per capita income at current prices was Rs. 339.4, Rs. 333.6 and Rs. 325.7 in 1962-63, 1961-62 and 1960-61 respectively. The larger increase at current prices than at constant prices was due to the increase in prices.

Tea Consumption Survey

The Indian Tea Board has brought out a booklet on the tea consumption survey in certain selected towns in Andhra Pradesh, Gujarat, Kerala, Madras, Maharashtra and Mysore. The survey was conducted in 1962, but the booklet has been published in January 1964. The time-lag between the two shows the promptness with which the data collected were processed and published. Nowhere in the booklet is there any reference to the shift in consumption patterns as a result of fiscal changes, although it needed to be explored in the survey. Nevertheless, the object of the survey is laudable because, as the booklet points out, it presents a continuous picture of the pattern of tea consumption in some parts of the country. Admittedly, such sample surveys provide an effective method of estimating the increase or decrease in tea consumption. Apart from a study of the tea-drinking habits of the population in the towns concerned, the survey throws light on the local tea trade, both wholesale and retail. If the data in different towns are added up, they will provide interesting information on the internal tea trade. Because of the crucial need to promote exports for

earning foreign exchange, it is necessary to undertake market research and consumer surveys in different tea-consuming countries of the world. The Tea Board thinks that the experience gained through market surveys conducted in India and the methods and techniques developed for the purpose will prove useful for undertaking similar surveys in other countries, no matter whether they are undertaken by the Tea Board itself or any other local agency.

The survey under review is the seventh one undertaken by the Statistics Branch of the Board. The six earlier surveys were conducted during the years 1954-56, 1957, 1958, 1959, 1960 and 1961. The present issue contains the details of 16 towns in six States. Apart from such general details as location and population, transport and communications, educational and recreation facilities and the economic conditions of the towns concerned, the sample survey gives information on the number of families selected at random, and the findings are described in percentage terms. The percentage of individuals taking tea is given for men, women and children and also the reasons for preferring tea to other competing beverages. In the majority of towns selected for the survey, the main reason given for not taking tea is the lack of habit. In many of them, males drink more tea than women, although it is not suggested whether this is due to social taboo or greater conservatism among women. In all south Indian towns, according to the survey, the preference for coffee is greater than for tea, as is only to be expected. But it would have been useful if the data on different towns covered by the survey were compared in one section and broad conclusions drawn on the increase or decrease of tea consumption and the prospects ahead.

This has been done only in the last few pages covering the appendix where the main findings of the surveys of some towns and those of the repeat surveys are compared and the results shown in percentage terms. This is no doubt easier, and the results obtained are more accurate. The repeat surveys on Bidar, Gondal, Nizamabad and Parbhani show that tea is gradually getting popular in these areas. But the Tea Board should undertake repeat surveys on the other towns included in its latest booklet in order to arrive at definite conclusions on the consumption patterns in these areas.

JUTE MILL BLOCK

"IGNORAMUS" in the last issue asked us to point out the inwardness of the tabular statements regarding Jute Mills published in our Stock and Share List, as he does not quite understand what Block Account means, and for the information of such of our readers as are not at fault in these matters, we will shortly publish a few articles on share capital, debentures, reserve funds, block, and so forth. Meantime, we may mention that a Jute Mill costs from Rs. 6,000 to Rs. 7,000 per loom to erect, and that a rough idea of value may be obtained thus. Take the Block Account, deduct therefrom the amount standing at Reserve Fund, etc., add the premium on the shares, and divide by the number of looms. The result will show the cost per loom to the would-be investor. Thus, for instance, the Budge-Budge Mill Block is Rs. 50,51,041. Deduct Reserves Rs. 20,40,000, and add the premium, Rs. 30, on 18,000 shares—Rs. 5,40,000; the result is Rs. 35,51,041. Divide this by 782, the number of looms, and the quotient Rs. 4,540 represents the cost per loom, taking the shares at Rs. 130. Again, in case of the Delta Jute Mills these shares are at a small discount, so the formula here will be all deduction, thus—Block Rs. 14,98,958 minus Reserve Fund Rs. 95,000 minus discount of Rs. 5 on 6,750 ordinary shares, Rs. 33,750, or a net sum of Rs. 13,70,208. This divided by the number of looms, 340, yields the sum of Rs. 4,030, as the cost per loom, buying in at Rs. 95 per share. Of course there are other factors besides these: the previous record of the Mill, its age, and the dividends paid, which must also be considered.

FROM

CAPITAL

10th March, 1964

A Ditcher's Diary

KASHMIR'S PRESENT GOVERNMENT IS UNDOUBTEDLY an improvement on the Bakshi régime of ten years; ten years too long. Perhaps even the Shamsuddin Government was better; almost anything would be. I have a feeling still that this may not prove a complete answer to what Kashmir needs. To begin with, if Bakshi Ghulam Mohammed proposed the election of Mr. G. M. Sadiq, the new Premier certainly starts under somewhat inauspicious circumstances. If I were in Mr. Sadiq's shoes, I would be scared of Bakshi Ghulam Mohammed if he came with his blessings. From what I know of Mr. Sadiq, he is a thoroughly honest man, leftist or no, but I am not so sure that he is a thoroughly healthy man; and it is not often remembered how important physical fitness is in a political career today. It is almost more important than mental strength, going by the mental age of several successful politicians in India and abroad. To underestimate the rôle of politicians, as opposed to that of administrators, is to be downright undemocratic and reactionary, I know; it may yet be true that Kashmir's first need is not merely a political upheaval but also an administrative one. Over the years, Bakshi Ghulam Mohammed filled the Government with his "boys"; and any new régime will feel totally frustrated even after it has taken the right decisions; these will simply not be implemented. New Delhi's bureaucracy will no doubt be tempted to fill the Kashmir back with its own kings, queens and jacks; and in N.E.F.A. at least it chose such wrong men that trouble followed. Inevitably there are many demanding an end to political horse-trading in order to win a fair number of Kashmiri hearts. Whether this is possible with Bakshi Ghulam Mohammed around I just don't know.

TOO MANY HATS IN THE RING; so it's not at all easy to say who are going to be the final contestants for the U.S. Presidency later this year, let alone predict the next President. In this century Presidents by assassination have had a better chance of a second term than was the case in the last; as far as can be seen, Mr. Johnson has so far played his cards well. The Democrats do not appear to be looking for another candidate, although the Vice-Presidential candidate may be harder to choose. Whether Mr. Robert Kennedy will agree to run as L.B.J.'s mate is anybody's guess. It is the Republicans who seem to be in considerable disarray. Mr. Barry Goldwater's prospects once looked alarmingly good; G.O.P. is perhaps having second thoughts on him. The other names mentioned are not very well known here-

abouts, except that of Mr. Nixon. Messrs Romney, Scranton and Cabot Lodge and Mrs. Chase are unlikely to give Mr. Johnson any formidable fight, although Mr. Cabot Lodge wears what might be called a "Demorep" look. That the Republicans desperately want to re-enter the White House is not in doubt. Paradoxically, desperation can drive political Parties to either of two very contrary courses. It may lead to compromise and caution; equally, it may counsel greater radicalism. We have only to think of the Labour and Conservative Parties in Britain, with whose politics we are rather more familiar. In India there are few admirers of the Tories; I shall never forget the look of total disbelief on many faces when the Tories were defeated in 1945 and again when Labour was defeated in 1951. Wasn't the latter Party the one that had given Britain all sorts of welfare benefits? I imagine that the "image" of the Republicans conforms, in India, to that of the Tories; and popular sympathies are undoubtedly with the Democrats, especially after the recent assassination. To Americans it may look very different. I have heard them complain on occasion that they do not understand the complexities of Indian politics. My usual answer is, "Yours are not much clearer to us". And then there are the "invisibles" of politics—anywhere.

WHEN I MENTIONED TO SOME PEOPLE THE OTHER day that I had never heard the Beatles, they looked at me with amazement. "That must be because you have no teenage daughters", was their verdict. Perhaps; but I have heard of the Beatles, indeed who has not? And as one interested in business affairs I must confess I am fascinated by their success. The chairman of Electrical and Musical Industries Ltd, the group of companies which produces their records—or "discs", to use the jargon—announced the other day that the Beatles' earnings were currently running at over £6 million a year. Since they visited the United States, this estimate has become hopelessly out-of-date. There, official Beatles clothing is expected to net over £18 million this year alone; it will be substantially more if trade pirates—"Beatleleggers", as they are being called—can be kept from taking a cut. It is little wonder that, in sharp contrast to Mr. Macmillan, the Beatles are the darlings of that high-minded but nevertheless financially interested journal, the *Tailor and Cutter*. What the Federal Reserve Board thinks about the drain on the U.S. gold reserve has not yet been made public. Now whatever one may say about western "pop" music, or about the Beatles personally, it is im-

possible to withhold admiration for success on this scale. It may be true that, in a couple of years' time, the names of the four young men will be forgotten, even by those who are going into ecstasies over them now. But the fact remains that, barring accidents, they will be surpassingly rich for the rest of their lives. They will have added to their country's foreign exchange earnings as much as, say, one whole month's exports of motor-cars; and as for their usefulness to Mr. Maudling, well I should not be surprised to discover that he had taken out an insurance policy on their collective lives. All of which I have no doubt proves a great deal to a sociologist. To me it means only regret: regret that India cannot boast a few equally successful pop groups. What a difference it would make to this country's development plans if it could rely on such a fruitful source of foreign exchange!

WHATEVER ONE MIGHT THINK ABOUT PRESIDENT de Gaulle, it must be admitted that he has an irritating habit of being right nine times out of ten. Which is just about nine times more often than the Americans are, at least when it comes to the affairs of south-east Asia. After the last coup in South Vietnam, the gloating in Washington over the setback to de Gaulle's plan for neutralisation was only too audible. Now I suspect President Johnson would dearly like to find some honourable way out of his commitment to pursue the war there, because if there is anything certain in this world it is that the Americans are losing it. I for one am not surprised. East Asian peasant populations have what to the dedicated anti-communist must seem like a very annoying custom: they compromise with the winning side, whatever its ideology. So now the United States is faced with the prospect of having to father unaided what is fast becoming a very ugly and unruly child indeed: anti-communist nationalism in South Vietnam. For my money, better de Gaulle's neutralism any day. I wonder the Americans have not been able to see the danger before now. If there is any lesson that communist expansion in the postwar years ought to have taught, it is that the only possible counter to guerrilla warfare supported from a neighbouring country is to carry it back to those who are sponsoring it. The inability to do this, as de Gaulle must well remember, is what cost the French North Vietnam as it did Algeria. Why, then, do the Americans not make things equally uncomfortable for the communists by supporting guerrilla war against them? This is a question that has always puzzled me, and I can only conclude the reasons are either that it has been found impossible to provide that essential for all guerrilla activity, a cause to fight for, or that the risk of sparking off a general war is regarded as too great. Well, there is always a danger of touching off a wider conflict, as was shown in Korea; although if the communists are willing to

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face it, the free world must be prepared to as well or else shut up shop altogether. But if the fact is that freedom is no longer accepted as able to provide the motive for fighting which ideology is at present doing, then all I can say is that the past few years must have seen a remarkable change in human nature.

INTERNATIONAL AIRLINES, VALUED ADVERTISERS in the Press the world over, are notorious pamperers; some say so in their advertisements. The glorious variety of individual experience remains. A friend flying the Caravelle from Calcutta to Bombay says that while he appreciated the speed, he did not care much for the service. He had to proceed farther on and, judging by his letter, he seems to have fallen foul with both his airline and the Customs. Travellers are habitual bellyachers; but my friend may have a point. In his suitcase were a number of books which he will almost certainly not have the time to read during his hectic travel; but his airline told him that his baggage was four kilos in excess of the permissible limit though, if he carried some books under his arm, everything would be all right. To my friend this seemed a mild form of sadism for, he tells me, he could not see how anyone gained from making him carry the books in hand rather than in his suitcase. Then came the Customs. He was given a re-import permit for his typewriter and his transistor radio but not for his nine-stone ring; it was not necessary, he was told. The trouble is that on an earlier sortie abroad from another point of departure from India he had been given a permit for his ring and he wondered whether there would be a comeback on the ring when he got back. This healthy mistrust of officialdom was naturally dismissed by officialdom, whereupon my friend argued and argued. The result, let us say, was inconclusive. I think I will write to him to say that life would be very dull if airlines and Customs officials were uniformly consistent and logical. He is sure to retort that, in that event, he is all for dullness. On the virtues of dullness my friend can be truly brilliant.

Nobody who reads this diary regularly can be in any doubt concerning my views on the American Peace Corps. I cannot recall the number of times I have declared its sole virtue as being the opportunity it provides for American youth to see something of underdeveloped countries, and the chief among its many drawbacks to be that it invites communist retaliation. Well, that seems to be just what it has done. I see that the Russians are to have their own Peace Corps, and I cannot for the life of me believe that it is going to have any more to recommend it than the American one. The United States can at least claim that it has something to teach underdeveloped countries on the subject of feeding themselves; the Russians cannot even do that. Nor are their numbers going to ease the irritation of local people at having well-meaning but wholly tactless foreigners attempting to teach them what they probably know well enough already, and succeeding only in annoying them thoroughly in the process. In fact, the Russians promise to make an even worse job of it than the Americans. The essence of Peace Corps work, unlike the kind of technical co-operation which built the Bhilai steel plant, is that it should deal with matters which intimately concern the ordinary people, such as agriculture, elementary rural construction and perhaps the odd simple machine or so; and to do this it is necessary to mix freely at all levels. Yet mixing is something that all but a few Russians abroad have hitherto resolutely refused to do; or, perhaps more correctly, have been ruthlessly prevented from doing. If the new Peace Corps venture means that Russians are in future going to mix freely with the people of their host country, just like other foreigners, then there might be something to say for it. But if it is going to be simply another example of communist segregation, the Russians are likely to do themselves considerable damage in the eyes of the people from whom they intend to keep themselves separated. It is no good their reserving the social mixing function for a few trusted officials, as they do in polite society; in the villages they are likely to be judged according to how closely their social behaviour conforms to that of ordinary human beings.

THE DITCHER

Guide for Investors

WORLD PRICE INCREASE LIFTS INDIAN COPPER

THE sharp rise from Rs. 3.37 to Rs. 3.76 in the price of Indian Copper Corporation shares during the past fortnight or so has largely been due to the sudden spurt in the international price of copper after a long interval. During the past couple of years the producers have succeeded in maintaining the price at a stable rate of \$326 a ton. Now the price on the London Metal Exchange has suddenly jumped to about \$269 a ton, although the producers are still maintaining their own selling price of \$236 a ton. It may be noted that only a small proportion of the metal is in fact being bought at the higher level.

Speculation has been rife about the future trend. The rise on the Metal Exchange is due to the depletion of dealers' stocks, combined with increased purchases by the U.S.A. and the Continent. One view is that the producers will be able to ensure sufficient supplies to take care of the 5 percent to 6 percent rise in consumption. They, it is believed, are holding substantial stocks, but the question is how soon these stocks can be moved from the mines. An encouraging factor is that Rhodesian producers switched to full capacity at the beginning of 1964, so a bigger output is likely. At the same time, the possibility of interruption of supplies by strikes cannot be ruled out. The producers are keen not to raise prices further, lest consumers take to substitutes, but the question is whether they will be able to resist pressure for long in case the disparity between their price and the market one widens further. If they succeed in holding out over the next few months, the price is likely to react.

The bullishness of Indian Copper Corporation shares is based on the belief that the domestic price should harden if the international trend is sustained at a higher level. The Company is the only producer of copper in India at the present time. Its output is still much smaller than the total demand, so it has no difficulty in disposing of its entire output. The prospect should be even better when the electrolytic project is completed.

Dena Bank Earns More

THE latest report of the Deykaran Nanjee Banking Co. Ltd (popularly known as the Dena Bank) for 1963 shows all-round encouraging progress. The bank opened 17 new branches during the year, raising the total number of branches to 129. The number of accounts rose from 250,000 to 300,000 and that of safe deposit vaults from 34 to 40. Deposits increased by nearly 16 percent from Rs. 51.06 crores to Rs. 59.09 crores. Of this rise, savings bank deposits alone accounted for a rise of about 27 percent from Rs. 12.91 crores to Rs. 16.36 crores. Fixed deposits at Rs. 27.98 crores were Rs. 3.28 crores higher over the year. The bank's total advances recorded an increase of about 14 percent from Rs. 25.40 crores to Rs. 29.01 crores. Advances to industry accounted for 53.06 percent and those to trade about 30.55 percent. Investments rose from Rs. 16.02 crores to Rs. 20.19 crores. The gross revenue of the bank improved from Rs. 2.65 crores to Rs. 3.23 crores. The income from interest and discount increased from Rs. 2.17 crores to Rs. 2.73 crores and that from com-

mission, exchange and brokerage from Rs. 36.21 lakhs to Rs. 38.44 lakhs. Interest paid on deposits and borrowings was higher at Rs. 1.54 crores, against Rs. 1.22 crores. The salary and wage bill increased from Rs. 74.90 lakhs to Rs. 88.42 lakhs. The total assets of the bank rose from Rs. 62.99 crores to Rs. 76.08 crores. The profit, after taxation, increased from Rs. 24.08 lakhs to Rs. 26.59 lakhs. The dividend has been raised from Rs. 5.50 to Rs. 6 a share and the total distribution is substantially higher at Rs. 12 lakhs, against Rs. 5.90 lakhs, because of the increased capital, the new shares being entitled to the full year's dividend.

Indian Tack and Nail Makes Profit

THE Indian Tack and Nail Co. Ltd has made a profit of Rs. 51,807 for the year ended December 1963 after providing Rs. 2.27 lakhs for depreciation (against Rs. 1.93 lakhs), compared with a loss of Rs. 3.19 lakhs for 1962. The dividend has again been passed, but the debit balance has been reduced to Rs. 3.68 lakhs which is being carried forward. The output of tacks has been restricted by a shortage of raw materials. The factory has been asked to get steel sheet from the Rourekela works, but the material has not yet been received. Whatever stocks have been received have flowed through Calcutta stockists. Wire supplies have to be imported, but they have been restricted by the shortage of foreign exchange. Import licences have been issued against A.I.D. supplies so the cost has been substantially higher. Although sales have been satisfactory, competition from products imported against export promotion licences has increased. The quality of the products manufactured by Indian Tack and Nail are good, but their prices have been high due to the increased costs of raw and packing materials.

Syndicate Bank Maintains

THE directors of Syndicate Bank Ltd have maintained the dividend at 20 percent on the equity shares for the year ended December 1963. The net profit for the year amounts to Rs. 39,91,729 (against Rs. 30,33,234). With the balance of profit of Rs. 77,782 brought forward from the previous year, the total comes to Rs. 40,69,512. After providing Rs. 9 lakhs to the statutory reserve fund and Rs. 7,931 to contingency reserve, a sum of Rs. 31,61,580 is available for appropriation. The proposed dividend at 20 percent on A, B and C class of equity shares, subject to deduction of tax, amounts for Rs. 9,82,648. The preference dividend at 8.57-percent cumulative preference shares of Rs. 100 each and at 7.15 percent on cumulative preference shares of Rs. 10 each will absorb Rs. 1,83,696. Provision for taxation amounts to Rs. 14,78,193 and bonus provision to Rs. 500,000. The balance of Rs. 17,040 is carried forward.

The total reserve fund and other reserves stand at Rs. 75,25,000 (against Rs. 66,00,000), inclusive of the share premium. The total paid-up capital and reserves (including share premium and advance calls) now stand at Rs. 1,55,83,467, against

Rs. 1,42,64,986 at the end of last year. During the year, the bank took over three banks, namely, the Citizen Bank of India, Robertsonpet, the Pollachi Town Bank, Pollachi, and the Coimbatore Sri Kannikaparameshwari Bank Ltd, Coimbatore. During the year, the bank was licensed to deal in foreign exchange, and the business in the first year has been quite satisfactory. The bank has at present 190 branches.

Referring to significant developments during the year, the chairman says that the bank has been able not only to reach new heights in deposits, advances, and gross and net income, but also to extend the activities to other important fields. Total deposits of the bank rose from Rs. 32.65 crores to Rs. 45.49 crores, representing an increase of 38 percent over the previous year's figure. This includes the deposits of the banks taken over by the Syndicate Bank. Total advances, including bills discounted, improved to Rs. 27.83 crores, constituting 60 percent of capital, reserves and deposits.

Canara Banking Pays Less

THE net profit of the Canara Banking Corporation Ltd for the year ended December 1963, amounts to Rs. 4,99,754, after making the necessary provisions including provision for taxation. This net profit compares with the previous year's pre-tax profit of Rs. 8,54,629. With Rs. 15,444 brought forward from the previous year, the total available for appropriation comes to Rs. 5,15,199. After setting aside Rs. 1,45,000 to the statutory reserve fund, there remains a balance of Rs. 3,70,199. Out of this, the proposed dividend of 12 percent on ordinary shares, against 15 percent last year, will absorb Rs. 2,78,219. The preference dividends at the rate of 7.15 percent and 6.43 percent on 5-percent first preference and 4-percent first preference shares account for Rs. 82,891. The balance of Rs. 9,088 is carried forward.

During the year, the bank has shown further progress in paid-up capital, reserve, deposits, advances, gross earnings and the total working capital. But the decline in advances against gold was further aggravated in the first half of the year under report. The bank had to seek fresh fields to cover the considerable fall under those advances. The directors say that the efforts in the direction of channelling the surplus left on account of the fall in gold advances

to other safe and remunerative advances have borne fruit. This is evident from the fact that the advances have moved up to Rs. 6.58 crores at the end of the year, against Rs. 5.87 crores on 31st December, 1962. The inevitable time-lag required for such an unusual shift of advances resulted in a lower advance-deposit ratio during the major part of the year with the liquidity of resources at its peak. This fact, coupled with the burden of heavier establishment charges and the increase in capital, led to a slight cut in the dividend on ordinary shares.

Less from Indian Wood Products

THE profit of the Indian Wood Products Co. Ltd has declined from Rs. 21.72 lakhs for 1961-62 to Rs. 17.94 lakhs for the year ended September 1963, after increasing depreciation from Rs. 89,007 to Rs. 94,176. The drop has largely been due to the rising cost of raw materials. The prices of products manufactured by the Company have had to be cut due to the dull conditions of the market. The directors nevertheless say that more stable conditions have now returned. The Company continues to buy khair trees from the auctions. Since stocks of timber with the Company have dropped, the price of raw material may rise further. So the profit during the current year may suffer to some extent.

The taxable ordinary dividend has been reduced from 30 percent to 21 percent, including an interim of 14 percent, to absorb Rs. 5 lakhs. The yield amounts to 8.5 percent at the present price of Rs. 29.50 a share of Rs. 10 each. Taxation is allocated Rs. 8.85 lakhs (against Rs. 11.81 lakhs), and super profits tax for the previous and current years absorbs Rs. 5.75 lakhs. A sum of Rs. 1.15 lakhs has been transferred to general reserve which was allocated Rs. 2.50 lakhs in the previous year. Special reserve gets Rs. 42,000. It has been pointed out that the dividend cut has largely been due to heavier taxation. The carry-forward is Rs. 3,056, against Rs. 3.26 lakhs brought in.

Allahabad Bank Profit Up

ALLAHABAD Bank Ltd has shown satisfactory progress during the year ended December 1963. Deposits rose by Rs. 5.19 crores to Rs. 67.84 crores. They were profitably used in advances, which increased by Rs. 7.54 crores to Rs. 45.91 crores. Investments were Rs. 13 lakhs larger at Rs. 17.87 crores. Cash at Rs. 6.42 crores showed a decline of Rs. 2.26 crores. (The balance-sheet is printed on a later page of this week's Capital.)

The profit has improved from Rs. 22.44 lakhs for 1962 to Rs. 26.41 lakhs for 1963. Interest paid on

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deposits and borrowings amounted to Rs. 1.92 crores (against Rs. 1.78 crores) while interest and discounts earned rose from Rs. 3.32 crores to Rs. 3.81 crores. A taxable ordinary dividend of 15 percent, including an interim of 7.5 percent, has been declared. The usual preference dividends have been paid. Reserve fund is allocated Rs. 5.30 lakhs and bonus to staff Rs. 11.30 lakhs, leaving a carry-forward of Rs. 4.68 lakhs. Investments have been shown at less than the actual market value. The bank hopes to open several new offices in 1964 for which permission of the Reserve Bank of India has been obtained.

P.S. Ball Bearing: A New Venture

P. S. Ball Bearing Co. Ltd.—a new venture—which proposes to set up a factory near Ballabgarh in Gurgaon District of the Punjab will soon be in the market to raise Rs. 25 lakhs through public subscription. The Company has secured the technical collaboration of Osaka Bearing Manufacturing Co. Ltd. of Japan which will assist in procuring the requisite raw materials from abroad. The project is estimated to cost about Rs. 1.10 crores which will be met from the issued capital of Rs. 60 lakhs, a loan of Rs. 35 lakhs from the Industrial Finance Corporation of India and bank borrowings of Rs. 15 lakhs. If all goes well, the factory is expected to go into production before the end of the current year. The Company has an authorised capital of Rs. 2 crores made up of Rs. 1.50 crores in equity shares of Rs. 10 each and Rs. 50 lakhs in 9.3 percent preference shares of Rs. 100 each. The issued capital will be Rs. 60 lakhs, of which Rs. 10 lakhs will be in preference shares, which are being taken up by the Punjab Government. Of the equity capital of Rs. 50 lakhs, the directors, their friends and associates will take up shares of the value of Rs. 25 lakhs. The balance of Rs. 25 lakhs is to be offered shortly for public subscription.

Impressive Results from Bombay Potteries

THE report of Bombay Potteries and Tiles Ltd for the year ended September 1963, shows all-round progress which has encouraged the directors to step up the dividend from 15 percent to 18 percent. Sales are up by about 30 percent from Rs. 42.37 lakhs to Rs. 55.05 lakhs and the gross profit has risen by nearly 40 percent from Rs. 15.99 lakhs to Rs. 22.48 lakhs. The turnover has increased in spite of the fact that the Company has had to reduce prices drastically from time to time in order to meet severe competition. As a result of the continued and persistent technical improvement effected from time to time, the output of glazed tiles exceeded the target set earlier and two furnaces were exclusively used for their production. Production of tiles increased by about 42 percent to 1,634 tonnes to 2,333 tonnes and that of sanitarywares by 41 percent from 615 tonnes to 876 tonnes. Acute shortage of space in both in factories continues to hamper further expansion activities.

The tempo of increase in production during 1962-63 was maintained by effecting various adjustments in the existing space, but this, according to the directors, has now reached a saturation point and no further adjustment seems possible. Efforts are being made to acquire the low lying land adjacent to the existing unit in Kurla to expand the production of sanitarywares as the present production is falling short of the licensed capacity. Plans are said to be under way for increasing the production of

insulators and for starting the manufacture of steatite porcelain. Arrangements have been made with the I.C.I.C.I. to provide for the foreign exchange required for the import of equipment for improving the quality of the existing products. The Company is making efforts for exporting its products. It has secured an order for 6,000 glazed tiles from Kuwait and a small order for porcelain teat formers from Pakistan. Appropriations of the 1962-63 profit include depreciation Rs. 3.04 lakhs (against Rs. 2.71 lakhs), development rebate Rs. 11.837 (against Rs. 1.42 lakhs), taxation Rs. 10.70 lakhs (against Rs. 6.85 lakhs), general reserve Rs. 3.40 lakhs (against Rs. 30,000), plant rehabilitation reserve Rs. 25,000 (against Rs. 50,000), gratuity reserve Rs. 50,000 (against nil), super profits tax for 1961-62 Rs. 1.55 lakhs, bonus for the previous year Rs. 71,535 (against Rs. 84,969) and dividend reserve Rs. 3.19 lakhs (against Rs. 2.76 lakhs). After making certain minor adjustments, there remains a surplus of Rs. 2,821 to be carried forward. The Company has a paid-up capital of Rs. 24.54 lakhs which is supported by reserves amounting to Rs. 25.22 lakhs. The Company's net block is valued at Rs. 31 lakhs.

Hindustan Steel Shows Loss

IN his report to the shareholders of Hindustan Steel Ltd, the chairman takes a fairly encouraging view of the future. In spite of the loss incurred for the year ended March 1963, there has been an all-round improvement in operational results. The production targets have been reached. Emphasis is being laid on improving quality, and profitable production has been planned. The chairman said that the plants were now poised for entering a new phase. The prospects of a higher sales income and greater earnings during the current year are better, but the Company has to bear the burden of interest payment, and heavy depreciation charges. It will be possible to wipe off the accumulated losses of early years following heavy capital charges provided the expanded units reach full production. The total output of all plants has reached 89 percent of the rated capacity in iron, 83 percent in ingot steel, 76 percent in salable steel and 96 percent in plates.

The gross sales of iron and steel materials have risen from Rs. 79.3 crores in 1961-62 to Rs. 130.5 crores for 1962-63. New products include additional heavy structural sections and crossing sleepers from Bhilai, full coils from Rourkela and fish-plates, angles, wheels and axles from Durgapur. Substantial quantities of special quality steel have been produced to meet defence needs. Exports of bars and structurals, although small, have been made for the first time. The export prospects for the current year are considered better. The export activity has nevertheless been hindered by the sharp decline in the price of steel in the international market. Sales of coke oven by-products have greatly improved.

The gross profit has amounted to Rs. 6.64 crores. A sum of Rs. 17.5 crores has been charged to the profit and loss account on account of interest on Government loans. Depreciation absorbs Rs. 30.6 crores. An additional expenditure of Rs. 1.2 crores has been incurred on account of the emergency risk insurance premium, but the Government has allowed an increase of Rs. 10 a ton in the retention price to cover this expenditure. So the net loss incurred by the Company has amounted to Rs. 23.9 crores. To this Rourkela has contributed Rs. 10.7 crores, Durgapur Rs. 8.4 crores, Bhilai Rs. 4.5

crores and coal washeries Rs. 25.3 lakhs. Commenting on the increase in the retention prices of steel and pig iron, the chairman said that the rise did not take into account the capital block of the Company which is larger than that of the private-sector companies. So Hindustan Steel is at a disadvantage. The Government subscribed for Rs. 60 crores towards the share capital of the Company in 1962-63, raising it to Rs. 367 crores. Loans given by the Government amount to Rs. 357 crores.

Merck Pharmaceutical Plant Opened

MERCK Sharp and Dohme of India's new pharmaceutical and chemical plant in Bhandup, Bombay, which was inaugurated by the president of Merck Sharp and Dohme International, New York, Mr. Antonie T. Knoppers, on 1st March is said to be the largest and most modern in Asia. The plant has been set up in partnership with Tatas. Of the total cost of Rs. 1.50 crores, 40 percent has been contributed by Tatas and the balance by Merck. The plant is designed not only to produce the Company's present range of products, but its flexibility will also ensure its capacity to manufacture new products discovered by the research laboratories of Merck Sharp and Dohme. The antibiotics subdividing departments alone can turn out up to 50 million vials of life-saving drugs every year. Vitamin B12 has in the past been manufactured from imported intermediates. The new chemical plant produces this powerful red molecule from basic fermentation at a foreign exchange saving of about Rs. 15 lakhs a year.

Dr. Knoppers told newsmen that the Bhandup plant is the only one with fermentation facility which Merck has abroad. He said that Merck's policy was to hand over to the people of the country the plants it set up when the local staff was in a position to meet the exacting standards laid down by Merck in the U.S.A. In addition to antibiotics and vitamin B12, the Bhandup plant will produce a wide range of vitamins, sulfas, steroids, diuretics, antihypertensives, anthelmintics, antihistamines and other products vital to the country's needs.

Dr. Knoppers said that the standard of quality of products made in India is as high as those produced in any other plant of Merck in any part of the world. The new plants have already gone into full production, and the turnover during 1964 is expected to reach Rs. 3 crores. Merck Sharp and Dohme of India Ltd has an authorised capital of Rs. 4.70 crores. Merck of the U.S.A. has an outstanding record of "firsts" in the war against disease and all these advances will be available to India. In 1963, Merck spent over \$23 million in basic research. Dr. Knoppers presented a mobile dispensary to the Government of Maharashtra on 1st March at the dedication ceremonies of the new plant.

Rock Mount Tea Share Offer

ROCK Mount Tea Estates Ltd, which proposes to acquire a tea factory and tea estate in the planting district of Peermade, Kottayam, Kerala State, is offering 81,500 equity shares of Rs. 10 each and 58,500 10 percent cumulative redeemable preference shares of Rs. 10 each for public subscription. The list will open on 5th March and will close on 11th or earlier but not before 9th March. The authorised capital of the Company consists of Rs. 24 lakhs in equity

CAPITAL, 5th March, 1964.

shares and Rs. 6 lakhs in preference shares. The issued capital will be Rs. 20 lakhs, of which Rs. 6 lakhs will be in preference shares. The directors and their friends and associates are taking up equity shares worth Rs. 75,000 and preference shares Rs. 15,000. Equity shares worth Rs. 5 lakhs are to be allotted to vendors of the tea factory and estate. The balance of equity shares worth Rs. 8.15 lakhs and preference shares of the value of Rs. 5.85 lakhs are being offered for public subscription. The board of directors includes Mr. S. Ganapatisundaram, Mr. G. S. Reddi, Mr. K. M. Cherian, Mr. Mathew Cherian and Mr. Jacob Cherian.

Engel India Issue Fully Subscribed

THE shares offered recently by Engel India Machines and Tools Ltd for public subscription have been fully subscribed. Allotment letters have been despatched to the applicants in accordance with the scheme of allotment approved by the Calcutta Stock Exchange Association. The Association has also granted it permission for listing and dealing in the shares.

Digvijay Tiles Shows Loss

THE Digvijay Tiles and Potteries Ltd has reported disappointing results for the year ended June 1963. Sales are down from Rs. 26.68 lakhs to Rs. 25.06 lakhs, and the loss incurred by the Company amounts to Rs. 7.29 lakhs, against Rs. 3.89 lakhs in 1961-62. After providing Rs. 2.65 lakhs (against Rs. 2.85 lakhs) for depreciation and Rs. 5.422 (against Rs. 2.133) for development rebate, the total loss amounts to Rs. 9.99 lakhs, compared with Rs. 6.76 lakhs in the previous year. The preference dividend has been held over for yet another year. With the deficit of Rs. 7.81 lakhs brought forward from the previous years, the aggregate loss, which is being carried forward, amounts to Rs. 17.80 lakhs. The directors attribute the Company's disappointing performance to higher prices of raw materials, electricity rates, excise duty, provident fund contributions, etcetera.

New Capital Issues

TWO companies have been authorised to raise fresh capital amounting Rs. 10.60 crores. One of them is Bokaro Steel Ltd, a Central Government undertaking, and is issuing equities worth Rs. 10 crores. The other is also issuing its capital in equity shares. It is offering part of the equities to the existing shareholders as rights and the rest to the public by prospectus. The consent of the Controller of Capital Issues is valid for 12 months in both the cases. The following are the details:

Bokaro Steel Ltd, a Central Government undertaking, is to issue capital of Rs. 10 crores divided into 100,000 equity shares of Rs. 1,000 each to be issued privately for cash at par. The capital will be used for setting up a new steel project in Bokaro.

Poysha Industrial Company Ltd, Bombay, having a subscribed capital of Rs. 25 lakhs, is to issue capital of Rs. 60 lakhs in equity shares of Rs. 10 each for cash at par. Out of this, 18 lakhs shares of the value of Rs. 18 lakhs will be issued to existing shareholders as rights and the remaining Rs. 42 lakhs to the public by prospectus. The money will be used for financing the expansion involved in the manufacture of tin containers.

CAPITAL, 5th March, 1964.

The Stock Markets

LYONS RANGE REACTS BEARISHLY TO THE BUDGET

Wednesday Evening.

THE Calcutta stock market has reacted unfavourably to the Budget presented to Parliament last Saturday by the Central Finance Minister, Mr. T. T. Krishnamachari. Although the implications of his financial proposals will take time to be fully assessed, it looks as though the benefits of the concessions which have been given will be neutralised by the new tax measures. As a result of the changes in corporate taxation, some companies will enjoy relief while others will have to bear an increased burden. The replacement of the super profits tax by a surtax on profits has not introduced any fundamental change except for the fact that the burden of the latter will be lighter. The new levy is, in principle, as bad as the former and will continue to penalise efficiency. Since the capital base under the surtax has been broadened to include debentures and loans from approved financing institutions including banks, companies employing large borrowed funds will enjoy bigger benefits than those who employ only their own capital.

The tax concessions given to industries producing important items like steel, copper, aluminium, coal, iron ore, fertilisers, cement, paper and pulp, coffee, tea and rubber have been welcomed. These industries will enjoy rebates on corporation tax and surtax. But the good effects of the concessions have been partly counteracted by the imposition of a new dividend tax of 7½ percent on all companies. New companies will, nevertheless, be exempted from this impost under certain conditions. Although the deduction of income tax at source from dividends has been reduced from 30 percent to 20 percent, the outlook for dividends has suffered due to the levy of the new tax on dividends. It will restrain companies from increasing their dividends. The ploughing back of money into business is no doubt good, but forcing companies to conserve resources at the cost of the shareholder cannot be justified if there is no encouragement to use the resources in other ventures. The Government has not sufficiently reduced the tax burden on intercorporate investments to encourage diversification of activities.

Investors have been greatly disappointed by the proposal that the receipt of bonus shares will be treated as a capital gain. It is unfair to force companies to conserve resources by restraining dividends, and at the same time to discourage the issue of bonus shares. They already carry a penal tax. In the circumstances, the issue of bonus shares will become few and far between. As far as the flow of funds into the stock market is concerned, the outlook is far from encouraging. The replacement of the compulsory deposit scheme by a new annuity scheme for the middle and high income groups will virtually siphon off all savings from these classes. The steep rise in gifts tax and estate duty will also affect the supply of money to the stock market. The wealth tax too has been increased.

Indian Iron have been sluggish since steel has been only partially decontrolled, instead of being fully decontrolled as was expected earlier. Investors fear that as a result of the new move the position of the private sector companies may not change

much. So the increase in the retention prices of controlled steel products by Rs. 30 a ton has been overlooked. There has, meanwhile, been a general decline in the output of the Company for February which was a short working month. The production of pig iron has declined from 109,243 metric tons to 103,411 metric tons, and that of steel ingots from 87,771 metric tons to 80,243 metric tons. The output of salable steel has risen from 63,185 metric tons to 66,435 metric tons. Despatches of salable steel has declined from 63,800 metric tons to 59,881 metric tons. Engineering shares have generally been quiet.

Clearing miscellaneous shares have lost on balance although aluminium, motor-vehicle, electric, cement and paper companies have suffered less. Cotton textiles and rayon shares have borne the brunt of the pressure due to the steep increase in excise duty. Coal shares have not responded to Press reports about an increase in the price of good-grade coal. Jute shares have been fairly steady, but turnover has declined. There are prospects of a big crop in the next season. Stray business in tea shares have not been influenced by the tax concessions given to the industry.

Government securities have been dull and quiet. The 3 percent Conversion loan 1986 has quoted Rs. 63.20. Support has been lacking due to the prospect of an increase in the interest rate on the new loans to be offered during 1964-65.

Bombay

NEW TAXES AFFECT SENTIMENT BUDGET OVERSHADOWS STEEL DECONTROL

Wednesday Evening.

THE Budget presented by the Central Finance Minister, Mr. T. T. Krishnamachari, has been bearish-

ly interpreted in Dalal Street. Share prices have dropped due to nervous liquidation, combined with bear pressure. The replacement of the super profits tax by a surtax on profits has been a big disappointment. The introduction of a dividend tax, combined with the proposal to regard the issue of bonus shares as a capital gain, has depressed sentiment. Cotton and rayon shares have suffered heavily due to the increase in excise duty. Investors have been discouraged by the sharp rise in gift tax and estate duty.

As a result of the disappointment over the Budget, the partial decontrol of steel announced by the Government has been virtually overlooked. Even the increase of Rs. 30 a ton in the average retention price of controlled steel products has had little effect. Towards the close, selling pressure has slightly abated and share prices have tended to be steady around lower levels due to short-covering.

Tata Steel ordinary have closed at Rs. 150.50, but turnover has been restrained since operators have not yet been able to make up their mind about whether the partial decontrol of steel will benefit the producers. Among engineering shares, Tata Locomotive, Premier Construction and Alcock Ashdown have declined. In motor-vehicle shares, Hindustan Motors have lost, but Premier Automobiles have shot up on influential support. The latter scrip have attracted a margin on purchases since the price has risen by more than 10 percent of the last clearing rate.

Cotton mill shares have suffered heavily. Century have fallen substantially. Standard, Kohinoor, Svadeshi, Morarjee and Bombay Dyeing have lost considerably. India United ordinary have been sold freely at lower prices.

Miscellaneous shares have generally weakened in sympathy with the general trend. Among cement shares, Associated Cement and Digvijay have

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quoted lower. In steamship companies, Scindia have declined. Among sugar shares, Belapur, Phalton and Walchandnagar Industries have quoted lower. Mining shares have been subdued, and Shivrajpur Syndicate have dropped on a predominance of sellers. Rayon shares have weakened appreciably and National Rayon have shown a substantial loss. Chemical shares have been quiet. Tata Chemical and Indian Dyestuff have been available at lower prices.

Business in cash shares has been negligible and prices have declined on balance. Bank shares have been neglected. Stray business has been transacted in electric company shares.

Madras

CLEARING SHARES FALL STEEPLY NEW TAXES MAY REDUCE FLOW OF FUNDS

Tuesday Evening.
THE Madras stock market has closed the past week in a quiet mood due to disappointment over the financial proposals presented to Parliament last Saturday by the Central Finance Minister, Mr. T. T. Krishna-

machari. The weakness has been aggravated by easier advices from the Calcutta and Bombay stock markets. Although the super profits tax has been abolished, it has been replaced by an equally bad levy in the form of a surtax on profits. The outlook for equities has suffered heavily due to the dividend tax and the decision to consider the issue of bonus shares as a capital gain. The flow of funds into the stock market, it is feared, will be hindered by the sharp rise in the estate duty and gift tax. Clearing shares have nose-dived due to selling pressure, especially from outside sources. Buying interest has been confined to selected tea and coffee shares. Towards the close,

CAPITAL, 5th March, 1964.

pressure has abated but support has been conspicuous by its absence.

Business in Government securities has been negligible. Among banks, Canara Banking have been done at Rs. 73 and Indian Overseas at Rs. 146.50. In electric companies, stray business has been transacted in Ellore at Rs. 18.50 and in West Coast at Rs. 20.50. Sugar shares have weakened on fears that output during the current season will be much smaller than was expected earlier. Deccan have fallen to Rs. 12.10 and Andhra to Rs. 15.75. Mysore have quoted Rs. 44.65. The Company has issued rights ordinary shares in the proportion of one new share for every share held, at a premium of Rs. 2 a share. After the issue of the rights shares, the Company will issue bonus shares in the proportion of one bonus share for every four held, by capitalising reserves.

Except for a few selected scrip, planting shares have generally declined. Blue Mountain have been transacted at Rs. 2.43. Cochin Malabar at Rs. 6.44. Consolidated Coffee at Rs. 20. Ouchterlony at Rs. 4.28 and Periakaramalai at Rs. 3.43. Kumergode have been done at Rs. 4 on declaring a taxable dividend of 14 percent. Swinton have been transacted at Rs. 2.68 since the Company is likely to sell the Swinton and Aislaby Estates for Rs. 7.25 lakhs. Thamarapally have changed hands at Rs. 16.40. Emerald Valley at Rs. 6.10. Chembra Peak at Rs. 4.68 and Amalgamated at Rs. 10.01.

In textile shares, South India Viscose have dropped sharply to Rs. 136.50 and Travancore Rayon at Rs. 25 due to the steep increase in excise duty. Madura have been about steady at Rs. 35.50 and Lakshmi at Rs. 137. Dhanalakshmi have come to hand at Rs. 216 on paying a taxable ordinary dividend of 12 percent. Bangalore Woollen have been taken at Rs. 236 and Buckingham at Rs. 293. Mettur have been steady at Rs. 266, but Loyal have declined to Rs. 40.50.

In the miscellaneous section, Aluminium Industries have lost at Rs. 19, but Ashok Leyland have been maintained around Rs. 7.23. Among cement shares, Dalmia have weakened to Rs. 13.35 and India Cement to Rs. 5.73. Mettur Chemical have quoted Rs. 13.50, but Seshasayee Paper have lost at Rs. 8. Tube Investment have been available at Rs. 215 and Enfield at Rs. 10.40. Parry's Confectionery have quoted Rs. 3.33 on declaring an interim taxable ordinary dividend of 8 percent. K.I.C. have been done at Rs. 10.91 on paying a taxable ordinary dividend of 8 percent. Madras Vanaspathi have changed hands at Rs. 16.25 on the decision to convert 15,000 ordinary shares of Rs. 30 each into 150,000 ordinary shares of Rs. 3 each. Spencer have been steady at Rs. 22.25 and Textool at Rs. 145.50.

THE WEEK'S TRANSACTIONS

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

CLEARER SECURITIES

Birla Jute—Rs. 36/25—36/31—34/75—35/56—(25/25).
Burrakur Coal—Rs. 16/56—16/94—16/25—16/37—(14/50).
Dunlop Rubber—Rs. 39/00—39/75—37/50 s.t.—38/12—(32/50).
Guest Keen, Williams—Rs. 28/00—28/12—26/87—27/00—(29/94).
Hindustan Motor—Rs. 19/87—20/25—19/09—19/16—(15/90).
Indian Aluminium—Rs. 32/31—32/50—31/37—32/06—(30/00).
Indian Cable—Rs. 39/00—39/31—38/00—38/00.
Indian Copper—Rs. 3/81—3/88—3/64—3/70—(4/10).

CAPITAL, 5th March, 1964.

Indian Iron—Rs. 25/86—26/30—25/30—25/48—(19/70).
J. K. Cotton—Rs. 13/12—13/19—12/31—12/37—(14/00).
Jaipur Udyog—Rs. 12/50—12/75—12/06—12/12—(10/50).
Kesoram Industries—Rs. 29/59—30/31—27/37—27/87—(19/25).
Orient Paper—Rs. 39/50—40/10—38/70—39/05—(31/25).
Orissa Cement—Rs. 14/62—14/62—14/00—14/25—(14/44).
Rohtas Industries—Rs. 12/94—13/25—12/62—12/69—(10/75).
Shree Gopal Paper—Rs. 26/00—16/12—25/81—25/75—(22/75).
Textile Machinery—Rs. 29/05—29/10—27/40—27/70—(19/10).

GILT-EDGED

3 % Loan (1970-75)—Rs. 90/30—90/30—90/30—90/30—90/30.
3 % " (1966)—Rs. 63/30—63/30—63/20—63/20—63/20.
3 % " (1966-69)—Rs. 98/00—98/05—98/00—98/05—98/05.
3 1/2 % " (1969)—Rs. 97/10—97/10—97/10—97/10—97/10.
3 1/2 % " (1968)—Rs. 99/40—99/40—99/40—99/40—99/40.
4 % West Bengal (1967)—Rs. 98/95—98/95—98/95—98/95—98/95.
4 % West Bengal (1968)—Rs. 98/20—98/15—98/20—98/20—98/20.
4 % Loan (1969)—Rs. 99/50—99/55—99/50—99/55—99/55.
4 % " (1972)—Rs. 99/35—99/35—99/35—99/35—99/35.
4 % Madras (1967)—Rs. 99/10—99/10—99/10—99/10—99/10.
4 % " (1968)—Rs. 98/70—98/70—98/70—98/70—98/70.
4 % Orissa (1969)—Rs. 98/20 s.t.—98/20—98/20—98/20—98/20.
4 1/2 % Loan (1973)—Rs. 100/00—100/05—99/98—100/00—100/00.
4 1/2 % U.P. (1974)—Rs. 99/25—99/25—99/25—99/25—99/25.

BANKS

Punjab National—Rs. 19/75—19/81—19/62—19/81—(19/25).
United Bank of India (Rs. 10 paid)—Rs. 8/34—8/37—8/19—8/25—(7/25).
United Commercial—Rs. 72/00—72/12—71/50—72/00—(75/25).

RAILWAY

Dehri Rohtas—Rs. 12/50—12/50—12/50—12/50—12/50.

TEXTILES

Basanti—Rs. 13/25—13/37—13/25—13/27—(12/75).
Bharat Commerce—Rs. 23/87—24/00—23/62—23/87—(21/00).
Bowreah—Rs. 23/75—23/75—23/69—23/69—23/69.
Cawnpore—Rs. 7/00—7/00—6/94—7/00—(6/94).
Dunbar—Rs. 29/12—29/12—29/00—29/00—29/00.
Elgin—Rs. 21/69—21/69—21/69—21/75—(20/69).
Jayashree—Rs. 16/25—16/31—16/00—16/00—(13/19).
Jayajee Rao—Rs. 12/44—12/50—12/44—12/50—(9/00).
Jagatjit—Rs. 14/75—14/75—14/75—14/75—14/75.
New Victoria—Rs. 1/62—1/62—1/41—1/41—(1/62).
Rajasthan Spg.—Rs. 10/25—10/25—10/25—10/25—10/25.
Sree Niwas—Rs. 265/00—265/00—265/00—265/00—265/00.
Swadeshi (P.O.)—Rs. 6/69—6/75—6/44—6/44—(7/00).

COALS

Bengal—Rs. 257/00—257/00—255/00—255/00—(299/00).
Bharat—Rs. 3/50—3/56—3/50—3/56—(3/53).
Burrakur (1st Pref.)—Rs. 99/50—99/50—98/00—99/00—99/00.
Central India—Rs. 9/75—9/81—9/50—9/50—(10/25).
Equitable—Rs. 23/50—23/50—23/50—23/50—23/50.
Ghisick & Mustia—Rs. 13/25—13/25—13/25—13/25—13/25.
South Karanpura—Rs. 8/06—8/12—8/00—8/00 c.d.—(8/56).
Western Bengal—Rs. 8/75—8/87—8/75—8/81—(9/06).
West Ghisick—Rs. 15/00—15/00—15/00—15/00—15/00.

JUTES

Agarpara—Rs. 9/62—9/94—9/50—9/81—(10/56).
Anglo-India—Rs. 179/00—180/00—179/00—180/00—180/00.
Budge Budge—Rs. 138/00—138/00—138/00—138/00—138/00.
Bally—Rs. 248/00—249/00—249/00—249/00—249/00.
Cheviot—Rs. 22/00—22/00—22/00—22/00—22/00.
Champdany—Rs. 22/25—22/25—22/25—22/25—22/25.
Hitavalsah—Rs. 9/06—9/06—8/87—9/00—(11/00).

Delta—Rs. 154/00—154/00—154/00—154/00—154/00.
Fort William (New)—Rs. 22/87—23/00—22/87—23/00—23/00.
Ganges—Rs. 13/50—12/89—13/25—13/41—(12/37).
Gourepore (Pref.)—Rs. 89/50—89/50—89/50—89/50—89/50.
Hukumchand—Rs. 20/50—20/50—20/50—20/50—20/50.
Hooghly—Rs. 18/00—18/00—18/00—18/00—18/00.
Do. (Pref.)—Rs. 11/87—11/87—11/87—11/87—11/87.
Kanknarrah—Rs. 129/50—129/50—127/00—127/00—(121/00).
Megna—Rs. 12/56—12/62—12/44—12/44—(13/31).
National—Rs. 21/87—21/87—21/72—21/72—(25/37).
New Central—Rs. 13/06—13/06—12/66—12/66—(12/81).
Nuddea—Rs. 62/75—62/75—62/75—62/75—62/75.
Northbrook—Rs. 26/87—27/12—28/87—26/87—(32/00).
Do. (Pref.)—Rs. 72/00—72/00—72/00—72/00—72/00.
Presidency—Rs. 5/44—5/50—5/31—5/50—(5/08).
Reliance—Rs. 8/62—8/94—8/62—8/94—(7/00).
Do. (Pref.)—Rs. 117/50—117/50—117/00—117/00—(95/00).

MININGS

Metal Corporation—Rs. 8/08—8/12—8/00—8/00—(8/31).
Orissa Minerals—Rs. 22/25—22/25—21/94—22/25—(32/00).
Ashoka—Rs. 7/25—7/25—7/06—7/06—(7/37).
Dalmia (Bharat)—Rs. 13/19—13/37—13/19—13/19—(13/94).
Sone Valley—Rs. 4/44—4/50—4/31—4/37—(4/19).

CEMENTS

Alkali & Chemical—Rs. 34/37—34/75—33/37—33/37—(31/00).
Bengal—Rs. 60/00—60/00—60/00—60/00—(101/00).
Kanoria—Rs. 8/06—8/06—8/06—8/06—8/06.
Bareilly—Rs. 12/00—12/00—12/00—12/00—(14/75).
Calcutta—Rs. 14/50—14/50—14/25—14/37—(14/06).
Do. (Pref.)—Rs. 7/50—7/56—7/50—7/56—7/56.

ENGINEERINGS

Bhartia Electric Steel—Rs. 14/75—15/00—14/56—14/62—(14/00).
Bharat Ball Bearing—Rs. 13/81—13/87—13/69—13/75—13/69.
Binani Metal—Rs. 12/56—12/81—12/56—12/62—(10/75).
Britannia Eng.—Rs. 10/37—10/37—10/00—10/12—(9/50).
Burn & Co.—Rs. 319/00—318/00—318/00—318/00—(495/00).
Calcutta Steel—Rs. 13/87—14/06—13/81—13/97—(13/56).
Dalmia Iron—Rs. 11/75—11/81—11/56—11/56—(11/06).
Engel India Machines & Tools—Rs. 5/81—5/81—5/81—5/81—5/81.
Indian Iron (Pref.)—Rs. 81/00—82/00—81/00—82/00—82/00.
Indian Standard Wagon—Rs. 32/62—32/62—31/50—31/50—(30/37).
Jay Eng.—Rs. 20/25—20/25—19/75—20/00—(24/25).
Jesop & Co.—Rs. 24/00—24/00—23/75—23/75—(22/00).
J. K. Steel—Rs. 16/69—17/00—16/69—16/75—(16/12).
Kumardhubi—Rs. 8/81—9/12—8/56—8/56—(7/44).
Machinery Mfgs.—Rs. 24/37—24/37—23/87—23/87—23/87.
National Iron & Steel—Rs. 6/06—6/25—6/06—6/06—(4/25).
Raymon Eng.—Rs. 4/94—4/94—4/94—4/94—4/94.
Textile Machinery (1st Pref.)—Rs. 88/00—88/00—88/00—88/00—(99/25).
Do. (2nd Pref.)—Rs. 62/00—62/00—62/00—62/00—62/00.

INSURANCE

Ruby General—Rs. 10/25—10/37—10/25—10/37—10/37.

MISCELLANEOUS

Asiatic Oxygen—Rs. 12/75—12/81—12/69—12/81—(8/81).
Associated Battery—Rs. 25/25—25/37—25/25—25/37—(26/19).
Albion Plywood—Rs. 9/06—9/06—9/06—9/06—9/06.
Angelo Brothers—Rs. 25/50—25/50—24/87—25/25—(21/75).
B. I. Corp.—Rs. 8/94—9/12—8/69—8/69—(9/37).
Bharat Nidhi—Rs. 6/06—6/19—6/00—6/00—(6/45).
Bararee Coke—Rs. 21/56—21/56—21/56—21/56—(24/00).
Clive Row Investment—Rs. 8/31—8/47—8/31—8/47—(8/19).

Dyer Meakin—Rs. 31/50—31/62—31/50—31/62—(29/75).
East Anglia Plastics—Rs. 8/50—8/50—8/25—8/25—(12/00).
Eastern Investment—Rs. 117/00—117/00—117/00—117/00—(129/00).
Electric Construction—Rs. 14/12—14/31—12/94 x.d.—12/94 x.d.—(12/00).
English Electric—Rs. 14/31—14/31—14/06—14/25—14/06.
Goodyear India—Rs. 30/75—30/81—30/12—30/12—(37/87).
Gillanders Arbuthnot—Rs. 14/12—14/12—14/06—14/06—(13/81).
Gwalior Rayon—Rs. 44/50—44/50—44/50—44/50—44/50.
Hindustan Aluminium—Rs. 13/94—14/06—13/50—13/56—(13/00).
Hilla Tea Estate—Rs. 5/10—5/10—5/10—5/10—5/10.
Hindustan Twyford—Rs. 13/62—13/62—13/62—13/62—(14/25).
Do. (Pref.)—Rs. 102/50—103/00—101/50—102/50—102/50.
Indian Oxygen—Rs. 29/50—29/87—29/50—29/87—(28/25).
Indian Tack & Nail—Rs. 10/87—11/19—10/31—10/31—(13/00).
Indian Wood Products—Rs. 29/50—29/50—29/50—29/50—(31/25).
Isaac Holdens—Rs. 14/31—14/31—14/31—14/31—(15/75).
Imperial Tobacco—Rs. 9/87—10/00—9/81—9/87—(10/25).
India Carbon—Rs. 16/75—17/00—16/75—16/75—(21/56).
Jaipur Investment—Rs. 101/50—101/50—101/00—101/00—101/00.
Jardine Henderson (Pref.)—Rs. 55/75—56/00—55/75—56/00—56/00.
Jayshree Industries—Rs. 15/00—15/12—14/87—14/87—(15/75).
J. K. Synthetics—Rs. 12/56—12/56—11/87 s.t.—12/06—(10/37).
Khandewal Ferro Alloys (Pref.)—Rs. 95/75—96/00—95/75—96/00—96/00.
Metal Distributors—Rs. 4/69—4/75—4/25—4/25—(4/62).
Macneill & Barry—Rs. 94/00—95/00—93/75—95/00—(93/50).
Martin Burn—Rs. 28/00—28/06—28/00—28/06—(30/50).
Metal Box—Rs. 32/75—32/75—32/31—32/31—(30/75).
National Tobacco—Rs. 13/69—13/81—13/56—13/62—(11/25).
Do. (1st Pref.)—Rs. 67/50—67/50—67/50—67/50—67/50.
National Insulated Cable—Rs. 23/50—23/75—23/50—23/75—(23/00).
National Rolling & Steel Ropes—Rs. 19/75—19/81—19/69—19/81—(19/56).
National Rubber Manfg.—Rs. 12/87—12/87—12/69—12/69—(11/62).
New India Invest.—Rs. 70/00—70/00—70/00—70/00—(90/00).
Philips India—Rs. 28/75—28/75—28/75—28/75—(26/25).
Rohtas Industries (B' Pref.)—Rs. 55/00—55/00—54/62—54/62—54/62.
Rallis India—Rs. 135/00 s.t.—136/00—134/00—136/00—(130/00).
Spence's Hotel—Rs. 1/12—1/25—1/12—1/25—(0/94).
Shaw Wallace—Rs. 17/00—17/19—16/87—16/87—(18/37).
Do. (Pref.)—Rs. 55/25—55/25—54/50—54/50—54/50.
Tungabhadra—Rs. 10/25—10/31—10/25—10/25—10/25.
Union Carbide—Rs. 34/50—34/75—34/44—34/75—(42/50).
Do. (Renunciation)—Rs. 18/00—18/50—18/00—18/50—18/50.
Universal Cables—Rs. 12/37—12/37—11/87—11/87—11/69.
Usha Martin Black—Rs. 16/50—16/75—16/50—16/75—(12/84).
Walford Transport (P.O.)—Rs. 2/87—3/12—2/81—3/12—(2/25).
Do. (Ord.)—Rs. 3/84—3/84—3/84—3/84—3/84.
Window Glass—Rs. 8/00—8/00—7/94—7/94—7/94.

PAPERS

Ballarpur—Rs. 17/25—17/31—17/25—17/31—(17/12).
Bengal—Rs. 28/25—28/25—27/50—27/50—(31/25).
Orient (1st Pref.)—Rs. 90/00—90/50—90/00—90/50—90/50.
Seshasayee—Rs. 7/87—7/94—7/75—7/75—(8/06).
Sirpur—Rs. 13/28—13/37—13/06—13/19—(10/81).
Star—Rs. 9/12—9/12—9/12—9/12—(10/00).
Straw Products—Rs. 10/25—10/37—10/06—10/12—10/06.
Titagarh—Rs. 16/31—16/50—16/06—16/31—(17/31).

OIL

Indo-Burma Petroleum—Rs. 21/75—21/75—21/50—21/62—(24/12).
Humayan Properties (Pref.)—Rs. 7/00—7/00—7/00—7/00—7/00.

REAL PROPERTIES

Indo-Burma Petroleum—Rs. 21/75—21/75—21/50—21/62—(24/12).

Midnapore Zemindary—Rs. 21/00—21/50—20/00—20/37—(10/06).

SHIPPING

India General Navgn.—Rs. 42/00—42/00—41/75—41/75—(66/50).
India Steamship—Rs. 7/28—7/31—7/00—7/00—(5/87).
Port Shipping—Rs. 15/06—15/12—14/25—14/25—(12/06).

SUGARS

Carew & Co.—Rs. 11/56—11/56—11/50—11/50—(12/50).
Raza Buland—Rs. 10/56—10/56—10/37—10/37—(9/25).
Samastipur—Rs. 4/50—4/50—4/50—4/50—(7/75).

TEAS

Brooke Bond—Rs. 12/00—12/12—11/87—11/94—11/94.
Bishnauth—Rs. 17/31—17/37—17/19—17/19—17/19.
Banarhat—Rs. 230/00—232/00—230/00—232/00—(255/00).
Baghmari—Rs. 13/12—13/12—13/12—13/12—13/12.
Dehra Dun—Rs. 83/50—83/50—83/50—83/50—(80/00).
Grob—Rs. 7/15—7/19—7/15—7/19—7/19.
Juttibari—Rs. 27/75—27/87—27/75—27/87—27/87.
Krishnabehari—Rs. 11/50—11/50—11/50—11/50—11/50.
Ranchicherra—Rs. 11/00—11/00—11/00—11/00—(16/75).
Tezpur—Rs. 14/37—14/50—14/31—14/50—(15/25).
Tea Producing—Rs. 9/62—9/62—9/62—9/62—9/62.

DEBENTURES

4 % Macneill & Barry—Rs. 85/00—85/50—85/00—85/50—85/50.
4 1/2 % Burrakur Coal—Rs. 82/00—82/50—82/00—82/50—82/50.
5 1/2 % Burmah Shell—Rs. 93/00—93/00—93/00—93/00—93/00.
5 1/2 % Howrah Mills—Rs. 92/75—93/50—92/75—93/50—93/50.

London

SHARES RISE DUE TO SMALL OFFERING GILT-EDGED DOWN

London, 5th March.
IT was an eventful week in the stock market with the most important factor to influence sentiment coming on Thursday with the surprise hoisting of Bank rate to 5 percent. However, it made little impact on prices, as such a move had been expected for some time, although not particularly last Thursday. This was viewed as no more than a move to check exuberance in the economy and to stem the flow of funds from London, and was considered as an encouraging sign. Gilt-edged were unsettled as were other fixed interest stocks, but there was no marked fall in prices. Equities, on the other hand, encountered an increased investment demand and with sellers holding off, prices moved up. Good company news helped to a considerable extent with the excellent results from I.C.I. and Unilevers making a marked impression.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	1st T. Hours
Eastern Investments		
Ld. ..	11-3-64	4 p.m.
State Bank of India	12-3-64	4 p.m.
Birds Investments		
Ld. ..	19-3-64	11.15 a.m.
Punjab Minerals Co.		
Ld. ..	20-3-64	11 a.m.
Dalmia Iron & Steel		
Ld. ..	25-3-64	3 p.m.
New Samanbagh Tea		
Co. Ld. ..	26-3-64	3-30 p.m.
United Bank of India		
Ld. ..	30-3-64	11 a.m.
Mardia Burn Ld. ..	30-3-64	11 a.m.
National Pipes &		
Tubes Co. Ld. ..	30-3-64	3-36 p.m.
Raza Buland Sugar		
Co. Ld. ..	4-4-64	10-30 a.m.

FUNCTIONS OF THE NEW DEVELOPMENT BANK

(BY A SPECIAL CORRESPONDENT)

The new development bank, which will be shortly created as a subsidiary of the Reserve Bank, will be assigned many functions, the main one being the promotion of new enterprises in both public and private sectors, but its success will largely depend on co-ordinating the activities of all State financial institutions properly.

THE development bank is a post-war phenomenon. These banks were started in many countries primarily to route the World Bank assistance. They played an important rôle in rehabilitating the war-torn economies and promoting economic growth in the less developed countries.

In India, the Industrial Finance Corporation was set up soon after independence. Later on, various State finance corporations were set up. While the Industrial Finance Corporation concerned itself with big and medium projects, the State finance corporations assisted the medium and small enterprises at the State level. These latter, however, suffered from several drawbacks, the main one being the lack of resources. They were wary in taking risks because of their inadequate

equity base. There was also no proper co-ordination among institutions engaged in industrial financing. The Reserve Bank started a Refinance Corporation for Industry in 1958, to encourage commercial banks to go in for term-lending. The corporation was prepared to assist the State finance corporations also. Yet the total quantity of credit provided has been much less than the requirements.

The Finance Minister, Mr. T. T. Krishnamachari, therefore, introduced a Bill on 27th February for the setting up of a comprehensive development bank. It will not only refinance medium-term (ten years) and long-term (25 years) loans, but provide ten-year deferred payment credit for promoting exports. It will give direct loans to industry, subscribe to shares, underwrite new

issues and promote the establishment of new enterprises, especially key industries.

The bank will help industrial enterprises in both the public and private sectors. It will be a wholly-owned subsidiary of the Reserve Bank with an initial issued capital of Rs. 10 crores, and an authorised capital of Rs. 50 crores. The initial capital can be increased and the authorised capital raised to Rs. 100 crores with the approval of the Central Government.

The Bank will have a special fund to provide loans to industries which cannot secure loans from other banks or financial institutions for reasons such as the heavy investment involved or the anticipated rate of return on capital. This was done because many desirable projects were not being financed by existing

CAPITAL, 5th March, 1964.

institutions on account of considerations of profitability.

Close Liaison

The new development bank will maintain close liaison with the Refinance Corporation for Industry and the Industrial Finance Corporation. The Refinance Corporation will be transferred to the bank at a later stage. Provision has also been made for the merger of the Industrial Finance Corporation with the development bank or its conversion into a wholly owned subsidiary of the latter if the need arises.

The shares held by the Reserve Bank and the Central Government in the Industrial Finance Corporation are to be transferred to the new development bank. What prevented the authorities to rationalise the existing institutional structure taking advantage of the setting up of the new institution is hard to understand. The amalgamation of all institutions in the public sector, including the State finance corporations, would have made for proper co-ordination among these institutions.

The development bank has been set up on the analogy of the Industrial Development Bank of Canada. The directors of the Indian institutions will, therefore, be only from the Reserve Bank. The Reserve Bank Governor will be the chairman of the board. An additional deputy governor, enjoying the rank of vice-chairman, will be appointed in course of time. The method of financing the medium and long-term credits has been borrowed from West Germany and Italy. The provision for promoting new enterprises in key industries follows the Japanese example. West Germany, Italy and Japan have been enjoying some of the highest growth rates in the post-war world, and it was probably considered desirable to take a leaf from their example.

Acceptable Security

No provision has been made concerning the nature or types of security against which refinance or direct assistance may be granted. The bank, it is expected, will exercise its discretion in such matters. But the very nature of financing is such that it may invite controversy. A more precise definition of the type of securities to be accepted is necessary. At least broad guide-lines should have been provided for the financing of ventures which are considered unremunerative by commercial banks.

The development bank will underwrite new issues, particularly in those cases in which facilities for this purpose are normally not available. It has been empowered to provide technical and administrative assistance to industrial concerns and undertake research or techno-economic surveys and studies on its own initiative or otherwise, for the promotion of new enterprises. The bank has been given powers to constitute subsidiaries for any of these or all of these purposes.

The Central Government will grant loans to the bank. An interest-free loan of Rs. 10 crores will be given by the Government as soon as the bank is started. The loan will be repayable in easy instalments over a period of 15 years. The after a period of 15 years. The income accruing to the bank from the utilisation of this loan will enable it to meet the expenses until it starts earning on its own. The bank will also grant to the bank Centre will also grant to the bank such other loans on usual conditions as may be necessary from time to time. In addition, the bank will be borrowing from the market through its own bonds or debentures. Normal banking accommodation for formal banking accommodation for periods up to 90 days will be available to the new institution from the

PITAL, 5th March, 1964.

Reserve Bank. The development bank can take loans and advances from the Reserve Bank on the security of commercial or trade bills of industrial concerns maturing within five years which are held in its portfolio.

New Fund

The Reserve Bank will be establishing a new fund to be known as the National Industrial Credit Fund to which allocations will be made from out of the surplus profits of the Reserve Bank. The number of directors of the Reserve Bank has been raised from 15 to 20. While adequate provision has been made to place sizable resources at the disposal of the development bank, the successful functioning of the institution will depend on the degree of co-ordination which it can bring about among the various industrial financing institutions existing in the public sector. Otherwise, it will be only increasing the confusion which prevails in India in the field of industrial financing.

THE CALCUTTA MONEY MARKET

MODERATE RISE IN ADVANCES

Wednesday, 4th March.

THE general level of advances has shown a moderate increase in the Calcutta money market during the past week. The requirements of the cotton, jute and sugar mills are slightly higher. But the credit given to the iron, steel and engineering industries, and to the foodgrains and seeds trade, is unchanged. In the interbank market, conditions have been tight. The call rate has been hovering around 6 percent most of the time, but has gone up to 6½ percent towards the close as the time approaches for making tax payments.

There has been a moderate supply of tea and gunny bills in the exchange market. The demand for remittances has been fair. In the London market, sterling has improved since Bank rate was raised in relation to all the major currencies except the Swedish.

SILVER WAS STEADY IN CALCUTTA during the past week due to a rise in the seasonal demand. The price rose from the previous week's level of Rs. 260.50 to Rs. 263.50 a kilogram quoted today. The London and New York prices stood at 111½d and 129.3 cents.

In spite of a rise in silver, gold moved narrowly and the price of 14-carat was sluggish around Rs. 68.25.

DURING THE WEEK ENDED 28TH FEBRUARY, Government of India Treasury bills for Rs. 24,40,50,000 were sold in favour of the Reserve Bank.

TENDERS FOR Rs. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 3rd March. The total amount offered was Rs. 2 crores. Tenders at Rs. 99.410 percent were accepted in full, the average rate of acceptance being Rs. 2.360 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 9th March.

IT IS STATED THAT 91-DAY INTERMEDIATE Treasury bills will be sold from 4th March to 7th March at Rs. 99.426 percent. Sales can be stopped at any time without notice if the Government thinks it necessary. These bills sold from 26th February to 29th February amounted to Rs. 60,00,000.

THE DECLINE OF Rs. 11.15 CRORES TO Rs. 2,423.16 crores in active notes was

a notable feature of the return of the Reserve Bank of India for the week ended 28th February, 1964. The total note issue was Rs. 32 lakhs larger at Rs. 2,450.42 crores. Notes held in the Banking Department consequently rose by Rs. 11.48 crores to Rs. 27.27 crores. Deposits of the Government of India rose by Rs. 17.77 crores to Rs. 76.27 crores, but those of State Governments dropped by Rs. 4.86 crores to Rs. 9.07 crores. Balances of commercial banks at Rs. 85.85 crores showed a rise of Rs. 5.58 crores. Balances held abroad improved by Rs. 2.75 crores to Rs. 21.10 crores. Investments at Rs. 213.43 crores showed a drop of Rs. 13 lakhs. Loans given to scheduled banks rose from Rs. 52.61 crores to Rs. 67.54 crores, of which advances against usance bills amounted to Rs. 33.24 crores (Rs. 23.24 crores). Ways and means advances stood at Rs. 40.14 crores, against Rs. 38.31 crores.

THE RETURN OF THE STATE BANK OF India for the week ended 21st February, 1964, shows a rise of Rs. 3.56 crores to Rs. 600.05 crores in total deposits. Investments in Government securities are down by Rs. 2.76 crores to Rs. 235.24 crores, while other authorised investments remain unchanged at Rs. 9.44 crores. Advances, including loans, cash credits, overdrafts and bills discounted and purchased have increased by Rs. 8.35 crores to Rs. 339.97 crores. Cash and balances are, in consequence, shown at Rs. 23.61 crores or Rs. 2.57 crores higher.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 21st February, 1964, shows Demand and Time liabilities at Rs. 1,187.99 crores (Rs. 33.67 crores on account of borrowings from banks) and Rs. 1,299.09 crores (Rs. 15.14 crores), compared with Rs. 1,178.16 crores (Rs. 31.64 crores) and Rs. 1,290.78 crores (Rs. 12.85 crores), respectively, in the previous week. Cash has risen by Rs. 3.54 crores to Rs. 60.76 crores, while balances with the Reserve Bank have fallen by Rs. 87 lakhs to Rs. 76.74 crores. There is a drop of Rs. 3.49 crores to Rs. 646.33 crores in investments. Advances and bills discounted, in consequence, shown at 5.5 percent and 70.8 percent, against 5.5 percent and 70.6 percent.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding, with the public on 6-3-64.

Issue Date	Maturity Date	Amount (000's Rs.)	Average Acceptance Rate
6-3-64	9-6-64	2,00.00	Rs. 2.360%
28-2-64	31-5-64	2,00.00	Rs. 2.350%
21-2-64	24-5-64	2,00.00	Rs. 2.340%
14-2-64	17-5-64	2,00.00	Rs. 2.335%
7-2-64	10-5-64	2,00.00	Rs. 2.330%
31-1-64	3-5-64	2,00.00	Rs. 2.325%
24-1-64	27-4-64	2,00.00	Rs. 2.320%
17-1-64	20-4-64	2,00.00	Rs. 2.315%
10-1-64	13-4-64	2,00.00	Rs. 2.310%
27-12-63	30-3-64	2,00.00	Rs. 2.305%
20-12-63	23-3-64	2,00.00	Rs. 2.300%
13-12-63	16-3-64	2,00.00	Rs. 2.295%
6-12-63	9-3-64	2,00.00	Rs. 2.290%

(Monthly Maturities (000's omitted))

March, 1964	8,00.00
April, 1964	6,00.00
May, 1964	10,00.00
June, 1964	2,00.00
Total	26,00.00

CLEARING HOUSE RETURNS

Week	Calcutta Rs. (Lakhs)	Bombay Rs. (Lakhs)
28-2-64	1,15.26	1,13.99
21-2-64	82,71.02	1,18.82
14-2-64	96,32.88	1,18.82
7-2-64	1,13.39	1,34.75

RESERVE BANK

Liabilities—	ISSUE DEPARTMENT (In 000's of Rupees)	Week Ended		
		28-2-64	21-2-64	1-2-64
Notes in Circulation	...	27,26.72	15,78.57	12,81.9
Notes in Banking Dept.	...	24,23,15.56	24,34,31.24	21,53,96.5
Total Notes issued	...	24,50,42.28	24,50,09.81	22,06,78.4
Assets—	...	...	...	...
A. Gold Coin and Bullion	...	1,17,76.10	1,17,76.10	1,17,76.1
Foreign Securities	...	1,02,45.69	1,02,45.69	95,08.4
Total of A	...	2,20,21.79	2,20,21.79	2,12,84.5
B. Rupee Coin	...	1,10,51.55	1,10,19.08	1,17,51.7
Rupee Securities	...	21,19,68.54	21,19,68.54	18,76,42.1
Total	...	24,50,42.28	24,50,09.81	22,06,78.4

BANKING DEPARTMENT

Liabilities—	...	...	...	...
Capital Paid-up	...	5,00.00	5,00.00	5,00.00
Reserve Fund	...	80,00.00	80,00.00	80,00.00
National Agricultural Credit (Long Term Operations) Fund	...	73,00.00	73,00.00	61,00.00
National Agricultural Credit (Stabilisation) Fund	...	8,00.00	8,00.00	7,00.00
Deposits—	...	...	...	...
(a) 1. Central Govt.	...	76,27.45	56,50.06	1,03,94.67
2. State Govts.	...	9,06.76	13,93.01	12,86.55
(b) Banks—	...	...	...	...
(i) Scheduled Banks	...	85,85.02	80,26.60	77,57.29
(ii) State Co-operative Banks	...	2,24.00	2,07.32	1,83.75
(iii) Other Banks	...	6.33	4.28	2.36
(c) Others	...	1,62,29.64	1,63,18.46	1,63,39.13
Bills Payable	...	46,15.41	39,46.00	36,49.92
Other Liabilities	...	82,01.44	63,27.37	60,95.90
Total	...	610,96.05	584,73.10	610,09.61
Assets—	...	...	...	...
Notes	...	27,26.72	13,78.57	12,81.94
Rupee Coin	...	3.10	3.55	3.24
Small Coin	...	2.50	3.32	2.21
Total	...	27,32.32	17,85.44	15,87.39
National Agricultural Credit (Long Term Operations) Fund	...	...	...	...
(i) State Govts.	...	26,44.31	26,49.25	23,62.44
(ii) State Co-operative Banks	...	8,33.26	8,37.92	10,50.28
(iii) Central Land Mortgage Banks	...	...	...	...
(b) Investment in Central Land Mortgage Bank	...	3,39.36	3,59.36	2,84.88
National Agricultural Credit (Stabilisation) Fund	...	...	...	...
Loans and Advances to State Co-operative Banks	...	...	...	...
Bills Purchased and Discounted—	...	...	...	...
(a) Internal	...	...	...	...
(b) External	...	...	...	...
(c) Govt. Treasury Bills	...	42,17.81	49,50.34	66,52.31
Balances Held abroad	...	21,09.81	18,34.63	13,19.93
Loans and Advances to Govt.	...	40,13.64	38,31.39	27,62.54
Total	...	610,96.05	584,73.10	610,09.61

SCHEDULED BANKS

Liabilities—	(In 000's of Rupees)	Week Ended		
		21-2-64	14-2-64	22-2-63
(i) Demand Deposits—	...	...	...	...
(a) From Banks	...	58,77.25	59,69.76	46,69.19
(b) From others	...	10,30,94.77	10,22,36.69	8,22,06.33
(c) Borrowing from Banks	...	33,67.44	31,64.91	18,74.24
(d) Others	...	64,59.11	64,45.32	58,15.48
(ii) Time Liabilities—	...	...	...	...
(a) Demand Deposits—	...	...	...	...
(i) From Banks	...	21,46.23	22,33.67	21,09.32
(ii) From others	...	12,50,60.23	12,44,13.37	12,22,09.88
(b) Borrowing from Banks	...	15,14.26	12,85.13	19,41.26
(c) Others	...	11,87.85	11,46.80	11,65.00
(iii) Borrowing from State Bank—	...	...	...	...
(a) Demand Liabilities	...	12,22.63	9,57.40	9,73.92
(b) Time Liabilities	...	9,11.07	9,50.00	9,46.97
(i) From Banks	...	8,41.05	8,43.55	38,08.82
(ii) From others	...	67,08.15	37,22.19	51,01.64
(v) Balances with the Reserve Bank	...	76,72.53	77,61.26	72,42.11
(vi) Balances with other Banks in current account	...	24,67.49	25,77.77	19,13.65
(vii) Money at call and short notice	...	40,84.71	37,77.76	38,71.47
(viii) Investments in Central and State Govt. Securities	...	6,46,32.82	6,49,82.41	6,16,50.53
(ix) Loans, Cash Credits and Overdrafts	...	14,50,24.23	14,46,04.17	12,72,84.19
(x) Due from Banks	...	12,80.41	11,50.32	13,13.33
(xi) Inland Bills purchased and discounted	...	2,31,88.20	2,25,32.07	2,00,08.69
(xii) Foreign Bills purchased and discounted	...	60,56.42	61,04.12	51,64.23
(xiii) Total of X, XI and XII	...	17,09,23.29	17,43,90.68	15,37,70.44

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New Delhi

WORKING GROUP URGES RAISING OF STEEL CASTING CAPACITY

(FROM OUR NEW DELHI CORRESPONDENT)

THE Working Group on Steel Casting has placed India's total requirement of the product by 1970-71 at 411,000 tonnes a year. It says that "the two main users of steel castings are the metallurgical industries and the railways. While the capacity to meet the requirements of the metallurgical industries has been created, the position in relation to the railways' requirements lags behind. As a result of the lack of facilities for producing intricate and relatively large (in size and not in weight) steel castings, the railways have had to adopt alternative designs of fabricated components and sub-assemblies. An outstanding example of this is the fabricated bogie instead of cast steel bogie for new wagons. The adoption of such an expedient results in considerable increase in maintenance costs, apart from the reduction in the payload of the vehicle. "If all bogie wagons were to be fitted with cast steel bogies, the requirements of steel castings for wagon production in 1970-71 would be around 170,000 tonnes. Since the production of a cast steel bogie requires very special manufacturing techniques, it may not be possible to generate the necessary capacity for meeting such a large demand by the end of the fourth plan period. It should, however, be possible to meet 50 percent of the demand for such new wagons to be fitted with cast steel bogies by 1970-71.

"Similarly, steel castings for motor-cars, jeeps and commercial vehicles have been reduced on the assumption that adequate malleable casting facilities would have been created. The requirements, for maintenance account relate to steel castings as such required by the user. They do not include castings which form a part of the equipment obtained as a whole in replacement.

Developing the Export Market

"Although an export market could be developed for steel castings, the already wide gap between production and domestic requirements suggests that the necessary efforts for export may not be possible. No provision has, therefore, been made on this account. Under normal working conditions and considering the problems of balancing orders, an average productivity of around 80 percent may be taken for steel castings. In other words, the installed capacity necessary for an assured production of 411,000 tonnes a year in 1970-71 will have to be of the order of 515,000 tonnes.

"Against an estimated demand at the end of the third plan of 240,000 tonnes, the present production capacity is only for 58,000 tonnes. If to this are added the 224,000 tonnes already licensed and assuming that all these programmes will be implemented within a reasonable period of time, the total installed capacity will be 332,000 tonnes a year.

"It will, therefore, be necessary to create an additional installed capacity of 183,000 tonnes a year of steel castings by the end of the fourth plan period. Apart from the captive steel foundries which, among other things, are intended to meet their own internal demands, there are around 15 units producing steel castings. Apart from the 32 new units licensed for

steel castings in the private sector with an anticipated capacity of around 130,000 tonnes, the steel casting facilities being established in the public sector would account for nearly 95,000 tonnes.

"Excluding the larger units in the public sector, most of the units in existence or licensed would have an average production capacity of around 5,000 tonnes to 8,000 tonnes a year. Thus, most of the foundries already licensed could, to advantage, be permitted to expand their production capacities. In doing so, the special requirements, particularly for the railways, for which no capacity exists in the country at present shall have to be borne in mind. The demand for such specialised castings is already considerable, and it will be advantageous if new facilities are developed to cater for such requirements.

"Considering these factors, the additional installed capacity of 132,000 tonnes to be developed in the fourth plan period could be effectively met by the expansion of existing facilities in the public and private sectors by 520,000 tonnes and the establishment of new facilities to the extent of 800,000 tonnes.

Making Specialised Castings

"A sizable proportion of the new capacity to be created will, therefore, relate to the production of specialised castings required for the railways. Similarly, the increased requirements of relatively heavier steel castings for metallurgical industries will also have to be provided for. It is, therefore, suggested that the additional capacity of 800,000 tonnes a year to be created through the establishment of new units be determined as follows:

"(1) One steel foundry with an initial installed capacity of 25,000 tonnes to 30,000 tonnes a year, essentially for the production of specialised castings such as cast steel bogies for railway wagons.

"(2) Two or more units with an initial installed capacity of around 15,000 tonnes a year with special facilities for the production of heavy castings, such as required by the metallurgical industries.

"(3) Two or three units, each with an initial installed capacity of 8,000 tonnes to 10,000 tonnes a year for the production of lighter castings but of a more repetitive nature such as are generally required by the railways for axle boxes, etcetera.

"At the present day levels of equipment costs, the overall average investment for the new foundries will be of the order of around Rs. 3,400 a tonne. As for the balancing and additional equipment required for the expansion of existing facilities, the investment will be around Rs. 1,300 a tonne. On this basis, the total investment for the creation of 132,000 tonnes of additional steel casting capacity during the fourth plan would be around Rs. 34 crores. Of this, the foreign exchange element may be placed around Rs. 14.2 crores.

"Like castings, forgings are also intermediate engineering products. These products usually form components or parts of machinery and equipment needed in a variety of applications. There are also a few

forged products which are not intermediate in nature but which are of direct use, such as, forged hand tools, agricultural implements, etcetera.

"The total requirements of steel forgings in 1970-71 are placed at 441,000 tonnes. Under normal working conditions, an average productivity of around 90 percent may be taken for steel forgings. In other words, the installed capacity necessary for an assured production of 441,000 tonnes a year in 1970-71 will have to be of the order of 1,90,000 tonnes a year.

"The present installed capacity for the production of steel forgings is 87,300 tonnes a year, including the captive forging facilities of the railways. To this may be added an additional 232,000 tonnes a year which have been licensed but have yet to commence production. On the assumption that all programmes so far licensed will be completed in a reasonable period of time there will be an installed capacity of around 319,000 tonnes of steel forgings a year.

"It will, therefore, be necessary to create an additional installed capacity of 172,000 tonnes a year to ensure that the requirements at the end of the fourth plan are fully met. There are 35 firms already producing steel forgings in the country. An additional 46 units have been licensed in the private sector, although these have yet to come into production. Of these, only ten units have, or will have, an annual production capacity of over 5,000 tonnes a year, accounting for a total of 71,000 tonnes of production on a two-shift basis. The balance are smaller units with a capacity of about 500 to 1,500 tonnes a year.

Forging Requirements

"Sizewise, the requirements of forgings below 250 kilograms a piece will be around 341,000 tonnes a year and around 100,000 tonnes of heavier forgings a year. The shortfall between the required installed capacity and the available installed capacity in the fourth plan period of 171,300 tonnes has been analysed and will be of the order of 120,000 tonnes of the lighter forgings and 500,000 tonnes of the heavier forgings.

"Excluding the plants with very small production capacities which may not readily lend themselves to economic expansion and also those which are being set up in the public sector for very heavy forgings, there is considerable scope for the expansion of production capacity in the remaining plants already in existence and which may be expected to go into production in the near future. It would be desirable to aim for an average production level of around 4,000 tonnes a year for such plants, so as to achieve maximum economic benefits. On this basis, nearly 710,000 tonnes of capacity could be created by expansion. The balance of 100,000 tonnes a year will have to be created through the establishment of new plants.

"An analysis of the requirements of steel forgings towards the end of the fourth plan period shows that special consideration will have to be given to the creation of production capacity for (i) relatively heavy forgings such as rotors for electrical machinery, components for large diesel engines, pumps and compres-

sors, etcetera, and rolls for metallurgical industries and (ii) automotive forgings.

"Considering all these factors, it is suggested that the additional capacity of 100,000 tonnes a year to be created through the establishment of new units be determined as follows:

(1) "Two forge plants, each with an installed capacity of around 20,000 tonnes a year on a two-shift basis for the production of heavy forgings such as rotors for electrical machinery, rolls for rolling mills, pipe moulds, etcetera.

(2) "Six plants, each with an installed capacity of around 10,000 tonnes a year on a two-shift basis for the production of relatively close tolerance forgings as required by the automotive and allied industries.

"At the present-day levels of equipment costs, etcetera, the overall average investment for the new forge plants will be of the order of Rs. 4,100 a tonne. As for the expansion of existing facilities, the order of investment will be around Rs. 2,500 a tonne.

"On the above basis, the total investment for the creation of additional capacity for steel forgings during the fourth plan period will be of the order of Rs. 58.75 crores. A large proportion of equipment for the heavier forgings will have to be imported, although in the case of the lighter forgings a somewhat higher proportion will be available indigenously. Thus, the foreign exchange element has been placed around Rs. 23 crores.

PRECISION INSTRUMENTS

Two New Units Planned

The Government of India, it is learned, has decided to set up two public-sector plants—one in Kotah, Rajasthan and the other in Palghat, Kerala—for the manufacture of industrial process control instruments with Russian collaboration. The Kotah plant envisages the manufacture of pyrometers, resistance thermometers, signalling, regulating and recording instruments, and transmitting elements for temperature measurements. The Kerala unit will manufacture mechanical hydraulic and pneumatic instruments, such as flow meters, pressure and level gauges, the associated primary sensing elements, pneumatic recorders, controllers and timers and other ancillary equipment.

When in full production, the total annual output of the two plants will be Rs. 10 crores at the c.i.f. price (the Kotah unit, Rs. 11.3 crores and the Kerala unit, Rs. 7.8 crores), or Rs. 30 crores at current market prices. The Kotah unit, it is expected, will go into production by the middle of 1966 and both should be in full production in six years. The demand for these instruments is placed at Rs. 25 crores a year to be stepped up to Rs. 40 crores by 1970-71. Imports should have to continue for industries, such as sugar, cement and paper.

There are two other units in the field, namely: the National Instruments Ltd, Calcutta, and the Government Precision Instrument Factory in Lucknow. They manufacture pressure and vacuum gauges. It is, however, pointed out that by 1971, the demand would include instruments, not so far included in the manufacturing programme of such public-sector projects as gas and spectrum analysers, viscosity meters, hydro-meters, pyro meters, conductivity meters, radiation pyrometers, thermo meters, linear dimension meters, meters for oxidation and reduction measurement, stream gauges and meters for measuring electrical parameters. There could be two alternatives, namely, the expansion of the public-sector units to include such items, which are

not included in their manufacturing programme, or to create new capacity, in either the public or the private sector, for their manufacture. An early policy decision on this issue is expected.

DEVELOPMENT BANK

Bill Introduced

A Bill seeking to establish a statutory bank for providing credit and other facilities for the development of industry in India was introduced in the Lok Sabha last week by Mr. T. T. Krishnamachari, Central Finance Minister. The bank is to be known as the Industrial Development Bank of India. It is to have an authorised capital of Rs. 50 crores. It is likely to have its head office in Bombay. In the first instance, its issued capital is to be Rs. 10 crores and is to be subscribed wholly by the Reserve Bank.

The new bank, which will be a wholly "owned subsidiary" of the Reserve Bank, has been considered necessary because "the existing arrangements for the provision of credit for the expansion or development of industry are not adequate in relation to the needs of the various enterprises and projects," according to the statement of objects and reasons. The bank is to be managed by a board of directors, whose membership will be the same as that of the central board of the Reserve Bank. It is planned as an institution which will co-ordinate the activities of all institutions engaged in the task of financing industrial development. It is to refinance such institutions as well as grant loans direct to industrial concerns. It will generally promote and develop key industries.

Some of the activities of the Development Bank are as follows: (a) It will grant long-term loans repayable in 25 years and short loans, repayable in ten years, to other industrial financing institutions.

(b) It will grant financial accommodation up to ten years to industrial concerns for the export of capital goods or other commodities on deferred payment terms and credit facilities for importers of these items in other countries.

(c) It will grant loans to or subscribe to the shares or debentures of industrial concerns, which cannot get loans and other accommodation from the existing financial institutions and commercial banks.

(d) It will be able to accept or discount the bills of industrial concerns arising out of bona fide commercial or trade transactions. It may do this either directly or when these bills are presented through scheduled and State co-operative banks.

(e) It will underwrite new issues, especially where such facilities are

not normally available, provide technical and administrative assistance to industrial concerns and undertake research or techno-economic studies and surveys to promote the establishment of new enterprises.

(f) It will form subsidiaries specialising in any of these objects, if necessary.

Interest-free Loan

The Central Government is being authorised by the new legislative measure to grant an interest-free loan of Rs. 10 crores to the Development Bank. It will also be able to borrow in the open market. The Reserve Bank will give it normal banking accommodation up to 90 days. It will also be entitled to loans and advances from the Reserve Bank.

The Reserve Bank is to establish a new National Industrial Credit (Long-term Operations) Fund, to which it will allocate its surplus profits and from which the Development Bank will be able to get loans for acquiring shares in other industrial finance and credit institutions, for subscribing to bonds and debentures of such institutions, and for financing its own business activities.

The Development Bank will also be able to borrow amounts in foreign currencies on terms and conditions approved by the Central Government. The bank will create a Development Assistance Fund with an appropriate initial contribution from the Central Government for granting assistance to industry. The principal beneficiaries of the fund will be industries considered to be of importance, but unable to get funds in the usual course, either because of the heavy investment involved or the low rate of return anticipated on capital.

The Refinance Corporation will continue to carry on its business even after the establishment of the Development Bank, but there is a provision in the Bill for the transfer of its business to the new bank in the light of "further developments." Provision has also been made for the Development Bank to make the Industrial Finance Corporation its subsidiary, or to absorb the Corporation completely.

COMMODITY IMPORTS

U.S. Loan for India

The Governments of India and the United States have concluded an agreement providing for an American loan of Rs. 107 crores to finance commodity imports into India. The loan is part of the U.S. commitment of \$435 million for the third year of the third plan. The broad commodity import groups for which the loan funds will be used are: steel, non-ferrous metals, lubricants, fertiliser, machinery and machinery parts, sulphur, rubber, tyre cord, carbon black,

caustic soda, D.D.T., chemicals, vehicle and other components. Within these broad categories, the Government of India is free to set the amounts of imports according to the needs of the economy.

The bulk of the commodity imports financed under this credit—about 80 percent—will be for the needs of private industry. It is expected that over 6,000 individual licences will be issued under this loan. The loan has been channelled through the U.S. Agency for International Development. It carried an interest of 3 percent a year for the first ten years and 2 percent a year for the remaining years. Repayment in dollars will be spread through 40 years after the first disbursement, with no payments for a period of ten years.

The United States extended to India non-project loans totalling \$469 million for the first two years of the third plan. Thus, with the loan announced, the total of such financing to date for the third plan is \$685 million and comprises 48 percent of the U.S. commitment of \$1,415 million for the first three years of the third plan.

In the present year, American aid to India will total roughly \$880 million or equivalent to Rs. 419 crores. A sum of \$449 million or about Rs. 210 crores is in dollar grants and loans and \$439 million or Rs. 209 crores is for about 3.6 million tons of wheat, cotton, rice, powdered milk and other food products.

A sum of \$435 million in dollar loans is in turn roughly divided into two categories. Firstly, there are the so-called project loans which are tied to specific projects. In the last few years, such loans have contributed to the building of 20 power plants, including both hydro-electric projects and steam plants in 12 States. By 1967, these U.S.-financed projects will be capable of producing 3,600,000 kilowatts of electricity, or 50 percent of the increase in the electric generating capacity projected in the present five year plan and 35 percent of all electric power in India. The U.S. loans also include \$193 million or Rs. 92 crores in rail-road equipment, such as diesel locomotives and signalling equipment.

The other half are "non-project assistance" which the Indian Government may use for a wide variety of overseas purchases. The U.S. Government announced an agreement to provide India with 300,000 U.S. bales (375,000 Indian bales) of upland cotton worth about \$47 million (Rs. 22.3 crores). This figure includes some of the cost of ocean transport. The cotton, to be shipped by 30th June, 1964, is to help Indian mills to meet their current requirements of raw cotton and increase the supply of a buffer or working stock, and also to help stabilise the price of raw cotton and cotton goods.

WOOL

Modernisation of Mills

In its report submitted in the middle of December, the team of Australian wool experts has laid considerable emphasis on establishing competitive quality and cost structures by a selective process which will result in the modernisation of those units which are capable of taking advantage of modern wool textile technology. The report, among other things, has suggested that the programme should mainly be confined to the "hard core of competently-managed operations" and should be done with the up-to-date machinery. As for small units, the team has suggested that they could be gradually improved by the small-scale industry with the help of the State and Central Governments. Steps are being taken to carry out the modernisation pro-

CAPITAL, 5th March, 1964.

gramme in relation to the competent-ly-managed bigger units for the present.

YUGOSLAVIA

Aid for Shipyard

Yugoslavia has agreed to assist India in improving the Visakhapatnam shipyard. It has also agreed to supply more ships. The type and number of vessels and the terms of payment will be finalised later. Yugoslavia will also assist India in establishing industries.

Both countries have agreed that in many industries, particularly those where enterprises in both have similar technical collaboration arrangements, it should be possible to produce certain components and parts in such a way as to meet their requirements. Some of the fields in which such mutually profitable co-operation can be undertaken are motor-cars, lorries, tractor components and parts. If this co-operation materialises, it is stated, the production of Fiat cars in India can be greatly increased. Yugoslavia will explore the possibility of importing from India diesel engines, piston rings, shock absorbers, radiators, fuel injection equipment and electrical equipment for motor-cars.

A broad agreement on the exchange of goods has also been arrived at. India will export iron ore, manganese ore, ferro-manganese, jute manufactures, hides and skins (tanned and semi-tanned), chemicals, cattle feed, fish meal, cotton textiles, shellac, seedlac and tobacco. She will import fertilisers, lubricating base oil, non-ferrous metals, mercury, electric equipment and material, machine tools, machinery and complete plants, tractors and agricultural implements, refractories, pig iron and steel, including special steel.

Yugoslavia will also investigate the possibility of importing, on a long-term basis, commodities like lemon-grass oil, sandalwood oil, mica, salt, ilmenite, bauxite, Bengal Deshi, cotton, cigarettes, cheroots, banana and fruits from India.

U.S.A.

Survey by Specialists

A team of three U.S. specialists will be arriving in India shortly to survey the water and land resources of the country and advise the Government of India on the organisation, administration and technical implementation in management, water storage, utilisation and drainage.

The team will review the present policies affecting watershed management, dam construction and the management of water distribution and the drainage system within a watershed. It will inspect representative watershed and catchment areas to determine the adequacy of planning and implementation. It will also assess the ability of the various organisations to undertake the planning and implementation of projects within a watershed. The report of the team will outline comprehensive land and water management requirements to conserve and maximise land and water resources.

The development and protection of soil and water resources will have a direct effect on the rural development programme. India is developing an extensive programme of river valley catchment treatment to protect the watershed of major dams. The programme includes intensive work on soil conservation in sub-catchment on agricultural lands.

The expert team consists of Mr. Ellis Hat, an engineer with wide experience in irrigated agriculture who served in India for two years as

CAPITAL, 5th March, 1964.

Water Use and Soil Conservation Consultant of the Ford Foundation; Mr. Norman Tripp, Assistant Director of the Division of Flood Prevention and River Basin Programme of the United States; and Mr. John Spencer, Consultant to the U.S. Agency for International Development, Washington, Jordan and Brazil.

The team is expected to visit the following ten States: Andhra Pradesh, Bihar, Himachal Pradesh, Madhya Pradesh, Madras, Mysore, Punjab, Rajasthan, Uttar Pradesh and West Bengal. The projects to be studied and reviewed are: Damodar Valley, Machkund, Kundah, Tunga Bhadra, Chambal, Bhakra-Nangal and the Rajasthan Canal. The team is expected to submit its report in about three months.

E.E.C.

Tariff Concessions

It is officially confirmed that the E.E.C. had agreed to grant, unilaterally, with effect from 1st January, 1964, and initially for a period of two years, tariff concessions on some of the items included in the *aide mmoire* which was presented by India to the Commission in April 1963. Tariffs are totally suspended on cardamoms (crushed and uncrushed) coriander (crushed and uncrushed), ginger (including preserved and conserved in sugar), bleached shellac, mango chutney, curry paste and powder, tobacco, seed oil and articles for cricket and polo. Furthermore, there has been a reduction in tariffs on cashew kernels (from 5 percent to 2.5 percent), chillies (from 20 percent to 10 percent), chilli powder (from 25 percent to 12 percent) and castor oil (from 8 percent to 7 percent).

In addition, the import duty on black tea in bulk has been reduced from 26.4 percent (national tariff) to nil and on black tea in packets from 27.9 percent (national tariff) to 5 percent *ad valorem*. How far these reductions in duties on tea will increase tea consumption in France will depend on various factors, such as the extent of the reduction of tariff which is passed on by the tea trade in France to consumers, the incidence of internal taxes, promotional measures adopted to create an image of Indian tea, present consumer habits and promotional measures adopted by other beverages in a country like France which traditionally is in favour of coffee. The Tea Board has, however, started on a promotional campaign for Indian tea in the E.E.C., including France, to create a more vigorous image of Indian tea.

MICA

Regulating Exports

Some explanation is now available for the stoppage of mica exports on a consignment basis. The Government noticed that whereas the total quantity of mica exported from India had been increasing, the total foreign exchange earnings and prices a unit had been declining. The main reasons for this are the following:

(1) Due to internal competition and pressure of foreign buyers, the Indian suppliers were under-cutting prices below reasonable levels.

(2) Exports of mica were generally made on a consignment basis with the result that labourers working in the industry were not often getting their wages regularly because the payment to them depended on the realisation of earnings against sales made on a consignment basis. This, in some cases, was delayed as much as 18 to 24 months from the date of shipping the consignments. Furthermore, consignment sales gave a bargaining ad-

vantage to importers. The latter, taking advantage of the position, sometimes dictated terms which the exporters had no option but to accept. This made the sale of mica very uneconomic with the result that some of the mines had to close down.

(3) Mica waste exports were coming in the way of the export of mica splittings to the detriment of exports and the earning of foreign exchange.

As already reported, the Government has taken the following steps to regulate the export of mica: (a) The export of mica on a consignment basis as also of mica scrap, mica waste and factory cuttings have been banned with effect from 1st February, 1964. (b) Floor prices for certain broadly accepted varieties of splittings have been fixed and their shipments from 15th February, 1964, are allowed, on those floor prices or at higher rates.

GLASS

New Hyderabad Factory

The licensed capacity of the proposed composite glass factory in Hyderabad to be set up with Hungarian collaboration is as follows for the various items:

Name of article	Capacity (annual)
Sheet glass	24 million square feet
Glass bottles	12,000 tons
Glass shells	20 M. pieces, i.e., 900 tons
Glass tubes	900 tons
Crystal glass and glass-ware	1,500 tons

The terms of collaboration are being considered.

RUBBERISED COIR FIBRE

Licences Granted

The following three firms from Kerala have been granted licences for the import of machinery for the production of rubberised coir fibre articles: Fibre Foam (Private) Ltd., Baliaapatam, Basco Enterprises, Bombay, and Associated Rubber and Fibre Industries, Cochin.

TRANSFORMERS

New Kerala Factory

The Kerala State Industrial Development Corporation Ltd. Trivandrum, has been granted a licence under the Industries (Development and Regulation) Act, to set up an industrial undertaking in Ernakulam for the manufacture of transformers in collaboration with Hitachi Ltd of Japan. The foreign company will participate in the issued capital of the proposed undertaking to the extent of 26 percent and will also be paid of 26 percent and technical assistance royalty and charges. The factory is expected to go into production by 1965.

S.T.C.

Trade Delegation to Russia

A trade delegation of the State Trading Corporation headed by its chairman, Mr. B. P. Patel, left for Moscow to negotiate for the supply of 150,000 tons of ammonium sulphate from Russia. It will visit Berlin to negotiate the import of 50,000 tons of fertilisers from East Germany for the current year. Discussions will also be held for the supply of cinema carbons, caustic soda from East Germany and exports of opium and manioc meal to Russia and East Germany. It will also visit Prague for talks with the Chemopol of

Czechoslovakia for the import of chemicals. The chairman of the S.T.C. will also visit the Leipzig Fair.

NEWSPRINT

Imports from Canada

The contract recently signed with Abitibi Sales Co. Ltd, Toronto (Canada) by the State Trading Corporation provides for the sale of about 25,000 metric tons of unglazed newsprint to be supplied between 1st April, 1964, and 31st March, 1965. The minimum quantity which can be supplied as a separate lot is 25 metric tons and the sellers have undertaken to use Indian ships for transporting at least 50 percent of the total tonnage. The current year's requirements of imported newsprint by the newspaper industry are about 120,000 metric tons. Imports are likely to be limited to 90,000 metric tons.

TELEPHONE

Foreign Firm Wins Contract

The Government of India recently announced its decision in Parliament to enter into a contract, subject to a satisfactory settlement of terms, with the Bell Telephone Manufacturing Company, the Belgian subsidiary of the International Telephone and Telegraph Corporation of the U.S.A. for

the purchase of crossbar type of telephone switching equipment as well as its manufacture at the Indian Telephone factory in Bangalore. The Government will import 48,000 lines crossbar switching equipment to be installed in New Delhi, Bombay and Madras at an estimated cost of \$6.5 million to be financed from the World Bank loan extended to India for the development of telecommunication facilities. The plant and equipment for the factory will be designed to manufacture 100,000 lines of crossbar type of telephone switching equipment on a single shift basis and will be financed from the Belgian credit extended to India last year. The factory will have an installed capacity of 150,000 lines a year with the possibility of a second unit of similar capacity being set up in due course. The output will commence with assembly from piece parts and will rise to full production in three to four years. Bell Telephones has won the contract in the face of keen competition from Japan and Sweden.

DEVELOPMENT INSTITUTE

Mr. W. Clark to Visit India

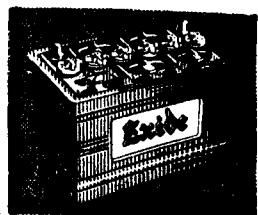
Mr. William Clark, Director of the Overseas Development Institute, London, is to spend a fortnight in India. A former correspondent of the *London Observer* in New Delhi, he is due to arrive in the Indian capital on 11th March.



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PROSPECTS FOR ECONOMIC EXPANSION IN U.K.

(FROM OUR LONDON CORRESPONDENT)

THE Chancellor of the Exchequer has made a number of speeches lately dealing with the economic situation, and they have gone a long way to dispel the anxiety occasioned by the January trade figures. On television the other day, when discussing the subject with Mr. Callaghan, his opposite number in the Labour "shadow" Cabinet, Mr. Maudling listed five reasons why Britain's economy is now better equipped than in 1960 to withstand a balance of payments crisis. The differences, he said, between this time and before are: (1) The country has far greater resources to support sterling; (2) the outer sterling area is in a position of surplus rather than of deficit; (3) the economy is much stronger because of recent investments; (4) there is less scope for expansion in consumer credit and bank advances; and (5) people understand far better than before the fundamental need for an incomes policy and restraint of incomes if exports can be maintained at a high level.

Apparent in all the Chancellor's remarks has been the continued confidence of the Government in the strength of the economy, even though a recurring theme has been a warning against rises in wages and profits, which represent the "major threat." Success in exports and the achievement of the target for steady expansion depend on the acceptance of restraint on incomes. There was no getting away from this simple fact for trade unions or for management. "If trade unions should insist on exploiting their monopoly position to demand with threats of industrial action wage increases or reductions in the working week which outstrip the growth of productivity: if employers should accept these demands with the intention of exploiting the present buoyant home market by passing on the increased costs with interest to the consumer in the form of higher prices, then they will themselves be undermining the prospects of growing prosperity that lie in front of us."

Restraining Demand

How is the outlook viewed in other quarters? The National Institute of Economic and Social Research—an

independent group of economists who have been impassioned advocates of expansionist policies all along—now puts the case for early action to restrain the rise in demand clearly and forcefully. The economy is now moving at great speed. In the absence of Government intervention, the total demand is likely to grow between now and mid-1965 at a rate of 5½ percent a year, or possibly more. Plant capacity is probably adequate for a rise of this order, but the labour supply is clearly not. The right course, therefore, is to begin slowing down now.

Use of Regulator

The Institute is equally clear about the way it thinks this could best be done. It has no faith in monetary measures. Use of the "regulator" would mean pushing up prices and providing the unions with an excuse for bigger wage claims. Government expenditure might be cut; or there could be a phasing out of public sector investment to ease the pressure on resources in the next 18 months. But more than that is needed, and the Institute plumps for a rise in direct personal taxation of around £200 million in the Budget to hold back consumer spending.

The writers of the *Economic Review* are emphatic that this would not mean a return to "stop-go". The adjustment they propose would, they think, still leave real demand rising at 4 percent a year. The way would still be open for further Government action later in the year, either to step up demand again if the measures taken turned out to be too severe, or to reinforce restraint if the economy still seemed to be going too fast. The danger of postponing action is that the country may run into a serious crisis which would require much tougher measures later in the year. The damage to confidence and to long-term growth prospects would then be all the greater.

This is a fair assessment. If anything, the Institute is too optimistic. It assumes that unemployment will not drop below 1.5 percent before the end of this year where already—in what is usually the worst month—it is down to 2 percent. It also

is possibly blunt but nevertheless effective early warning that the economy must not be allowed to get overheated.

Survey of Industrial Opinion

There are two sides also to the latest survey of industrial opinion carried out by the Federation of British Industries. The mood of optimism about business prospects at home and in exports continues unabated. That fits in with all the other evidence. The second result is more unexpected: there are still few signs of shortages or strain. Half the firms replying to the F.B.I. questions were still working below capacity in the ten days ended 4th February when the returns were made. A year ago, 68 percent said they were working below capacity. The lowest figure recorded in these enquiries was 40 percent in June 1960.

Other replies support the impression that the U.K. has not yet reached the stage of general boom. The percentage of those who think that further expansion may be limited mainly by the shortage of plant capacity has risen since October from 12 to 19 and in the case of firms expecting skilled labour shortage to be the more important obstacle from 16 to 19. These figures are still fairly low. Substantial majorities expect employment to increase further and the level of output to go on rising over the next four months. While labour is, on balance, "less easy to get" than it was four months ago, the difficulty has not yet grown acute, to judge from the figures.

F.B.I. statisticians interpreted the results as meaning that the peak of the boom was still a considerable time ahead. On statistical grounds alone, the present point in the trade cycle could be compared very roughly with February 1960, which was between four and eight months before the top of the boom. But comparisons must not be pushed too far. This time public investment will play a much greater part in generating the boom, and no one can tell precisely when this expenditure will come into full flood. The latest enquiry again confirms that private industrial investment is about to rise strongly. For plant and machinery a substantial majority of firms expect to authorise more capital expenditure in the next 12 months than they have done in the past 12.

There is strangely little evidence of movement in stocks. Majorities report rising stocks of raw materials and work in progress, but the shift is not large. Even the expectations for the next four months do not indicate any widespread anxiety to build up stocks.

assumes that exports will rise by 8 percent between the fourth quarter of 1963 and the fourth quarter of 1964, and that the adverse balance of visible trade will be no more than around £55 million in the first half of this year. Already in the last three months, the trade deficit has been running at a far higher rate. In November to January, there was an adverse balance of probably about £100 million. This may turn out to be exceptional: exports, after seeming to flatten, might rise again in the next few months. But it would not be prudent to bank too much on a big revival of exports at this stage.

The case for restraint is sufficient-ly strong on domestic grounds, anyway, even if the balance of payments does not give us worse worries. Almost certainly if demand is left to grow unchecked the country will run up against the limits of labour supply some time in the next year. (Regional policies can at most buy a little more time.) Unless there is a strong incomes policy in force by then, wages will once again begin to push ahead much faster than productivity.

Raising Taxes

But will the Government dare do what the Institute suggests, and put taxes up steeply in an election year? An increase of £200 million in direct taxation (6d on the standard rate) is a tall order politically at any time. The temptation to look for other, less painful remedies, must be strong. One idea that is beginning to be talked about again by economists in responsible places is selective control of imports. This is not the sort of control advocated by Sir Roy Harrod a year or so ago, designed to choke off some of the excessive rise in imports of consumer goods brought on by trade liberalisation. Rather the object would be to moderate the rapid build-up of stocks of industrial materials, which seems to lie behind the latest upsurge in imports.

The City remains as sceptical of such devices as it is cynical about the Government's willingness to risk losing votes by raising taxes. For this reason, Bank rate has been raised by 1 percent to 5 percent. This

SMALLER FIBRE PURCHASE QUOTA ISSUED FOR MARCH

THE Jute Commissioner has announced a purchase quota of 430,000 bales—400,000 bales for the L.J.M.A. mills and 30,000 bales for the rest—for the five-week period ending 4th April. The purchase quota for February was 540,000 bales. With the issue of the latest quota, 6.69 million bales, amounting to 83.62 percent of the season's estimated fibre availability of 8 million bales (including imports and smuggled supplies from Pakistan) will be disposed of, leaving roughly 1.31 million bales with growers and holders. The latest quota is deemed adequate to absorb the approximate daily arrivals of about 40,000 maunds in the terminal markets. The Jute Commissioner, Mr. G. C. L. Jones, stated at a Press conference in Calcutta last Monday that purchase quotas would also be issued in April and May, as was done last year, to help in the disposal of the remainder of the 1963-64 crop. Replying to a question, he said that about 10 percent of the total crop was of inferior quality. In view of the preference of mills for high-grade jute, the Government was exploring the feasibility of importing more long jute and cuttings from Pakistan.

Asked about the crop prospects for the 1964-65 season, the Jute Commissioner said that in view of the steady trend of fibre prices this year and the fair return received by growers, there was every likelihood of a good crop, provided the weather was good. The authorities are optimistic about achieving the third plan target of 8 million bales without affecting the acreage under foodgrains. With the gradual attainment of the target, efforts are being concentrated on improving the quality and yield of the fibre. Fourteen districts have been selected for an intensive "package programme" of jute cultivation. Of these, eight are in West Bengal, three in Assam, two in Bihar and one in Tripura. Two more package schemes are proposed to be taken up. The first will cover the canal-irrigated districts of Cuttack, Balasore, Sambalpur and Puri in Orissa, and the second will cover the Kheri, Sitapur and Bahraich districts of Uttar Pradesh.

A New Product

The Fabric Research Laboratories in Dedham, Massachusetts, have developed a moulding compound named "contourite" from samples supplied by the L.J.M.A., according to Mr. William A. Nugent, the L.J.M.A. representative in New York. The product is a new processed form of jute fibre capable of many end-uses in the U.S.A. It will be put to commercial use by the Contours Unlimited, Inc., Franklin (Mass.) as soon as the trade mark application is sanctioned. The new material, it is claimed, will go into panels and furniture and will be used in building industries, since the laminated surface offers a finish which is durable and impervious to denting and scuffing.

Jute and burlap are now used for manufacturing shells of luggage, radio, and hi-fi cabinets and musical instrument cases. Jute products have been facing stiff competition from synthetic fibre, glass fibre, plastic sheets and light weight of processed jute have helped jute goods to meet a sizable part of the demand. In spite of this U.S.A. have been steadily rising and the consumption in 1963 was an all-time peak for postwar years. With

the development of new processes and the evolution of newer uses, the consumption is expected to rise further, according to Mr. Nugent.

Shippers to Tour Africa

A four-man delegation of jute goods shippers will shortly visit countries in northern and western Africa. Led by Mr. N. L. Kanoria, the team will tour these countries for about four weeks to explore the prospects of stimulating the consumption of jute goods. India's annual exports to these markets average 110,000 tonnes, valued at around Rs. 17 crores. Calcutta shippers feel that despite Pakistani competition, there is considerable scope for expanding the market for Indian gunnies, provided effective steps are taken to inform consumers of the merits of Indian goods.

THE JUTE MARKETS

Manufactured Goods: Barring small enquiries from the U.S.A. and the Argentine for ready hessian, and scattered Indian Government tenders for B Twills for the near positions, interest was lacking in the Calcutta gunny market during the past week. Towards midweek, shipper covering against end-of-month bookings caused a marginal improvement. But sentiment deteriorated with the emergence of a large number of mills as keen sellers for all positions. As a result, the earlier gains were partially erased at the close. Reports of a further deterioration in Calcutta port due to the dearth of lighters for loading, and a serious cut in drafts forcing some export vessels to shut out cargo, depressed the market. Shippers and overseas buyers were notified of the likelihood of delays in shipment due to these factors. In the futures market, last-minute covering against due-date transactions helped a minor rally earlier in the week. But prices eased after Monday on reports of a weak trend in the spot market combined with sizable bull liquidation and even some bear-selling. The market closed with a small gain, on balance, over the previous week's closing levels in both hessian and sacking. The fluctuations were moderate in the former and wide in the latter, and the undertone was quietly steady at the close.

Wednesday's quotations were as follows:

	Mar.	Apr.	July.	Oct.
	June	Sept.	Dec.	
40in. 7½oz.	34.55	34.55	34.45	34.30
40in. 8oz.	37.15	—	—	—
40in. 10oz.	46.05	46.30	46.30	46.05
B Twills	111.20	112.15	112.75	112.50
Corn sacks	115.90	115.10	115.65	115.40
Heavy Coes (Plain)	111.50	111.65	112.25	112.65
A Twills	135.50	135.25	135.00	135.50
Liverpools	127.00	127.00	127.00	127.00

Raw Jute: Easy conditions prevailed in the raw jute market during the past week. The Calcutta market was dull due to the absence of mill interest. In the upcountry agencies too, mill agents were virtually inactive. The daily arrivals, mainly of low-grade fibre, had declined to around 40,000 maunds. Holders seemed to be worried over their offgrade stocks and were inclined to discount prices to around the official floor levels. The February purchase quota of 540,000 bales was duly lifted by the mills. For the five-week period end-

ing 4th April, the Jute Commissioner issued a fresh quota of 430,000 bales. But it failed to tone up the market. Transactions were of a routine nature in selected grades, generally for long positions in the secondary markets around previous levels. Fluctuations were narrow. In the futures market, Upper Assam White Bottoms June suffered a mild reaction after moving within a narrow groove. The earlier firmness induced by brisk short-covering could not be maintained due to large-scale profit-taking. Turnover was moderate and the undertone hesitant at the close.

Wednesday's quotations were as follows:

	Landed at Mills (Basic Bottoms)		T.S.D. Minimum Price	
	Current Prices			
	Rs. A Qtl.	Rs. A Md.	Rs. A Qtl.	Rs. A Md.
Assam-Agartala Jute	80.38	30.00	80.38	30.00
Northern Jute	79.04	29.50	79.04	29.50
Western Desal Jute	73.68	27.50	73.68	27.50
Selected Daissee	88.41	33.00	85.74	32.00
Assam-Agartala Tossa	85.74	32.00	82.05	31.00
Mesta : Assam-				
Northern	66.98	25.00	72.34	27.00
Local Daissee	66.98	25.00	72.34	27.00
Bihar Dist.	61.62	23.00	66.98	25.00

THE U.K. JUTE MARKETS FAIR BUYING IN FIBRE

(FROM OUR DUNDEE CORRESPONDENT)

THE raw jute market in Pakistan, is firm and sellers of white jute have shown a tendency to raise their prices. Imports of loose jute from uncountried areas are small but at the same time there is no large demand from any overseas country.

Dundee spinners have been buying fairly steadily, and this should continue for some time. The quantity of jute available ex warehouse, Dundee, is now small and more interest is being shown for shipment parcels. Dundee spinners, it is estimated, have still to buy about 200,000 bales from the present crop.

Offers being made here are irregular and business does not always take place at the lowest quoted rates. Spinners are selective in their buying because of the irregularity in quality this season. Offers are lowest at £148 for Mill Firsts, at £110 10s for Mill Lightnings, at £96 for Mill Hearts, and at £82 10s for Grade Tossa-2/3. Offers for February-March shipment. Grade Tossa-2/3 is still available to a limited extent at £124 10s and Grade Tossa-4 at £108. Dacca Tossa-5 is offered at £135 10s and Dacca Tossa-6 at £108 10s. There are sellers of Outport Tossa-2/3 at £94 15s and of Outport Tossa-4 at £84 10s, for February-March shipment.

The E.P.C. values of cuttings were recently raised by £1 a ton and very few offers are now being made. S.N.C. is quoted at £62 and N.C. at £53, c.i.f. U.K. The official prices of cut ropes, S.M.R. and H.J.R. were also raised by £1. Mesta is firm, and offers are rather scarce.

ALLAHABAD BANK NOMINEES LIMITED

REPORT OF THE DIRECTORS

The Directors submit their Report and Accounts for 1963.

The Company had neither any income nor any expenditure during the year and all out-of-pocket expenses have been borne by Allahabad Bank, Limited.

Mr. Malise Julian Maclaren resigned from the Board of Directors with effect from the 17th April, 1963, upon his retirement from India.

Sri Sri Narain Mehrotra was appointed a Director under Article 51 with effect from the 26th April, 1963.

Under Article 55, Mr. W. Smith retires from office by rotation but is eligible for re-election.

The Auditors, Messrs. A. F. Ferguson & Co., retire and offer themselves for re-appointment.

Calcutta : 19th February, 1964.

J. RITCHIE,
W. SMITH,
SRINARAIN,
LOKNATH.

Directors

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER, 1963

	1963	1962		1963	1962
	Rs.	Rs.		Rs.	Rs.
Expenditure	Nil	Nil	Income	Nil	Nil
BALANCE SHEET AS AT 31ST DECEMBER, 1963					
LIABILITIES	1963	1962	ASSETS	1963	1962
	Rs.	Rs.		Rs.	Rs.
Share Capital :			Current Assets :		
Authorized, issued and subscribed : 50 Ordinary Shares of Rs. 100 each, fully paid in cash	5,000	5,000	Deposited with Allahabad Bank, Limited	5,000	5,000
	5,000	5,000		5,000	5,000

J. RITCHIE,
W. SMITH,
SRINARAIN,
LOKNATH.

Directors

REPORT OF THE AUDITORS TO THE SHAREHOLDERS

We have audited the attached Balance Sheet of Allahabad Bank Nominees Limited as at 31st December, 1963 and also the attached Profit & Loss Account of the Company for the year ended on that date, and report that:

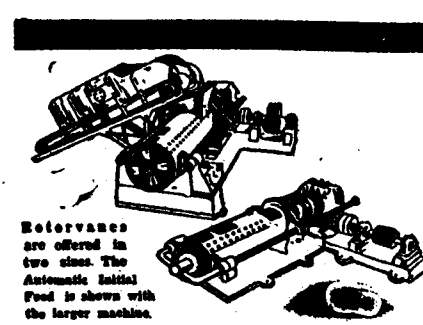
- (1) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (2) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of the books;
- (3) the Balance Sheet and Profit & Loss Account dealt with by the report are in agreement with the books of account;
- (4) in our opinion and to the best of our information and according to the explanations given to us, the accounts give the information required by the Companies Act 1956, in the manner so required and give a true and fair view:
 - (a) in the case of the Balance Sheet, of the state of the affairs of the Company as at 31st December, 1963; and
 - (b) in the case of the Profit & Loss Account, of the profit/loss for the year ended on that date.

Calcutta : 20th February, 1964.

A. F. FERGUSON & CO.,
Chartered Accountants.

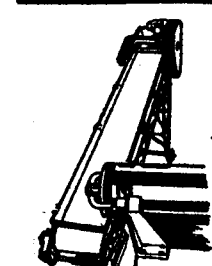
Rotorvanes

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MECHANIZED
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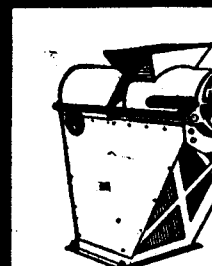


Growing good tea isn't enough. You have to show quality after manufacture—and at an economical cost! The key of course lies in mechanizing to a continuous system of manufacture.

THE McTEAR ROTORVANE CONTINUOUS TEA ROLLER gives you the stronger liquors and briskness that buyers are now looking for. Add to this negligible expenditure on spares and small power consumption and you have the machine which you have long been waiting for. The Rotorvane will help you make good tea.



The Portable Intermediate Roll machine is very fast to assemble. Rotorvane or to a Ball Breaker.



The Rotorvane Ball Breaker and Aerating Machine.

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AIDS TO INCREASING TEA EXPORTS

(FROM OUR SOUTH INDIAN CORRESPONDENT)

INDIA'S tea export trade is improving in spite of a stagnation in production and this, in the opinion of the Tea Board chairman, is largely due to the rationalisation of the physical structure of the exports. In 1963, India exported 493 million lbs of tea valued at Rs. 132.4 crores, and this was the highest for the past five years. This was in spite of the fact that production was smaller in 1963. The 1963 crop of 752 million lbs was as much as 30 million lbs down, when compared with the 1961 output.

The Tea Board chairman, Mr. A. S. Bam, claimed while talking to news-

men in Ernakulam recently that the increase in exports was due to the rationalisation of the physical structure of India's exports. The export duty on tea which had existed since January 1948 was totally abolished last year. Earlier the export duty had been reduced from 44nP to 24nP. Besides, the exporters enjoyed a refund of zonal export duty of 15nP a kilogram at the point of export. Therefore, the overall benefit accruing to exporters on this head was 34nP a kilogram of exported tea in 1962-63. He pointed out that thus for the first time in the history of the tea trade in India, both inter-

nal and export teas were subject to the same amount of duty. Up to now, export tea was at a disadvantage because it had to bear the internal as well as the export levies. Trade circles, Mr. Bam claimed, appreciated this gesture on the part of the Government in abolishing the export duty.

The chairman said that production in south India amounted to over 190 million lbs, and this was the highest on record. South Indian output had been going up steadily, although the country's overall production last year and the year before was maintained more or less at the same level. This was due to unfavourable weather conditions in north India where 75 percent of the country's tea was produced. He said Cochin's share in the country's tea export trade also had been on the increase. Last year, tea exports through Cochin reached 44 million kilograms, valued over Rs. 30 crores. The chairman said that the tea traders in Cochin had

CAPITAL, 5th March, 1964.

told him that they were experiencing several handicaps and one of them was the incidence of the sales tax of the Kerala Government on tea exports. The traders argued that if at all there was to be such a levy on export tea, it should be confined to a single point. Another suggestion put forward was that the tea industry should have the facility of bonded warehouses. These points would engage the Tea Board's attention soon, the chairman said.

Mr. Bam said that the Board was fully conscious of the competition posed to Indian tea by Ceylon, Indonesia and such producers abroad. The Board was prepared to render all possible assistance to the gardens to produce more tea and the trade to export more tea. The Board had been extending to producers loans on easy terms for the purchase of equipment and renovation of machinery, increasing the area under cultivation, etcetera. The Board had also evolved a scheme whereby

CAPITAL, 5th March, 1964.

planters could obtain additional advances based *pari passu* on the securities already lodged by them with banks against earlier loans received by them. The Board was always anxious to help exporters in this country, and would be prepared to extend whatever concessions were possible whenever the need arose, he added.

Speaking of promotional activities on the part of the Tea Board, Mr. Bam said its annual expenditure on this head was steadily going up. Last year, it spent Rs. 35 lakhs and this year, the provision was Rs. 60 lakhs. This might go up further in 1964-65, he said. The Board was trying not only for expanding the internal consumption of tea, but also for finding new markets for Indian tea abroad. He mentioned the promotional activities in the U.K., the U.S.A., the Continent, Australia, Egypt, etcetera, in this connection. The Board had opened tea centres in these countries. It was operating mobile vans in Jeddah, Mecca and the U.A.R. The Board would be sending its vans shortly to Afghanistan and Sudan also, he added.

Offerings at Cochin Auctions

A Special Correspondent writes: Cochin is developing as a tea auction and export centre. South India produced 194 million lbs last year of which about 44 million kilograms were exported through Cochin. The chairman of the Indian Tea Board at a recent meeting in south India said that the quantity of teas coming to the Cochin auction was progressively increasing year after year. About 30 million kilograms of tea were offered in the Cochin auction last year, compared with 24.5 million kilograms in 1962 and 22.4 million kilograms in 1961. He remarked that the Tea Board was now stepping up its foreign promotional activities with a view to developing not only the conventional markets, but also exploring new markets for Indian tea.

The tea industry was today a well organised and well-regulated industry employing over 1 million persons. Mr. Bam said that the Tea Board would take all correctional steps with a view to giving export relief and rationalising the fiscal structure in order to help the tea industry to export more.

He pointed out that India was trying to step up her market for tea in west Asian countries. The Tea Board had opened tea centres in Cairo, Edinburgh and Dublin, and it was proposed to open a tea centre in London and another in Sydney shortly. India exported 493 million lbs of tea and earned foreign exchange worth Rs. 132.4 crores in 1963. This was the highest export performance in the last five years, both in terms of foreign exchange and the volume of exports, he said.

The findings of the Bonus Commission are said to be unfavourable to plantation interests, who had drawn attention to some inherent characteristics which are absent from working conditions in urban industries, and it was expected the Commission would take due note of the differing circumstances. But from a perusal of the advance summary, it is feared the point has been ignored. As the Commission has stated "there is no reason for recommending exemption of plantation industries".

It may be noted that in its questionnaire, the Commission asked every industry to state special features for consideration, and plantation managements cited a number of them pertaining to agricultural work such as weather, soil, pests, disease and differences of location, terrain, types of trees, bushes, also wide varieties of yields, temperatures and

such important points where agriculture and its difficulties differ from industrial and urban working. Even under fiscal laws, agriculture and industry are treated differently. Rehabilitation is needed on many plantations, and it was urged that prior charges calculated on the replacement value of assets in respect of buildings, plant, machinery, etcetera, should also cover expenditure on rehabilitation of planted areas. For that is where the revenue comes from, and it is essential to secure an adequate return on all capital employed (not only on the original invested capital). It is understood that these representations have been ignored.

The Commission recommends a return an equity capital of 7 percent and only 4 percent on working capital. The planting industry had asked for 10 percent minimum. With debentures yielding 7 percent and preference issues giving 9.3 percent, further comment is unnecessary.

Competition for U.K. Market

Individual campaigns are being waged by Indian and ceylonese interests to secure more of the U.K. tea market, and Ceylon seems to be out to offer a "better product packed in a more attractive cover". The Ceylon Tea Centre is reported to be against price cutting which results in inferior blends, but, if producers and distributors let tea slide down to being a cheap beverage, no amount of advertising will haul it up again. It must be noted that these recommendations come from Ceylon, not the big U.K. blenders. What they are doing to capture new markets remains unanswered.

Tea business with U.S.A. has become more dynamic, and the outlook is considered healthy. Contrary to London, it is claimed that the future for tea in the U.S.A. is good because of three product innovations, namely, iced tea, tea bags and cold water soluble instant tea.

Mr. Geo N. Witt, president, Tea Association, U.S.A., asks, "What's new? What will be the next innovation—some kind of a product change is a certainty. How else can tea stay competitive?" As it has been a marketable commodity in world markets for 200 years, this certainty of change is a new line of reasoning. Iced tea has increased the demand and now that instant tea is on the market, further advances are hoped for. Mr. Witt points out that tea competes with beer, wine, whisky, milk, cola, fruit and vegetable drinks as well as coffee and the cost of advertising may be \$40 to \$1 against tea. But tea has two important points—low calories and economy. The first affects the waist line and the second the pocket. And tea still has, with flavour, lightness, iced, it is a good thirst quencher, wholesome and thanks to tea bags and instant tea, it is convenient to prepare. Furthermore, over the years prices have kept reasonably stable. In the U.S.A., with assured supplies and quality at stable prices, tea must be made available everywhere in forms that the people want and at prices that would keep it competitive.

Tea has been doing fairly well for over a decade, but progress is only at the 2 to 3 percent mark. In view of the strong competition, however, in the U.S.A., tea sales have made satisfactory progress. Mr. Witt concludes, "How far and how fast we continue to move, no one can say. I personally feel that it depends on ideas, research, experiment and the eventual answer to the question: what's new?"

The dust auctions held in Calcutta last week resulted in further irregular prices. Considering the lighter crop to come under the hammer,

growers appear to be hurrying sales as offerings are not far short of 100,000 packages a week. Lower prices are also reported from Cochin, although in that market, quality teas have fetched full prices. South India is going ahead as that area now accounts for over a quarter of this country's production. During the past 10 years, progress has been marked and the south reaps the advantage from two monsoons.

COCONUT

Output Increases

According to the Chief Minister of Kerala, coconut which claims the biggest share in the State's agricultural income, registered an increase in production to the tune of 58 million nuts in 1963 over the previous year's. He made this claim in his Budget speech on 28th February. Almost 70 percent of India's coconut output is from Kerala. According to an estimate of the State Government there were 1,247,000 acres under coconut cultivation in Kerala in 1961-62. Production that year was to the tune of 3,247 million nuts. Production in 1962-63 is estimated at 3,305 million nuts. India is not self-sufficient in coconut. She has to import large quantities of copra and coconut oil from countries like Ceylon. In 1962-63, Rs. 10 crores was to be spent on the import of copra and coconut oil.

Coconut provides the raw material for the coir industry which supports a large number of people in Kerala, and earns foreign exchange to the tune of over Rs. 10 crores annually. As a matter of fact, coir and coir products valued at about Rs. 12 crores were exported from India in 1963. There has been a certain amount of stagnation in coir exports over the past few years, and this is said to be mainly due to the ruling high prices. According to the Kerala Government, the basic cause of high prices and stagnant trade is the continued use of traditional methods of production and the insufficient endeavour to find diversified uses for husks. The Coir Board is sponsoring some schemes for modernising and diversifying the production and manufacture of coir goods. The panel for coir and coir manufactures of the Government of India has recommended the release of necessary foreign exchange for the phased mechanisation of the coir matting sector.

RUBBER

Production Up

Rubber, which is another important crop of Kerala, registered a sharp improvement in 1963. Out of the 361,000 acres under rubber cultivation in India 340,000 acres representing 94 percent of the total is in Kerala. Kerala accounts for 90 percent of the country's production of natural rubber. The Chief Minister, Mr. Sankar, said in his Budget speech that among the plantation crops of Kerala, rubber has recorded the maximum increase in output. Its production increased by about 16 percent compared with 1961-62. Rubber is an important industrial raw material whose production in the country is very much short of demand.

It is said in one of the budget papers that the average yield of rubber in Kerala is only a little more than half of the yield in neighbouring Madras State. The average yield from each acre in Kerala increased from 141 kilograms to 143 kilograms during the second plan period, whereas in Madras it increased from 203 kilograms to 250 kilograms during the

same period. During the first two years of the current plan period, the progress was even faster in Madras where the yield from each acre rose up to 280 kilograms by 1962-63 and the Kerala average to 150 kilograms. The slow pace of development in Kerala is attributed largely to the higher proportion of small and uneconomic holdings in this State. About two-thirds of the area under rubber in Kerala are in the holdings of less than 50 acres, whereas in Madras only one-third of the areas in small holdings of the above size. The average size of a holding in Kerala is only 3.28 acres, while the minimum size for a unit to be economic is 5 acres.

The decontrol of rubber has not so far resulted in any rise in the price of this commodity, which is said to be in short supply in India. It is said that consumers are now organising themselves to meet a situation in which prices would shoot up if there is any hectic buying of rubber. The tyre manufacturers are reported to have set up a purchasing organisation of their own since the decontrol, they have not been in the market and are said to be operating by running down their buffer stocks which normally consisted of three to four months' consumption. Other rubber goods manufacturers are also said to be doing like this. It is emphasised that this is done not with a view to depriving the producer of a higher price, but to see that the consumer gets his rubber at reasonable prices. Tyre manufacturers who take as much as 65 percent to 70 percent of the production are in a strong bargaining position.

LEMONGRASS OIL

Liquidating Stocks

The State Trading Corporation has recently completed arrangements for liquidating the lemongrass oil stocks, which it bought under the price support scheme of the Government of India. There was a big stock estimated at between 800 tons and 1,000 tons with the S.T.C. and the export trade in the country was urging its speedy liquidation even if it amounted to a loss to the corporation because there was the danger of lemongrass oil in stock losing quality due to aging and this stock hanging over the market and depressing the price of the new season's crop. According to the S.T.C. sources, the corporation had to give a discount of about 20 percent over the purchase price to the foreign buyers who had agreed to take this oil from the Corporation. It entered the market towards the middle of last year on the instructions of the Central Government and brought lemongrass oil from producers at the floor price fixed by the Government. The S.T.C. had to be sent to the market in view of the unwillingness of the regular trade to pay to the producers the floor price fixed by the Government. The floor price was Rs. 137.50 to 147.50 a 10 kilograms depending on variations in quality.

The new season is to begin by May in Kerala, where almost the entire Indian crop is produced. In the meanwhile, the small carry-over from the last season's crop is going in for prices at around Rs. 100 a 10 kilograms since the S.T.C. had stopped its purchase programme under the price support scheme. The export trade has been urging the Central Government to revise the floor price downward to the level of the international price and if possible to abandon the system of price control in order to enable the export trade to compete with rivals like China and Guatemala in the world market.

LIC DECLARES HIGHER BONUS

WHOLE LIFE ASSURANCES

Rs. 17 • 50
per thousand per annum

ENDOWMENT ASSURANCES

Rs. 14 • 00
per thousand per annum

4TH VALUATION RESULTS

Life Insurance
Corporation
of India



The Life Insurance Corporation has pleasure in declaring the rates of bonus as a result of the fourth Valuation of its liabilities and assets as at 31st March 1963. These bonus rates are applicable to with-profits policies issued by the Corporation and which were in force for full sum assured as at the date of Valuation.

The total sums assured and bonuses under 94,93,033 policies in force on the date of the Valuation amounted to Rs. 3,166 crores, and the total amount payable under 10,303 Life Annuities was Rs. 1,05,13,117 per annum. Out of the total profits available for distribution amounting to Rs. 26.71 crores, a sum of Rs. 25.39 crores has been utilised for allotting bonuses to the policyholders. Government's share of surplus amounted to Rs. 1.32 crores.

The rates of bonus on with-profits Policies of the erstwhile Insurers are governed by the Life Insurance Corporation of India (Classification of Policies for Differential Bonuses) Regulations, 1961 and these have been similarly increased, wherever applicable.

All Policies entitled to participate in profits on the Valuation date are eligible for :-

- Two years' bonus—If the Policy was effected in the months January to March of any year prior to 1.1.1963.
- One year's bonus—If the Policy was effected between 1.1.1963 and 31.3.1963 or in the months April to December of any year prior to 1.1.1963.

Bonus intimations in respect of the fourth Valuation will be sent out to the policyholders as soon as possible.

"CAPITAL" STOCK AND SHARE LIST

THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

Official quotations of the Calcutta Bombay Madras London Stock
Exchange Associations and other sources
Figures given after stroke (/) mean Naye Paise.

Wednesday, 4th March, 1964.

CAPITAL, 5th March, 1964.

JOINT STOCK COMPANIES' DEBENTURES

Amount Authorised	Amount Outstanding	Rate of Interest per cent	NAME OF COMPANIES	Year of Issue	MARKET PRICE 4-3-64	25-2-64	A year ago	Interest payable	Principal Repayable	Remarks
Ra.	Ra.									
(CALCUTTA)										
COAL										
80,00,000	60,00,000	6 1/2	Bengal	1961	98/00	98/00	99/00	1st May 1st Nov.	31-10-75	(X)
30,00,000	30,00,000	6	Bharat Collieries	1944	90/00	90/00	90/00	30th April 31st Oct.	30-6-64	(G*)
30,00,000	20,00,000	4 1/2	Burrakur	1947	82/50	85/00	85/00	30th June 31st Dec.	30-6-67	(G*)
50,00,000	50,00,000	5 1/2	Equitable	1953	98/00	98/00	100/00	1st July 1st Jan.	14-12-68	(R*)
COTTON MILL										
4,00,000	4,00,000	6	Bengal Nagpur	1937	80/00	80/00	85/00	10th May 10th Nov.	15-11-66	(I)
JUTE MILLS										
15,00,000	12,00,000	5 1/2	Agarpara	1939	91/00	91/00	92/00	1st Oct 1st April	31-3-69	(F)
15,00,000	15,00,000	4	Auckland	1945	90/00	90/00	91/00	30th June 31st Dec.	31-12-64	(F)
9,00,000	9,00,000	4	Alexandra	1939	93/00	93/00	95/50	30th June 31st Dec.	30-6-69	(G)
10,00,000	10,00,000	5 1/2	Banga (2nd Mortgage)	1940	95/50	95/50	98/50	30th June 31st Dec.	30-6-65	(G)
12,00,000	10,00,000	5 1/2	Chitavalah	1951	90/00	90/00	88/50	30th June 31st Dec.	30-6-66	(G*)
25,00,000	10,00,000	5	Dalhousie	1954	89/25	89/25	90/00	31st March 30th Sept	31-3-69	(G*)
10,00,000	17,73,000	5 1/2	Empire	1951	98/00	98/00	90/00	15th Jan 15th July	15-7-66	(G*)
25,00,000	8,87,000	5	Fort Gloster	1952	98/00	98/00	98/00	31st March 30th Sept	30-9-66	(G*)
30,00,000	30,00,000	5	Howrah	1955	93/00	92/50	92/50	31st March 30th Sept	31-3-70	(N)
25,00,000	25,00,000	5	Kinnison	1949	93/00	93/00	90/00	30th June 31st Dec.	31-12-64	(F*)
25,00,000	12,04,000	5 1/2	Kamrath	1953	87/50	87/50	89/00	30th June 31st Dec.	30-6-70	(G*)
25,00,000	25,00,000	5 1/2	Nahai	1952	86/00	86/00	92/00	30th June 31st Dec.	31-3-67	(F*)
5,00,000	5,00,000	5 1/2	Nellimaria	1939	92/00	92/00	92/00	14th Nov 14th May	31-12-64	(D)
25,00,000	20,00,000	4	Northbrook	1945	90/00	90/00	81/00	30th June 31st Dec.	31-12-64	(B)
25,00,000	25,00,000	5	Reliance	1950	95/50	95/50	95/50	31st March 30th Sept	30-6-65	(M*)
10,00,000	12,00,000	5 1/2	Union	1957	90/00	90/00	80/00	31st Jan. 31st July	31-7-72	(F)
10,00,000	10,00,000	6 1/2	Waverley	1953	90/00	90/00	80/00	31st Jan. 31st July	31-7-72	(F)
MISCELLANEOUS										
80,00,000	18,80,000	4 1/2	Associated Hotels of India	1948	85/00	85/00	85/00	1st Jan 1st July	31-12-62	(V)
10,00,000	9,96,000	7	Aluminium Corporation of India Ltd	1948	92/00	92/00	92/00	1st Jan 1st July	31-12-65	(U)
5,00,000	5,00,000	4 1/2	Bareilly Electric Supply Co Ltd	1949	93/00	93/00	93/00	30th June 31st Dec.	31-12-64	(M*)
12,00,000	12,00,000	4 1/2	Benares Elec Ltd & Power Co Ltd	1949	93/00	93/00	90/00	30th June 31st Dec.	31-12-64	(M*)
1,00,00,000	12,00,000	4 1/2	Buckingham & Carnatic Co Ltd.	1952	100/00	100/00	100/00	1st April 1st Oct	1-3-72	(T*)
5,00,000	90,00,000	5	Britannia Engineering	1945	94/00	94/00	94/00	30th June 31st Dec.	31-12-69	(G)
5,00,000	5,00,000	5 1/2	Burmah Shell Refineries Ltd	1954	93/25	92/75	92/75	1st March 1st Sept	1-9-69	(K*)
2,66,00,000	8,00,00,000	5 1/2	Calcutta Electric Supply Corporation	1950	90/75	90/75	95/25	1st Jan 1st July	1-1-70	(F)
2,66,00,000	2,32,89,400	5	Calcutta Electric Supply Corporation	1950	86/00	86/00	86/00	1st Jan 1st July	1-1-70	(F)
2,25,00,000	2,19,77,88	5	Calcutta Tramways	1953	87/40	87/40	87/40	1st April 1st Oct	1-10-74	(Y)
19,50,000	17,50,000	4	Calcutta Tramways	1938	98/00	98/00	98/00	1st June 1st Oct	1-6-63	(G)
1,50,00,000	2,46,00,000	7	Carew & Co (2nd Mortgage)	1941	95/00	95/00	95/00	1st March 1st Sept	28-2-70	(I)
21,00,000	21,00,000	6 1/2	Chowringhee Properties	1915	85/00N	85/00N	85/00N	1st Feb 1st August	1-2-64	(F)
26,00,000	10,69,000	5	Chowringhee Properties	1945	90/00	90/00	80/00	1st Feb 1st August	1-2-64	(F)
25,00,000	15,03,000	4 1/2	Clive Buildings	1936	82/00	82/00	82/00	1st July 1st Jan	1-7-68	(A)
1,00,00,000	1,00,00,000	4 1/2	Daimia Cement	1946	86/00	86/00	86/00	31st March 30th Sept	1970	(G)
1,00,00,000	1,04,55,000	6 1/2	Dunlop Rubber Co (I) Ltd.	1950	100/25	100/25	101/00	1st Jan 1st July	1-1-73	(F*)
1,00,00,000	1,00,00,000	6 1/2	Dunlop Rubber Co (II) Ltd.	1958	100/25	100/25	101/00	1st Jan 1st July	1-1-73	(F*)
1,00,00,000	91,80,000	5 1/2	Indian Cable Co Ltd	1954	98/00	98/00	98/00	1st Jan 1st July	30-6-69	(F*)
20,00,000	20,00,000	5 1/2	Kumardhru Electric & Silica Works	1954	92/00	92/00	92/00	31st Dec	31-12-69	(D*)
10,00,000	10,00,000	4	Kumardhru Engineering Works Ltd	1946	90/00	90/00	94/00	31st May 30th Nov	31-5-71	(O)
45,00,000	45,00,000	4	Katania Lala Bazar Railway	1945	95/00	95/00	95/00	30th June 31st Dec.	31-12-74	(F)
1,00,00,000	39,70,000	5	McLennan & Co Ltd (Con Notes)	1947	85/50	85/50	85/50	1st April 1st Oct	1-4-71	(F*)
13,00,000	74,75,000	5	Macneil & Barry Ltd	1951	87/00	87/00	82/00	30th June 31st Dec.	30-6-68	(S)
30,00,000	12,00,000	4	National Tobacco Co India Ltd.	1949	93/00	93/00	90/00	31st May 30th Nov	1-12-64	(V)
1,00,00,000	20,00,000	6	Patna Electric Supply Co Ltd.	1946	96/00	96/00	96/00	30th June 31st Dec.	31-12-69	(F*)
4,00,00,000	50,50,000	6	Rajshahi Industries Ltd	1953	93/25	94/00	94/00	1st May 1st Nov.	1-5-68	(H)
10,00,000	10,00,000	5 1/2	Esso Standard Ltd	1944	96/00	96/00	95/00	Jan & July	15-7-68	(F*)
2,90,000	2,90,000	4	Shree Jona Paper Mills Ltd.	1945	91/00	91/00	91/00	1st Jan 1st July	30-6-76	(F*)
15,00,000	11,40,000	5	Shahdara (Delhi) Saharanpur Rly.	1951	93/00	93/00	90/00	1st Jan 1st July	31-12-64	(F*)
30,00,000	30,00,000	4 1/2	Silva Thermal	1949	93/00	93/00	90/00	31st March 30th Sept	31-12-64	(F*)
2,50,000	2,50,000	6	Baitakhal	1943	95/00	95/00	95/00	30th June 31st Dec.	1-7-63	(F)
(BOMBAY)										
1,80,00,000	98,28,000	4	Andhra Valley Power Supply	1940	98/50	98/50	98/50	1st April 1st Oct.	1952	(F)
90,00,000	50,00,000	4	Tata Power	1941	98/00	98/00	98/00	..	1951-55	(F)

(Continued from foot of previous page)

These notes refer to the Debentures on the next page.

Option to repay at par on 5 months notice—

- (a) Option to extend the redemption period for further 10 years
(b) at any time after 1-1-61.
(c) on or after 1-1-61.
(d) option to redeem at 2 1/2% Prem. after 14-5-64 and before 15-5-64.

Option to repay on 5 months notice—

- (1) at any time after 30-6-61 at 10 1/2%.
(2) at 10 1/2% between 1-1-61 & 31-12-64.
(3) at 10 1/2% after 30-6-64 but before 30-6-64.

Option to repay on 3 months notice—

- (1) at any time at 3% Premium.
(2) at 1% Prem. after 1-3-64 but before 1-3-67 and 1% Prem. on or after 1-3-67.
(3) at any time at par.

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

- (m) redeemable at 103% on 31-12-64 with option to redeem on any interest date at same premium after 30-6-64.
(n) at any time on two months notice—

- (o) to be redeemed at a premium of 10% i.e. 10.00 to be redeemed annually by drawing on 3 months notice with option to redeem all after 5 years from date of issue on 5 months notice. Option not exercised repayment to be made after full term.

Option to repay

- (p) at par after September 1960.
(q) at par on or after 1-12-64.
(r) with option to redeem at 101% after 10 years or at 100 1/2% after 12 years.

- (s) Ra. 100,000 to be redeemed annually by drawing from 1-6-61 with option to redeem at 100 1/2% between 1-6-61 to 1-6-64 and at 101% afterwards.
(t) with option to redeem at 101% after 10 years or at 100 1/2% after 12 years.

- (u) with option to redeem all or any of the Debts at 101% at any time after 31-3-64 and at 100 1/2% at any time after 31-3-64.

- (v) Ra. 80,000 are being redeemed annually repayment of Debentures commencing serially from No. 1 to No. 80 on 31-12-68.

- (w) Redeemable at any time at a per cent premium (a) on 3 months notice by the Company or (b) in the event of the security becoming enforceable or at par if the Corporation of Calcutta or Howrah purchase the undertaking on 1st January 1945 or every seventh year thereafter.

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

- (y) Redeemable (a) at 102% on 1st October 1974 or in the event of voluntary liquidation of the undertaking being purchased or (b) at 102% at any time after 31st March 1962 on 3 months notice from the Co. (c) also redeemable out of a sinking fund (commencing in 1938) by drawing at 102% or purchase at or under 102%.

- (z) Also redeemable out of a cumulative sinking fund of 1 1/2% per annum commencing in 1945 by purchase at any price less than par or by annual drawing at par.

- (H) May be redeemed at a premium of Ra. 20/- per debenture (i.e. 2%) if redeemed earlier than 31st Dec. 1955 on 3 months notice.

- (I) The Company has option to repay all or any at par by giving notice for 3 months expiring on any interest date after 30th Sept. 1955. At any time on or after 1st Oct. 1957 the holders may convert each note of Ra. 500/- into 25 ordinary shares to take effect on 1st Oct. in each year on giving 15 days' notice prior to such day.

- (J) May be redeemed at 101% at any time after 31st March 1963 and at 104% on any time after 31st March 1965.

- (K) Ra. 1,00,00,000 Debentures will be redeemed at par annually by drawing from 1-6-65. Any Debenture outstanding on 1-6-65 will be redeemed on that date with option to redeem all Debentures at 101% on 1-6-64.

- (L) Any time on months notice.
(M) At par in September 1960.
(N) May be redeemed at the end of 1965 or thereafter at 101%.

- (O) Option to repay at par on or after 31st May 1961.
(P) These Debentures are registered and are transferable by transfer deeds.

- (F) Redeemable at par on 31st Dec. 1972 with option to redeem at par at any time on 6 months notice after 30th June 1968. At any time after 31st Dec. 1948 each note of Ra. 500/- may be converted into two ordinary shares of Ra. 100/- each ranking for dividend from 1st January following.

- (Q) With option to redeem annually Ra. 4,00,000/- at par after 31-3-58 by drawing or by purchase in the open market.

- (R) May be redeemed annually at par by drawing after 10th year also the whole issue at 101% on or after 31-3-63.

- (S) (Option to repay at par one month's notice) At any time after 1st October 1958.

- (T) (Option to repay at par on 3 months notice) after 1-1-61.

- (U) (Option to repay on 3 months notice) At any time after 31st December 1960.

- (V) May be redeemed at par on 30-6-56 or any subsequent interest date on one month's notice.

- (W) After giving six months' notice.

- (X) Ra. 3,00,000 will be redeemed each year from and after 1964.

JOINT STOCK COMPANIES PREFERENCE SHARES

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

Year of Issue	NAMES	Amount Issued in 000's	Rate per cent	Paid-up per Share	Market Quotations 4-3-64	Year of Issue	NAMES	Amount Issued in 000's	Rate per cent	Paid-up per Share	Market Quotations 4-3-64	Year of Issue
Rs.				Rs.	Rs.			Rs.		Rs.	Rs.	
BANK												
1901	Allahabad Bank (May Nov.)	15.00	6	100	91/00	1905	Bengal Assam Steamship (Nov.)	3.00	7	60	56/50	1933
COALS												
1895-97	Borra (June Dec.)	4.00	6	100	84/00	1905	Bengal Chemical (Aug.)	6.25	7	10	51/50	1933
1901-19	Burrakur (Jan July)	22.98	7	100	93/00	1905	Bengal Paper Mill (Mar Sept.)	2.00	7	10	51/50	1933
1946	Burrakur (June Dec.)	4.50	6T	10	5/12	1905	Bengal Paper Mill "A" (Mar. Sept.)	4.00	7	100	98/00	1933
1895	Equitable (May Nov.)	4.00	6	100	89/00	1905	Birds Investments (Dec.)	24.00	5T	100	52/50	1933
1931	Khas Kailora (March Sept.)	1.93	5	10	9/00	1905	Braithwaite & Co	40.00	9T	100	104/50	1933
1920	New Beerbhoom (Jan July)	2.00	7	10	10/50	1905	Britannia Biscuit (Feb Aug.)	15.00	8	10	11/00	1933
1898-90	Onal (June Dec.)	2.00	5T	100	85/00	1905	British India Corporation (Feb.)	81.00	8	100	108/50	1933
COTTONS												
1902	Ahmedabad Advance (Apr Oct.)	10.00	5	100	77/00	1905	Burn Eng (1st & 2nd) (Feb Aug.)	13.00	7	100	113/00	1933
1894	Bangalore (Jan July)	6.00	6	100	71/50	1905	Burn Engineering (Feb Aug.)	15.00	6	100	103/50	1933
1933	Basanti (Oct.)	5.00	6T	10	7/00	1905	Calcutta Electric Supply (Mar Sept.)	21.900	5	21	7/50	1933
1896	Bengal-Nagpur (Apr Oct.)	3.00	7	100	48/00	1905	Calcutta Silk Manufacturing (July Jan.)	2.00	6	100	70/00	1933
1900	Bowrah "A" (Apr Oct.)	6.00	8	100	111/00	1905	Calcutta Tramways (Jan July)	2250	5T	21	8/25	1933
1900	Bowrah "B" (Oct. 1) (Apr Oct.)	6.00	7	100	89/00	1905	Carew & Co (Jan.)	8.00	6T	100	73/50	1933
1910	Bradbury "B" (Jan Dec.)	14.85	7	50	60/50	1905	Cawnpore Sugar Works (Feb Aug.)	10.00	8	100	114/50	1933
1920	Buckingham & Carnatic (Jan July)	21.30	7T	100	83/63	1905	Chrestien Mica Industries Ltd.	30.00	5T	100	39/00	1933
1928	Cambodia (July)	1.00	7	100	83/63	1905	Dalmia Cement (Bharat)	35.00	6	10	8/12	1933
1912	Central India (Apr Oct.)	50.00	5	900	445/00	1905	Delhi Flour Mills (Oct.)	90.00	7T	100	101/00	1933
1912	Delhi Cloth & General (Oct.)	20.00	4T	25	16/63	1905	Deshgarh Power Supply "A" (Jan.)	16.00	5	100	69/50	1933
1912	Elgin (May Nov.)	11.00	8	100	113/00	1905	Dunlop Rubber "First" (Jan July)	45.00	4	100	56/50	1933
1943	Elgin "B"	10.00	5	10	6/44	1905	Dunlop Rubber "Second" (Apr.)	30.00	8	100	103/00	1933
1919	Elphinstone (May Nov.)	25.00	7T	100	73/00	1905	East India Distilleries (Jan July)	40.00	5T	100	63/75	1933
1919	Kesoram (June Dec.)	20.00	7	100	106/00	1905	General Investment & Trust (Feb Aug.)	1.00	5	100	56/00	1933
1925	Khatu Mankari (Nov.)	10.00	6	100	81/50	1905	General Investment & Trust (Feb Aug.)	1.00	6T	100	49/00	1933
1937	Kothari (Nov.)	12.00	6	10	7/78	1905	Gillanders Arbuthnot (Apr Oct.)	25.00	5T	100	56/50	1933
1900	Muir (Feb Aug.)	30.00	6	100	108/00	1905	Gladstone Lysal & Co Ltd.	13.00	6T	100	60/00	1933
1913	New Great Eastern (Mar.)	8.00	5T	200	120/00	1905	Godfrey Phillips India Ltd.	30.00	5T	100	59/75	1933
1920	New Victoria (Apr Oct.)	16.06	6	6	2/62	1905	Gwalior Sugar (Redeemable) (Dec.)	6.75	7	100	62/00	1933
1933	Palani Andavar (Mar.)	2.00	7	50	115/45	1905	Gwalior Sugar (Dec.)	5.00	7	100	62/00	1933
1927	Svadeshi (Bombay) (May)	15.00	5	100	68/00	1905	Humayun Properties Ltd (Nov.)	12.00	6	10	7/00	1933
1927	Svadeshi (Cawnpore) (Mar.)	35.00	6	100	68/50	1905	Indian Aluminium (Mar Sept.)	40.00	5T	100	66/75	1933
1931	Vasanta (Apr Oct.)	3.00	6T	100	83/18	1905	Indo Burma Petroleum (Jan July)	50.00	7T	100	67/00	1933
1908	Vishnu (Apr.)	16.00	7	500	390/00	1905	India General Nave & Railways	2244	6	210	83/50	1933
JUTES												
1927	Agarpara (Jan July)	10.00	7	100	91/00	1905	Indian Cable Co (Nov.)	12.88	6	10	31/75	1933
1905	Alexandra (Feb Aug.)	9.00	7	100	85/50	1905	Indian Standard Wagon (Aug or Sept.)	19.66	7	100	112/00	1933
1895	Alliance (March Sept.)	15.00	6	100	76/00	1905	Indian Iron & Steel	2,69.95	5	100	82/00	1933
1917	Anglo-India (May Nov.)	40.00	7	100	98/00	1905	Investment and Finance (Feb Aug.)	2.00	5	100	69/00	1933
1909	Auckland (July Jan.)	10.00	5T	100	72/00	1905	Investment and Finance (Feb Aug.)	2.00	6T	100	60/00	1933
1945	Auckland (July Jan.)	15.00	5T	100	59/50	1905	James Wright (Jan July)	1.30	6	80	14/00	1933
1918	Bally (Jan July)	20.00	7	100	111/00	1905	Jessop & Co	10.00	5T	100	74/00	1933
1896	Barnagore (Oct Dec.)	22.00	5T	25	41/50	1905	Kumardhar Engineering (June)	12.00	5	100	72/00	1933
1940	Bengal (June Dec.)	10.00	5T	100	70/00	1905	Martin Burn Ltd.	30.00	5	100	80/50	1933
1919	Budge Budge (Mar.)	23.64	7T	100	78/50	1905	McLeod & Co	10.00	5T	100	44/50	1933
1894	Calcutta (Jan July)	8.00	7	100	95/00	1905	McLeod & Co	10.00	5T	100	44/50	1933
1915	Caledonian (June Dec.)	10.00	5T	100	72/00	1905	Metallurgical & Industrial (Sept.)	40.00	5	100	59/50	1933
1919	Cheviot (June Dec.)	10.00	5T	100	93/00	1905	Metal Box Co of India Ltd.	20.00	6T	100	75/50	1933
1928	Chitavalisab (Mar Dec.)	6.00	7	100	89/00	1905	Mysore Chemical Mfg (Sept.)	2.00	6	10	7/83	1933
1900	Clive (First) (Mar Dec.)	8.00	6	100	57/00	1905	National Tobacco (June Dec.)	25.00	5	100	67/50	1933
1905	Clive "A" (Second) (May Dec.)	8.00	7	100	74/00	1905	National Tobacco (Jan Dec.)	20.00	4T	100	57/50	1933
1905-13	Delta (Jan July)	11.76	7	100	91/00	1905	Poona Electric Supply Co Ltd (June Dec.)	4.00	7	100	99/50	1933
1897	Delta (June Dec.)	10.00	6	100	87/50	1905	Premier Construction "First" (Apr.)	10.00	6T	100	75/00	1933
1912	Empire (Jan July)	10.00	6	100	74/00	1905	Premier Construction "Second" (Apr.)	15.00	6T	100	71/00	1933
1890-93	Fort Gloster (Jan July)	14.00	7	100	95/00	1905	Purbanchal Sugar (Aug.)	6.00	10	10	10/50	1933
1948	Fort Gloster (2nd)	7.00	8	100	111/00	1905	Ramnagar Cane & Sugar (Aug.)	4.00	6	100	82/00	1933
1911	Fort William (May Nov.)	10.00	7	100	115/00	1905	Rohas Industries (April)	20.00	7	100	97/00	1933
1916	Ganges (June Dec.)	6.00	6	100	104/50	1905	Rohas Industries "B" (April)	86.00	4T	100	54/62	1933
1895-04	Ganeshpur (June Dec.)	26.50	6	100	89/50	1905	Shaw Wallace & Co Ltd.	75.00	6T	100	54/50	1933
1913	Honghly (July)	25.00	6	100	88/50	1905	Shree Gopal Paper	7.50	7	100	104/00	1933
1890	Howrah (Jan July)	11.76	10	80	11/87	1905	Shree Krishna Gyanodaya Sugar "A" (Oct.)	6.00	6	100	70/00	1933
1903-06	Howrah "A" (Jan July)	17.50	7	100	90/50	1905	Shree Krishna Gyanodaya Sugar "B"	12.00	5	100	70/00	1933
1919	Hukumchand (June Dec.)	40.00	7	100	93/00	1905	Smith Stanstreet (Chemists) (Nov.)	5.00	9	80	74/50	1933
1898-04	Kamrathbhaty (Apr Oct.)	18.00	6	100	81/00	1905	South Behar Sugar (Oct.)	5.00	9	80	74/50	1933
1900	Kedarnath (Jan July)	10.00	6	100	81/50	1905	Spencer & Co "A" (Provisions) (Jan July)	23.20	6T	100	6/58	1933
1907	Kelvin (Mar Sept.)	2.00	7	100	90/00	1905	Star Paper (Apr Oct.)	36.80	8T	10	9/80	1933
1895-09	Khardah (May Nov.)	10.00	7	100	100/00	1905	Star Paper (Apr Oct.)	10.00	5	100	68/50	1933
1900-13	Kinnison (July Jan.)	15.00	7	100	74/00	1905	Surat Electricity (April)	6.00	6T	100	104/00	1933
1905	Lansdowne (July Jan.)	15.00	7	100	94/50	1905	Tata Chemicals (Nov.)	60.00	5	100	91/50	1933
1912	Lawrence "A" (July Jan.)	5.00	7	100	94/00	1905	Tata Hydro Electric Power (Sept. Mar.)	89.28	7	100	97/30	1933
1906-07	Lawrence "B" (July Jan.)	10.00	6T	100	95/00	1905	Tata Iron & Steel (First) (Nov.)	75.00	6T	100	123/00	1933
1903-06	Naihati (July Jan.)	7.50	7	100	85/00	1905	Tata Iron & Steel (Second) (May)	63.82	7T	100	102/50	1933
1945	Naihati (July Jan.)	10.00	6T	100	71/00	1905	Tata Power (May Nov.)	86.97	7T	100	110/00	1933
1917	National (May Nov.)	10.00	4T	100	90/00	1905	Titagarh Paper Mills (Mar Sept.)	11.50	8	100	117/00	1933
1939	Nellmaria (Apr Oct.)	5.00	6	100	93/50	1905	Titagarh Paper Mills "2nd" (Mar Sept.)	15.00	4T	100	64/00	1933
1915	New Central (Jan July)	5.00	6	100	76/00	1905	Vellore Electric (Sept. Mar.)	1.23	6	80	5/73	1933
1908-09	Northbrook (July Jan.)	33.00	7	100	89/50	1905	TEAS					
1895	Rameshwar (Jan July)	15.00	7	100	72/00	1905	Amluckie (May Nov.)	75.00	7	10	21/98	1933
1905-12	Reliance (Feb Aug.)	12.44	4	80	12/44	1905	Banarhat (Jan.)	4.00	6T	100	87/00	1933
1928	Shree Ambica (Mar Sept.)	20.00	7	100	117/00	1905	Birpara (Jan.)	5.00	6T	100	104/00	1933
1900	Sorah (Feb Aug.)	11.70	7	100	91/00	1905	Brooke Bond Estate India Ltd.	35.00	6T	100	55/00	1933
1901-02	Union (July Jan.)	10.00	7	100	104/00	1905	Choonabhatti (Jan.)	2.00	6	100	90/50	1933
1912	Waverley (Mar Sept.)	7.50	5	60	40/00	1905	Dinakshi (June Dec.)	70.00	8	10	9/50	1933
MISCELLANEOUS												
1937	Alkali & Chemical (Mar Sept.)	31.00	5	100	83/50	1905	Ghelle (Sept.)	1.20	10	10	7/00	1933
1938	Aluminium Corp (Oct.)	20.00	6	100	93/50	1905	Hantapara (Jan.)	2.00	6	100	65/00	1933
1944	Aluminium Corp (Oct.)	20.00	6	100	64/50	1905	Hastimara (Mar.)	50.00	8	100	89/84	1933
1949	Anderson Wright (Dec.)	20.00	4T	100	98/82	1905	Kingsley Golaghat (Dec.)	3.00	7	100	83/00	1933
1917	Andhra Valley Power (May Nov.)	49.34	7T	1,000	977/50	1905	Moheema (May Nov.)	2.40	6	100	88/50	1933
1919	Arthur Butler (Mar.)	7.30	7	10	10/00	1905	New Doon (Jan.)	2.00	6T	100	87/00	1933
1916	Asstt Hotels of India (Mar Sept.)	21.67	7T	100	54/00	1905	New Samanbhat (Nov.)	1.00	8	100	90/50	1933

BANKS

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

COAL COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profit including taxation	Carry forward	Accounts closed	Mo. A/c. closed	NAME	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until				
Ra.	Ra.	Ra.	Ra.	Ra.	Ra.				1960	1961	1962	Ra.	4-3-64	25-2-64	A year ago
35,50,000	58,52,384	43,77,800	8,90,484	16,44,057	39,094	6-12	315	Amalgamated Bengal P	10	12 1/2	15	10	24/75	24/75	24/31
1,30,00,000	8,15,46,394	2,44,30,480	98,03,888	86,58,575	10,42,254	3	236	Bengal Bhatdee	25	21	22	100	255/00	254/00	209/00
4,99,350	4,37,382	1,39,153	91,796	43,397	4,471	10	2	Bengal Bhatdee	10	10	10	10	3/48	3/48	3/48
2,25,000	3,06,216	8,45,835	8,19,015	1,55,638	18,129	12	388	Bengal Nagpur	10	20	20	10	22/00	22/00	22/00
15,97,000	23,27,321	4,87,308	63,982	2,62,417	21,275	18	18	Bhalsora	10	10	10	10	4/25	4/25	5/00
40,00,000	67,23,820	2,75,000	21,19,581	11,89,818	2,120	9	132	Bharat Collieries P.	10	10	10	10	3/56	3/44	3/53
7,15,000	14,96,845	11,02,872	64,329	3,06,406	4,32,436	6	335	Bhulanbarah	10	10	10	10	10/00	10/00	12/00
16,00,000	38,87,275	16,16,636	7,188	1,21,936	79,196	12	962	Bokaro & Ramgur	15	15	15	10	11/19	11/19	11/19
7,50,000	19,12,792	22,77,003	12,32,439	5,26,414	33,847	12	106	Borosa P	15	15	15	10	21/00	21/00	23/87
90,92,480	2,32,19,267	1,46,43,383	83,70,740	37,97,832	90,768	8	21	Burrakur P.	13	13	13	10	16/37	16/50	14/30
69,97,000	50,93,754	6,56,120	6,35,533	16,11,088	3,88,023	8	106	Central India	10	10	10	10	9/50	9/81	10/25
8,00,000	18,69,439	12,97,490	98,040	6,357	214	12	106	Central Kurkend P.	10	10	10	10	3/44	3/44	3/06
6,00,000	1,54,159	1,54,159	63,765	6,06,672	7,043	12	106	Churulia	10	10	10	10	3/06	3/06	3/06
18,00,000	25,01,905	Nil	19,429	-6,45,261	-5,39,034	12	444	Dhemo Main	Nil	Nil	Nil	10	4/50	4/50	5/04
2,90,000	8,988,390	2,561,905	213,858	2,268,462	26,234	4	128	East India	15	15	15	10	23/50	23/62	25/62
29,63,700	1,42,23,054	1,18,76,888	27,85,725	10,14,185	33,594	13	19	Equitable P.	15	10	10	10	13/25	13/00	15/00
15,00,000	21,00,420	41,000	26,500	820	-8,24,344	3	307	Ghusick & Muslia	Nil	Nil	Nil	10	2/47	2/47	2/03
6,50,000	4,21,847	Nil	12,705	10,870	-14,705	13	30	Guadar Kajora	10	10	10	10	5/75	5/75	8/12
8,00,000	5,43,022	Nil	12,705	-10,172	-3,65,023	12	393	Hurridadih	10	10	10	10	5/75	5/75	8/12
15,00,000	23,47,952	27,81,955	39,74,704	3,95,071	1,40,029	12	21	Karanpura Developm	5	5	5	100	10/00	10/00	11/62
6,00,000	23,47,952	27,81,955	39,74,704	3,95,071	1,40,029	12	21	Karanpura Developm	13	15	15	100	10/00	10/00	11/62
20,00,000	34,15,535	9,86,018	3,72,692	8,92,065	32,810	8	21	Karanpura Collieries P.	7 1/2	10	10	10	16/00	16/00	18/00
14,88,400	20,68,741	16,01,825	8,75,590	8,29,982	1,11,842	1	2	Katrae Jherriah	95	40	25	10	33/75	33/75	49/75
1,38,400	6,75,000	95,000	11,80,294	49,778	1,918	6-12	337	Khas Kajora P.	10	10	10	10	17/62	17/62	18/70
8,65,750	5,95,835	Nil	9,180	-1,90,535	-16,47,497	8	372	Mundulpur	7 1/2	10	10	10	2/69	2/69	2/69
7,48,240	3,39,261	56,489	7,29,892	1,15,573	74,711	12	347	Nazira	16	10	10	10	6/25	6/25	19/94
81,97,210	61,58,848	34,47,233	9,75,813	93,845	10	2	202	New Beerbhoom P.	16	10	10	10	16/31	16/31	19/94
9,90,340	9,04,373	5,21,710	75,374	4,12,216	43,822	8	202	New Manbhoom	7 1/2	9	12	10	15/25	15/25	13/75
15,00,000	7,05,719	4,31,409	40,384	1,44,042	15,045	12	441	North West	20	20	20	10	19/75	19/75	19/75
1,57,500	1,57,500	Nil	1,57,500	1,57,500	1,57,500	12	441	North West	20	20	20	10	19/75	19/75	19/75
6,50,000	1,33,788	13,22,645	22,85,097	1,91,515	45,060	12	106	Ondal P.	6	7 1/2	10	10	13/50	13/50	13/00
8,34,000	23,69,066	1,52,212	4,78,984	1,70,344	589	12	207	Parasae P.	10	10	10	10	14/00	14/00	16/00
15,75,000	32,93,192	24,59,125	4,11,055	5,41,874	54,253	3	236	Pench Valley	10	10	10	10	18/31	18/31	19/12
2,50,000	6,22,405	7,900	11,530	2,003	15,481	6-12	3	Pure Sitalpur	15	17	17	10	8/00	8/00	8/00
33,58,900	50,28,723	40,85,000	1,26,141	11,54,478	35,781	3	370	Ramesgunge	15	17	17	10	13/62	13/62	15/00
12,50,000	25,32,133	20,80,190	18,89,318	13,18,197	41,523	12	236	Rewa	20	20	20	10	28/50	28/50	28/50
87,50,000	74,38,430	38,61,070	1,69,086	12,37,914	26,993	12	48	Sarale	10	10	10	10	8/00	8/00	10/03
2,50,000	4,47,534	74,281	10,748	-19,279	-4,27,390	1	353	Searsole	42 6/7	42 6/7	42 6/7	10	1/25	1/25	1/84
2,80,000	10,74,008	12,23,714	10,17,287	5,13,147	87,383	12	3	Seebore P.	10	10	10	10	5/00	5/00	5/00
6,00,000	4,205	4,54,648	13,04,570	78,390	1,540	12	106	Sentra	6	3 1/2	10	10	8/00	8/06	9/56
17,50,000	28,29,652	10,02,341	50,728	2,66,372	2,926	8	21	South Karanpura	15	10	10	10	11/87	11/87	16/00
8,00,000	1,30,001	15,48,989	26,76,253	1,84,925	38,538	12	106	Standard	10	10	10	10	10/25	10/25	10/37
2,50,000	4,36,300	3,23,000	36,680	1,37,973	1,77,362	12	106	Union	6	7 1/2	10	10	8/81	8/81	9/06
40,98,000	63,87,150	6,09,053	2,69,620	11,72,192	1,19,162	3	106	Western Bengal	10	10	10	10	4/00	4/00	9/37
7,00,000	26,06,333	Nil	47,091	-6,51,403	-6,23,711	12	444	West Jamuria	Nil	Nil	Nil	10	4/00	4/00	9/37

COTTON MILLS

Paid-up Capital Ordinary	Number on Spindle Looms	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Mo. A/c. closed	NAME	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until					
Ra.		Ra.	Ra.	Ra.	Ra.	Ra.				1960	1961	1962	Ra.	4-3-64	25-2-64	A year ago	
15,00,000	14,108	356	14,06,683	3,15,002	12,59,541	26,012	12	49	Basanti P.	10	10	10	10	13/37	13/37	12/75	
9,11,280	36,009	932	17,17,120	2,20,369	30,642	3,86,177	12	27	Banga Luxmi	10	10	10	10	30/00	30/00	28/00	
27,00,000	31,476	624	17,77,373	93,872	-6,24,150	-6,89,163	12	223	Bengal Nagpur P.	Nil	Nil	Nil	10	2/44	2/44	3/00	
90,00,000	..	1,66,35,380	49,94,800	52,58,090	28,04,759	17,588	12	84	Bharat Commerce P.	5	15	15	10	23/50	23/50	21/00	
99,95,950	38,764	992	60,94,300	1,21,02,782	53,37,204	39,77,025	8	22	Birla Cotton	10	20	20	10	27/00	27/00	22/75	
83,80,000	43,136	841	1,00,69,568	40,37,060	2,04,094	21,74,042	12	138	Bowreah P	10	20	15	10	23/69	24/62	23/81	
30,00,000	22,000	510	32,89,583	62,22,574	9,41,816	13,74,402	12	23	Cawnpore Textiles	7 1/2	10	10	5	7/00	7/00	6/84	
3,38,26,225	1,97,348	3,307	9,79,20,896	8,21,37,642	91,82,065	2,15,43,296	6	238	Delhi Cloth & Genl P.	12	13	13-13*	25	47/31	48/84	45/87	
85,00,000	43,049	518	61,51,897	54,80,123	1,40,191	32,83,543	12	138	Dunbar	20	20	15	10	29/00	29/87	28/87	
93,00,000	54,000	1,200	1,20,30,927	2,33,36,673	87,18,503	41,89,328	5	389	Elgin P.	11 1/2	17 1/2	17 1/2-17 1/2*	10	21/75	22/50	20/89	
6,25,00,000	..	4,48,97,571	56,34,321	85,50,139	19,28,784	1,22,785	12	158	J. K. Cotton (Rayon) P.	12 1/2	10	10	10	12/37	13/00	14/00	
49,18,000	6,272	202	51,44,000	24,71,500	4,76,536	28,42,100	12	22	Jay Shree	10	10	10	10	16/00	16/37	13/00	
30,20,000	38,000	1,325	41,44,548	52,19,801	92,85,085	18,77,941	12	208	Mulr P	10	10	10	100	74/50	74/50	135/00	
35,11,463	78,848	1,367	41,49,849	5,38,960	1,09,256	12,73,361	12	237	New Victoria P.	Nil	Nil	Nil	10	1/41	1/62	1/62	
48,00,200	..	1,08,10,392	78,144	3,34,188	12,34,741	-22,17,524	3	390	Orissa Textiles P.	Nil	Nil	Nil	10	4/75	4/75	2/00	
19,47,750	23,196	795	15,49,228	80,773	2,37,473	3,38,087	6	4	Rampooria Cotton	5	Nil	Nil	10	13/00	13/00	12/00	
5,00,000(Dd 17 1/2 a/c)	..	..	..	..	..	..	..	..	..	Nil	Nil	Nil	10	3/00	3/00	2/00	
1,57,50,000Po	1,14,836	2,077	4,46,70,351	2,63,83,071	2,15,81,189	76,20,241	8,044	12	333	Swadeshi (Kanpur) P.	5 1/2	10	10	100	6/44	6/75	7/00

TEA COMPANIES

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

Paid-up Capital Ordinary	Net Block & other Accounts	Reserve & Funds	Area Hectares	Output and Average Price per Kg. realised for crop				Estimate	Net Profit including taxation	Accounts closed	Mo. A/c. closed	NAME	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
Ra.	Ra.	Ra.	Hectares	1961	1962	1963	Ra.	Ra.	Ra.				1960	1961	1962	Ra.	4-3-64	25-2-64	A year ago
Kgs.	Kgs.	Kgs.																	
ASSAM																			
4,45,700	16,40,103	16,37,403	506 1/2	4,24,104	4.81	413,012	5.67	4,71,700	2,90,039	12	165	Amuluckie P.	Nil	10	7 1/2	10	17/25	17/25	20/00
7,00,000	12,37,204	8,65,604	506 1/2	3,11,077	5.58	301,064	6.71	3,50,091	3,50,091	12	88	Anandabag P.	30	32 1/2	30	10	33/25	33/25	33/25
4,50,000	16,63,877	15,34,741	506 1/2	3,53,284	5.32	3,92,928	5.99	3,62,900	1,91,032	12	165	Baghmari	Nil	15	7 1/2	10	13/12	13/37	18/50
1,80,000	18,61,913	10,56,655	160	3,13,600	6.01	286,800	6.60	2,90,000	3,93,853	12	345	Barduar Tea	35	25	20	10	27/25	27/25	27/25
4,95,900	18,61,913	10,56,655	160	4,12,342	4.34	4,08,269	6.56	4,05,929	5,57,424	12	88	Betjan	30	30	30	10	15/25	15/25	18/00
4,40,000	12,12,739	12,28,191	619 1/2	4,08,269	6.56	4,05,929	6.68	4,05,929	15,42,968	12	279	Bishnauth	13	13	20	10	30/12	30/12	32/62
33,00,000	38,97,401	18,10,167	1,394	16,30,448	5.80	1,517,589	6.71	15,78,600	2,62,960	12	202	Bokakhat	Nil	12	12	10	17/19	17/37	17/25
6,00,000	11,68,235	5,03,003	194	2,23,909	5.90	209,073	5.85	3,08,400	3,94,385	12	165	Bornam Jan P.	15	15	10	10	13/12	13/12	13/70
7,50,000	13,90,224	11,90,375	239	3,03,665	5.50	300,721	6.32	2,90,300	1,15,476	12	279	Bor Pukhuri	Nil	15	15	10	13/00	13/00	16/12
4,50,000	7,86,860	2,36,500	239	2,65,021	5.25	258,733	4.75	9,51,721	9,51,721	6	127	Borok Bond F	Nil	Nil	10	10	11/25	11/25	11/75
35,00,000	68,93,654	15,66,180	239	14,26,351	5.27	13,51,189	6.00	1,99,800	2,55,668	12	165	Deoco Valley	15	10	7 1/2	10	11/94	11/75	11/50
1,20,000	9,24,434	9,31,522	538	1,73,277	5.13	200,496	5.90	1,99,800	2,55,668	12	128	Dessai & Parbi	Nil	20	30	10	60/00	60/00	49/25
8,40,000	13,39,224	9,51,460	538	5,43,624	5.68	597,724	6.12	5,33,773	7,20,815	12	214	Dhelakhat	124	10	10	10	20/87	20/87	20/00
7,00,000	20,46,600	8,35,000	558	6,32,709	4.70	554,700	5.16	6,20,000	2,14,165	12	365	Dhunsen P.	20	15	10	10	11/87	11/87	15/00
4,50,000	17,19,470	18,36,895	256	3,05,738	6.23	301,917	6.68	3,30,200	5,86,433	12	165	Ditragurh	40	40	30	10	32/00	32/00	32/50
4,73,400	17,19,470	18,36,895	256	3,01,383	5.81	297,513	6.44	3,08,000	2,71,648	12	279	Dimakusi P.	25	20	25	10	24/62	24/62	24/62
7,00,620	14,88,200	15,53,500	274	4,64,799	5.77	403,594	6.70	4,36,000	5,29,546	12	279	Dufflaghur	25	25	30	10	25/81	25/81	27/87
10,00,000	20,32,480	11,26,500	481	5,25,798	6.76	494,612	6.30	5,27,000	2,06,168	12	279	East India	Nil	Nil	10	10	15/12	15/12	18/87
9,03,760	14,00,556	6,32,810	242	3,58,797	5.13	319,832	5.13	4,00,000	49,047	12	354	Gillapukri	25	20	15	10	27/56	27/56	25/44
6,76,000	12,41,500	7,46,500	228	2,54,919	6.81	259,394	7.14	2,62,000	4,74,030	12	279	Gohpur	Nil	5	20	10	14/69	14/69	13/31
23,29,085	54,85,603	36,46,798	1,042	10,79,309	4.98	1,039,276	6.17	11,82,167	3,83,294	12	202	Grob	6	6	6	5	7/19	7/00	8/06
5,00,000	11,67,377	7,55,258	542	3,58,883	5.71	3,45,217	6.62	3,00,000	1,67,965	12	354	Hoograjuli	20	20	17	10	27/62	27/62	27/12
6,70,000	26,52,302	15,02,799	542	4,83,000	5.71	515,500	6.62	3,00,000	4,51,521	12	2	Hoollungorie	10	7 1/2	20	100	200/00	200/00	185/00
9,00,000	18,88,785	11,65,055	853	5,39,472	5.99	533,423	6.50	5,20,000	6,31,655	12	88	Jutlibari	30	30	20	10	27/87	31/50	32/08
2,40,000	18,88,785	11,65,055	853	5,39,472	5.99	533,423	6.50	5,20,000	6,31,655	12	236	Kinasey Golaghat P.	35	35	100	125/00	125/00	212/00	
1,80,000	19,59,626	1,45,000	494	5,24,489	4.60	488,346	6.02	180,000	1,13,899	12	41	Kristinchari	Nil	Nil	Nil	5	9/75	9/75	10/31
5,00,000	11,19,728	3,07,818	140	1,73,581	5.29	168,356	6.02	180,000	1,13,899	12	236	Yanga Tea	Nil	8	10	10	11/50	11/80	10/50
2,90,000	14,12,161	9,50,234	268	2,79,777	5.15	281,500	5.30	2,85,000	53,394	12	63	Ledo	Nil	Nil	Nil	10	13/75	13/75	17/28
6,50,000	14,12,161	9,50,234	268	2,79,777	5.15	281,500	5.30	2,85,000	53,394	12	63	Maud Tea & Seed	10	7 1/2	7 1/2	10	12/00	12/00	14/80
8,00,000	11,99,986	1,30,508	275	2,26,707	4.96	210,642	6.26	2,23,167	1,25,716	12	202	Metihoni	5	14	20	10	14/94	14/94	18/50
4,80,000	14,16,636	14,78,000	262	3,82,580	6.03	374,221	7.12	3,81,045	6,21,941	12	..	Moheema	Nil	Nil	..	10	11/50	11/50	11/90
1,50,000	3,24,738	13,65,825	..	83,921	..	122,745	..	..	1,22,731	12	138	Mothola	30	30	35	100	507/00	507/00	507/00
1,75,00,000	14,68,025	9,31,447	180	1,82,900	6.01	171,400	8.41	2,00,000	4,99,564	12	2	Murphulani (Assam)	10	15	25	10	26/50	26/50	26/50
2,00,00,000	14,68,025	9,31,447	180	1,82,900	6.01	171,400	8.41	2,00,000	4,99,564	12	2	Murphulani (Assam)	10	15	25	10	26/87	26/87	28/78
4,00,000	12,90,728	7,77,459	220	3,19,104	4.51	326,748	5.10	3,40,000	1,24,658	12	143	Naga Hills	10	10	10	10	21/25	21/25	22/69
8,30,000	12,90,728	7,77,459	220	3,19,104	4.51	326,748	5.10	3,40,000	1,24,658	12	143	Naga Hills	12	12	10	10	12/87	12/87	14/56
5,00,000	7,84,102	3,97,500	289	2,47,154	4.58	296,696	7.64	2,90,000	5,86,793	12	63	Namburnadi	Nil	Nil	Nil	100	455/00	455/00	302/00
6,00,000	14,50,587	1,57,922	170	2,16,600	5.31	230,700	6.35	2,25,000	3,82,519	12	2	Near Cinnatollah	40	13 1/2	17 1/2	10	18/50	18/50	21/37
13,50,000	25,26,587	4,53,937	208	6,32,808	5.56	604,795	7.86	2,21,000	3,75,627	12	279	Seajuli	224	25	30	10	19/50	19/50	19/87
2,49,000	6,39,900	4,53,937	208	2,42,697	5.56	207,643	5.61	3,81,000	5,06,871	12	165	Teloiyan	224	25	25	10	22/12	22/12	27/12
5,98,000	17,86,091	15,24,544	345	3,73,286	4.99	390,802	6.81	4,19,888	12	88	Tenkapani	Nil	13 1/2	13 1/2	10	14/50	14/25	15/25	
12,80,000	12,80,761	7,41,936	1,926 1/2	3,48,111	6.59	338,376	2.82	2,28,000	8,36,276	12	165	Tycoon	10	15	25	10	27/75	27/75	34/37
19,82,800	30,75,956	23,51,846	1,926 1/2	29,72,880	1.92	2,301,040	5.78	6,71,800	7,11,075	12	165	Tycoon	10	15	25	10	27/75	27/75	34/37
7,50,000	30,75,956	23,51,846	1,926 1/2	29,72,880	1.92	2,301,040	5.78	6,71,800	7,11,075	12	165	Tycoon	10	15	25	10	27/75	27/75	34/37
5,20,000	85,17,473	30,30,165	..	5,90,423	5.14	651,147	..	..	..	..	..	..	..	..	..	..	..	..	..
CACHAR																			
3,00,000	..	..	..	1,49,850	4.07	138,861	4.03	1,66,500	..	12	12	Arcuttipore	Nil	6	6	10	7/00	7/00	7/00
4,00,000	..	..	..	1,58,349	4.45	..	4.77	3,52,060	..	12	35	Baitakhal	24	24	..	10	7/81	7/81	6/58
11,00,000	20,18,348	9,26,687	..	5,45,645	4.26	454,449	..	..	..	12	128	Central Cachar	5	7 1/2	..	10	71/00	71/00	78/10
4,50,000	..	..	..	1,22,864	4.63	..	..	..	..	12	363	Eastern Cachar	Nil	Nil	..	100	4/56	4/56	4/11
7,00,000	3,31,773	2,80,000	..	1,38,400	3.31	..	..	..	..	12	202	Kallinagar (Khoroe)	40	13 1/2	17 1/2	10	18/50	18/50	21/37
12,60,000	19,84,808	13,56,132	943	7,23,716	3.84	380,232	2.97	7,25,747	3,11,563	12	384	Khatikuli	Nil	8	Nil	10	7/75	7/75	9/44
6,83,890	5,22,633	1,36,689	228	1,50,009	3.65	..	..	..	..	12	202	Kunchunpore	Nil	8	Nil	10	6/75	6/75	6/40
12,60,000	22,28,419	11,42,054	2,221 1/2	5,70,770	3.81	518,387	4.26	1,63,293	23,090	12	165	North Western	80	20	10	100	175/00	175/00	117/00
2,59,000	5,88,346	1,916	231	1,71,967	3.08	213,905	4.21	2,72,155	49,484	12	202	Pethmaria	Nil	Nil	Nil	10	7/50	7/50	7/50
2,60,000	6,82,449	2,92,683	310	3,26,670	4.40	195,018	4.62	2,50,400	1,73,960	12	165	Roopacherra	Nil	10	Nil	10	9/94	9/94	13/62
5,25,000	12,22,431	12,05,600	..	3,07,903	3.94	279,277	4.46	3,90,000	6,11,192	12	63	Rungamattae	5	5	5	50	50/00	50/00	50/00
4,00,000	..	..	..	2,47,927	3.58	..	..	..	..	12	..	Sonal River	Nil	Nil	..	10	5/06	5/06	9/13
DARJEELING																			
3,99,750	..	..	..	82,803	8.68	77,080	8.74	84,000	51,537	12	101	Bloomfield	Nil	..	..	10	3/19	3/19	3/25
2,79,900	8,72,700	1,55,000	188	8,05,978	6.22	813,229	5.63	3,08,443	..	12	279	Chamons	Nil	10	..	10	9/00	9/00	10/25
3,73,900	..	..	..	72,236	..	..	..	..	..	12	139	Darjeeling Tea & Chin	30	30	30	100	197/00	197/00	197/00
2,00,000	6,39,479	3,58,163	..	1,35,642	2.33	1,37,275	7.58	1,38,000	1,97,331										

TEA COMPANIES—Contd.

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

Paid-up Capital Ordinary			Net Block Accounts	Reserve & other Funds	Area Hectares	Outturn and Average Price per Kg. realised for crop		estimate	Net Profit including taxation	Accounts closed	Ma. A.S. Sec. etc.	NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
Ra	Ra	Ra		Kra	Ra	Kra	Ra	Kra	Ra				1960	1961	1962	Ra	Ra	Ra	A year ago
DOOARS																			
27.00,000	62.03.995	32.62,760	1,024	15.51.500	4.51	14.84,400	4.86	15.25,000	11.19,005	12	2	Banarhat P.	22½	21	21	100	232/00	230/00	255/00
12.00,000	27.38,435	23.27,925	436	7.24,364	4.69	6.66,481	5.13	6.64,600	6.59,538	12	128	Baradighi	30	25	25	10	23/69	23/69	23/00
9.00,000	19.19,630	30.59,434	436	5.93,617	4.42	7.00,569	4.68	6.16,885	5.74,696	12	386	Bhatkawa	15	15	20	10	17/25	17/25	17/37
9.00,000	25.07,423	22.16,500	577	6.66,763	4.37	6.89,958	5.01	6.50,000	6.43,459	12	63	Birpara P.	17½	12½	17½	100	162/00	162/00	151/00
9.00,000	12.14,870	10.73,000	244	2.99,250	4.17	2.80,187	4.70	2.95,000	1.58,268	12	63	Carron	20	5	7½	100	161/00	161/00	145/00
9.00,000	24.85,741	14.56,681	365	5.14,200	4.45	5.21,400	4.69	5.30,000	2.82,148	12	2	Choonabhatti P.	32½	20	20	100	211/00	211/00	262/00
3.00,000	5.84,327	5.93,500	197	2.19,480	4.05	2.25,971	4.59	2.03,000	1.33,979	12	63	Ellenbarrie	5	5	10	100	184/00	184/00	184/00
1.20,000	...	...	...	1.62,265	3.73	...	...	...	...	12	397	Engo	60	30	40	100	136/00	136/00	136/00
4.90,000	9.33,182	71,548	...	2.24,026	...	2.64,339	...	...	93,085	12	354	Ethelbari	5	5	7½	10	11/87	11/87	13/12
7.50,000	13.32,430	10.34,583	1,088½	5.33,092	4.88	5.04,794	5.46	...	4.67,197	12	88	Gairkhata	25	20	11	10	21/50	21/50	21/50
14.00,000	27.81,035	19.25,521	425	5.21,329	...	5.85,748	...	...	200,889	12	387	Gopalpur	12	2	10	25	20/00	20/00	20/00
36.00,000	50.92,343	42.81,500	1,048	14.33,022	4.07	13.74,053	4.76	13.90,000	7.93,764	12	63	Hantapara P.	15	5	10	100	107/00	107/00	103/00
64.00,000	70.47,491	75.82,749	...	28.49,021	5.54	30.66,464	5.78	30.64,500	30.07,101	3	74	Hasimara	17	...	18-15½	10	12/62	12/62	12/25
16.50,000	26.07,050	17.26,078	...	8.59,068	4.02	6.99,826	4.51	9.61,600	2.06,848	2	74	Huldibari	22½	...	19-2/7-11	10	12/25	12/25	13/06
7.00,000	8.95,117	5.13,133	246	1.90,300	4.48	1.88,900	5.59	...	...	12	2	Jaybirpara	10	Nil	Nil	10	8/62	8/62	11/06
9.00,000	18.12,126	21.89,000	375	5.63,337	4.23	5.07,738	4.50	5.20,000	3.57,699	12	63	Killeot	25	15	15	10	15/50	15/50	17/31
2.00,000	14.67,422	5.58,176	...	2.47,991	...	253,887	...	...	88,005	12	354	Manabbarrie	10	6	10	10	59/50	59/50	59/50
9.60,000	20.66,495	24.61,500	...	6.03,619	4.07	5.07,732	4.76	4.90,000	3.31,819	12	63	Nagasuree	25	15	15	100	180/00	180/00	189/50
14.00,000	34.04,657	21.71,728	471	7.84,700	4.31	6.40,900	5.10	7.50,000	2.30,662	12	2	New Dooars P.	35	20	14½	100	234/00	234/00	258/00
6.40,000	...	...	...	3.07,645	3.89	...	...	...	...	12	363	Oodlabari	12½	7½	...	100	13/37	13/37	14/25
2.50,000	3.90,272	3.37,500	126	1.00,575	4.22	1.26,816	4.64	1.30,000	17,963	12	63	Phaskowa	Nil	Nil	Nil	100	125/00	125/00	127/00
6.00,000	9.22,423	11.53,058	...	3.63,864	4.36	3.91,886	4.70	3.62,900	2,08,311	12	165	Rajabhat	Nil	Nil	6	10	12/00	12/00	12/12
7.65,000	17.57,543	17.47,050	...	5,03,638	4.32	4.76,526	5.07	5,33,500	1,63,000	12	165	Ranicherra	15	15	7½	10	11/00	12/75	16/75
14.92,800	36.77,342	30.35,064	727	9.21,964	4.79	9.78,337	5.44	10.10,245	8,77,496	12	128	Rydak	25	20	25	10	25/75	25/75	27/31
3.46,000	10.20,398	10.25,325	...	4,00,500	4.10	3,30,000	4.76	3,73,200	2,40,377	12	44	Sarugaon	40	40	40	10	36/31	36/31	36/25
TERAI																			
4.50,000	...	...	...	...	...	...	...	...	...	12	101	Atal	5	...	...	10	8/34	8/34	6/75
5.00,000	...	...	...	...	...	...	...	...	...	12	345	Belgachi	20	20	...	10	20/25	20/25	20/50
13.44,000	20.65,841	27.42,000	646	7.94,331	4.01	7.22,909	4.63	7,30,000	5,50,624	12	63	Gungaram	20	12½	12½	100	131/00	131/00	158/00
5.00,000	11.02,805	13.10,500	214	2,88,960	4.29	3,17,061	4.74	2,75,000	3,07,829	12	63	Hansqua	20	15	17½	10	20/00	20/00	20/00
3.00,000	6.69,527	9.72,507	...	2,75,784	4.10	2,95,710	4.54	2,95,000	2,25,077	2	74	New Chumta	15	...	12 6/7-20*	10	20/37	20/37	33/50
7.20,000	...	...	...	3,14,832	3.83	3,33,644	4.04	3,12,073	...	12	139	New Terai	22½	10	15	10	23/00	23/00	36/00
11.70,000	...	...	...	4,71,480	4.08	4,71,480	4.45	4,89,915	...	12	139	Pahargoomiah	20	20	2½	10	14/37	14/37	31/12
1.00,000	...	...	...	...	...	...	...	...	...	12	63	Putinbaree	14	14	...	10	45/00	45/00	45/00
2.20,000	...	...	...	3,88,528	4.53	3,84,347	5.05	408,200	...	12	165	Tirrihannah P.	60	60	60	10	49/00	49/00	49/00
CHITTAGONG																			
1.25,000	...	...	...	3,07,360*	1.76	...	...	...	...	12	139	Kodala	Nil	Nil	...	10	9/25	9/25	9/25
2.40,000	...	...	...	3,53,000*	1.64	...	...	...	...	12	139	Kornafuli	Nil	Nil	...	10	9/31	9/31	13/00
2.00,000	...	...	...	2,88,000*	1.74	...	...	...	...	12	139	Oodaleah	Nil	Nil	...	10	8/00	8/00	8/00
SYLHET																			
3.00,000	14.19,689	17.99,706	637½	2.76,390	4.48	2.14,907	7.92	254,012	7,17,391	12	...	Chundeecherra	Nil	Nil	Nil	10	26/00	26/00	23/00
6.00,000	9.95,449	12.20,551	230	2.33,890	4.97	2,03,558	8.17	218,000	8,36,913	12	63	Dauracherra	22½	22½	20	10	11/87	11/87	7/31
2.46,050	...	...	...	1,26,336	4.28	...	...	...	...	12	358	Kaliti	Nil	Nil	...	10	10/00	10/00	10/00
5.59,930	...	...	...	11,42,720*	1.99	...	...	...	...	12	236	New Samanbagh P.	25	40	...	100	18/37	18/37	18/37
36.00,000	59.49,669	63.43,644	1,660	19,52,002	5.02	17,98,140	8.16	1,851,000	90,15,000	12	63	Patrakola	32½	40	15	100	135/00	135/00	148/00
3.20,000	4.21,718	1.48,642	740½	4,28,560*	1.83	4,24,800*	3.23	360,000	4,07,821	12	236	Rajnagar	Nil	Nil	Nil	10	9/56	9/56	9/56
9.00,000	21.92,086	22.53,327	483	4,18,826	5.01	3,69,737	8.08	417,000	12,91,452	12	63	Tellapara	22½	22½	10	100	94/50	94/50	99/00

† Acres.

* lbs.

† 1963

MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Profited Shares If any	Cash & Securities	Net Profit including taxation	Carry forward	Accounts closed	Ma. A.S. Sec. etc.	NAMES	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	4-3-64	25-2-64	A year ago	
Ra.	Ra.	Ra.	Ra.	Ra.	Ra.				1960	1961	1962	Ra.	Ra.	Ra.	
MININGS															
22,399,796	"	2218.681	22,781,590	212,559	2174,204	12	158	Burma Mines	23/5	Nil	Nil	31S	0/44	0/44	0/44
30,00,000									15	12½		100	9/75	9/75	10/50
15,00,000	37,06,889	33,54,468	34,05,353	13,96,846	13,914	12	312	Chrestien Mica Industries P.	25	20	..	6Dd	6/87	6/87	8/85
21,371,508	21,738,381	2225,973	2150,274	21,067,163	272,310	12	98	Indian Copper Corporation	27	27	..	2s	3/70	3/76	4/10
80,00,000	21,71,031	18,43,352	23,971	5,08,976	14,41,622	3	343	Metal Corporation P	Nil	..	..	100	8/00	8/00	8/31
20,00,000	46,03,415	67,67,431	53,46,956	13,17,757	38,801	6	21	Orissa Mineral Development	36	28	20	10	22/25	22/25	32/00
CEMENT, LIME, SLATE, ETC.															
59,98,848	1,58,92,785	17,06,000	2,23,038	4,97,991	10,914	3	381	Ashoka Cement	7	8	7-7*	10	7/08	7/25	7/37
43,14,800	41,51,612	21,63,428	29,64,072	1,70,813	8,44,979	3	80	Assam Bengal Cement	..	..	..	100	3/75	3/75	4/00
70,79,764	70,92,889	69,723	24,46,663	1,703	12,153	12	153	Bengal Potteries	15	..	..	1d	0/50	0/50	0/00
52,22,146	96,02,889	18,71,388	69,723	24,46,663	56,122	3	21	Bisra Stone Lime	30	30	..	10	4/69	4/69	5/66
40,00,000	72,58,780	38,31,157	3,76,724	23,10,445	56,122	3	21	Bisra Stone Lime	30	30	..	10	21/00	21/00	35/00
1,50,00,000	1,84,51,853	99,52,704	1,90,71,388	1,16,81,256	..	12	129	Dalmia Cement (Bharat) P.	12	12	12	100	13/19	13/25	13/94
2,50,00,000	59,42,463	94,06,545	5,54,170	68,02,100	4,94,598	3	335	Jaipur Udyog P.	12	12	12	100	2/56	2/56	3/15
30,00,000	99,58,197	58,53,909	9,46,783	21,48,526	25,499	12	21	Kumardhul Fireclay & Silica P.	6	8	8.28	10	12/12	12/50	10/50
2,25,00,000	3,77,58,580	1,26,03,808	30,53,805	99,73,491	12,362	12	362	Orissa Cement P.	18	18	18	10	12/49	12/45	12/45
6,00,000	20,07,006	31,78,063	17,41,734	4,85,816	30,441	3	223	Reliance Firebricks & Pottery	15	15	10	10	14/25	14/31	14/44
80,00,000	33,53,090	32,78,500	2,04,361	16,83,364	7,107	12	397	Sone Valley Portland Cement	22	22	10	10	22/75	22/75	22/75
9,64,590	19,90,054	10,46,690	6,23,484	10,16,971	23,409	12	3	Sutna Stone & Lime	27½	6	8	5	4/37	4/50	4/19

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares If any	Cash & Securities	Net Profit including taxation	Carry forward	Accounts Closed	Names	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	4-3-64	25-2-64	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.			1960	1961	1962	Rs.	Rs.	Rs.
MISCELLANEOUS													
8,00,000	3,65,800	2,09,907	5,89,599	1,44,140	2,623	10	85	7 1/2	10 1/2	5	10	5/00	5/00
93,75,000	5,89,95,976	2,43,34,621	3,09,108	30,58,004	11,965	3	132	12	12	12-5*	10	12/84	12/84
20,00,000	42,23,258	16,50,000	53,38,477	4,16,437	11,325	12	382	11 1/2	Nil	6	10	11/50	11/50
30,00,000	16,96,720	44,23,928	21,81,674	26,48,673	2,17,061	8	268	25	28 1/2	28-28*	10	25/25	25/81
30,00,000	20,74,680	33,58,937	16,15,347	24,27,878	12,842	12	114	18	20	20	10	27/37	27/37
13,99,998	20,06,639	20,17,850	6,814	1,70,203	94,397	9	348	Nil	Nil	3	8	2/59	2/59
1,18,00,000	54,61,855	98,34,917	67,73,791	53,69,644	7,978	8	391	25	15	15-15*	10	25/37	25/31
20,00,000	1,41,96,365	57,08,103	7,65,347	2,25,357	4,66,650	3	204	Nil	10	10-10*	10	10/31	10/31
MISCELLANEOUS (Contd.)													
80,01,400	46,97,674	1,20,07,997	93,50,429	51,62,806	..	12	396	25	25	25	100	257/00	257/00
12,00,000	5,51,865	1,25,2,902	6,77,227	10,64,446	..	3	128	Nil	Nil	13-15*	10	21/56	22/06
44,00,000	9,27,823	68,58,981	2,87,091	50,926	9	160	Birds Investments P.	9 1/2	10	10	10	10/44	10/44
68,95,530	1,16,23,032	83,79,866	8,27,110	86,51,567	6,999	3	50	25	30	25-21*	10	50/25	50/25
5,25,00,000	71,55,454	2,19,19,061	1,50,51,719	1,34,25,907	2,53,254	12	33	4	7	9	5	8/69	9/06
50,00,000	21,88,677	40,58,031	9,91,498	24,64,559	27,856	12	392	12 1/2	13	10	10	21/37	20/59
MISCELLANEOUS													
5,00,000	6,83,781	1,65,739	1,54,429	2,63,717	5,201	3	213	Nil	Nil	..	10	6/94	6/94
1,38,80,000	14,77,426	1,78,29,586	15,08,523	2,46,740	12	3	Clive Row Investment	8	7 1/2	7 1/2	10	8/47	8/37
90,00,000	24,68,979	1,27,43,000	1,96,66,116	35,58,709	2,42,095	12	169	14	14	14	100	131/00	131/00
4,50,00,000	6,09,38,229	5,05,74,182	11,32,452	3,30,38,275	25,88,011	12	96	21 1/2	20	15	10	38/12	38/87
27,56,355	1,31,99,222	1,76,30,095	24,30,790	1,00,50,837	12,604	3	116	25	30	20	5	31/62	31/62
76,89,000	63,98,196	1,76,30,095	1,11,25,276	1,32,549	12	21	Eastern Investments P.	14	14	12	100	117/00	117/00
60,93,400	95,80,000	34,47,000	14,32,081	29,35,962	21,399	10	388	10	10	10-10*	10	12/94	12/94
30,00,000	28,94,553	27,23,508	19,90,832	15,65,118	2,10,371	3	51	20	20	..	20	31/75	31/75
MISCELLANEOUS													
14,00,000	20,83,841	18,85,308	38,577	11,59,599	17,856	12	19	17 1/2	20	20	100	236/00	236/00
2,25,000	76,065	5,16,267	41,428	4,826	2	21	General Investment & Trust P.	5	5	5-5*	75	43/00	43/00
65,00,000	31,77,135	58,42,190	1,57,85,100	30,47,005	15,471	3	105	10	11	11-11*	30	14/06	14/06
40,00,000	17,69,681	7,21,344	36,90,302	4,53,666	8,524	12	209	42 1/2	40	30	10	28/12	28/12
40,00,000	34,78,636	31,88,500	1,29,460	46,26,030	38,310	12	310	40	40	30	10	28/12	28/12
30,00,000	43,74,366	17,66,560	1,60,432	1,09,512	794	3	225	9	6	..	250	236/00	236/00
MISCELLANEOUS													
4,68,75,000	3,08,48,439	..	2,33,36,909	2,11,555	2,11,555	12	438	Nil	..	12	10	13/56	13/87
8,07,66,250	5,43,03,252	3,24,89,610	4,52,97,214	3,50,00,432	3,043	3	22	9	12	12-11*	10	19/16	19/16
90,00,000	46,37,294	16,00,000	39,09,794	28,38,718	1,31,125	10	..	10	10	10	10	16/19	16/19
39,88,550	86,39,248	Nil	1,22,648	-12,14,232	-11,50,824	3	211	Nil	Nil	Nil-Nil*	10	13/62	13/62
35,20,000	23,35,537	16,00,000	24,48,098	4,91,968	46,500	12	244	6	6	..	10	5/12	5/12
15,16,00,000	8,60,23,000	10,67,60,544	1,25,08,131	4,46,28,511	3,29,429	8	325	15	15	17 1/2	10	32/00	32/12
4,00,23,880	3,84,77,942	4,53,66,220	60,98,109	2,40,34,073	56,98,466	12	293	22 1/2	22 1/2	22-22*	10	38/00	38/00
2,48,65,450	1,86,02,399	3,35,26,675	90,27,691	1,56,84,867	21,521	3	34	15	15	17 1/2	10	38/00	38/00
3,94,00,000	5,80,31,203	2,03,01,886	32,59,129	1,40,40,263	35,587	9	360	15	15	12-12*	10	28/62	28/87
MISCELLANEOUS													
8,27,970	8,82,919	12,42,783	10,99,551	12,01,372	53,791	8	223	20	30	36	10	20/00	20/00
20,00,000	2,57,217	27,98,665	29,32,360	21,71,601	3,26,125	9	68	30	30	30	10	29/50	29/50
74,89,150	72,05,408	..	2,48,602	-8,28,769	-14,68,400	12	63	..	Nil	..	10	14/31	14/31
5,00,000	..	3,15,956	11,39,628	1,17,622	12,910	2	21	7 1/2	7 1/2	7 1/2	100	30/00	30/00
MISCELLANEOUS													
1,25,00,000	1,51,51,911	36,00,000	1,25,80,918	26,30,706	30,393	6	439	..	3	Nil-10*	10	12/06	12/62
2,47,00,000	2,28,843	Nil	5,88,284	-1,19,242	-1,18,804	12	281	..	..	..	50	2/75	2/75
2,00,00,000	61,16,247	87,10,720	5,34,83,359	41,88,190	..	3	39	..	..	..	10	00/43	00/43
97,46,630	1,62,75,000	73,74,126	4,46,513	37,33,223	18,455	12	22	14	12 1/2	6-7*	100	78/00	78/00
1,99,94,325	8,77,31,151	4,34,03,080	53,33,798	1,07,12,489	26,969	3	22	8	12	12-13*	10	14/94	14/37
6,49,00,000	3,17,363	6,02,958	3,21,617	-14,078	-4,849	3	133	..	..	..	10	27/87	27/87
1,50,00,000	1,07,01,720	99,61,347	2,91,71,046	33,69,977	43,205	12	334	..	..	..	10	6/69	6/69
1,47,12,250	70,44,126	1,22,48,546	2,05,42,132	78,17,248	2,34,727	9	308	8	8	7 1/2	100	1/94	1/94
MISCELLANEOUS													
47,12,000	18,46,595	90,33,368	2,73,18,501	25,28,932	2,44,687	12	282	15	15	18	100	206/00	206/00
1,61,00,000	2,76,53,583	2,38,89,151	41,04,252	1,23,59,734	38,785	3	167	25	25	10	10	32/31	31/31
1,35,00,000	90,71,426	1,24,32,234	8,55,304	62,89,944	21,708	9	7	25	25	25-18*	10	23/75	23/75
30,00,000	22,68,464	34,28,465	18,44,015	22,10,080	10,564	6	7	20	20	20	10	29/25	29/25
40,00,000	34,43,104	43,03,095	14,39,946	30,01,359	10,564	6	7	13	15	15-15*	10	19/81	19/75
80,00,000	69,05,819	16,22,447	4,31,039	11,41,474	73,633	12	375	Nil	6 1/2	8	10	12/69	13/75
79,97,000	77,87,804	1,29,48,132	28,35,366	17,51,943	3,61,143	12	79	16	7	7	10	13/62	13/62
23,31,600	1,014	13,02,891	9,90,508	6,26,950	40,375	12	35	8 1/2	..	..	75	70/00	65/00

MISCELLANEOUS COMPANIES—Contd.

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Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares If any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts Closed	Names	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until			
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.			1960	1961	1962	Rs.	Rs.	Rs.
MISCELLANEOUS (Contd.).													
60,00,000	6,27,241	59,20,402	91,23,845	14,28,049	24,342	12	321 Octavius Steel P.	10	7 1/2	7 1/2	100	..	..
2,20,00,000	1,99,24,542	89,30,483	25,74,107	1,20,21,148	1,39,632	12	364 Philips India	12	12	13	10	28/75	28/00
2,86,200	53,496	61,28,800	1,02,081	4,43,784	48,408	8	140 Publicity Society	10	75	75-50*	4	22/62	22/62
4,25,00,000	1,04,34,519	67,80,570	1,53,00,153	73,34,623	5,962	8	332 Rallis India P.	10	8 1/2-10*	8 1/2-10*	10	136/00	136/00
5,00,00,000	7,93,37,818	3,87,81,885	1,16,91,228	1,22,07,255	4,305	8	335 Rontas Industries P.	20	10	8-9*	10	12/69	13/00
94,27,380	5,54,68,835	Nil	14,04,491	4,60,253	37,513	9	72 Strail P.	Nil	..	..	10	9/15	9/08
70,00,000	2,31,09,587	58,67,480	20,33,664	23,36,729	13,552	9	876 Sen Raleigh Industries P.	8	8	8	10	15/12	15/12
75,00,000	1,02,89,547	55,43,000	1,78,35,987	41,86,452	5,57,492	12	278 Shaw Wallace P.	15	15	7 1/2	10	16/87	17/19
3,00,000	3,33,174	23,169	40,501	17,483	1,739	12	111 Spencers Hotel	2 1/2	2 1/2	2 1/2	2	1/25	0/59
2,80,00,000	5,74,94,906	3,16,49,275	38,74,069	1,86,24,531	4,44,246	12	301 Union Carbide	18	18	12 1/2	10	34/75	34/75
1,10,00,000	7,04,778	29,75,610	9,48,447	11,31,642	5,406	12	195 Walford Transport	20	20	20	10	3/12	2/81
6,40,80,000								30	30	30	10	3/84	3/87
INSURANCE COMPANIES													
13,50,000	6,89,803	61,56,126	1,56,73,630	5,94,228	32,703	12	174 Concord of India	20	20	20	5	10/25	10/25
24,00,000	1,43,152	95,20,456	1,36,84,067	17,38,669	20,229	12	248 Hercules	22 1/2	26 1/2	26 1/2	10	23/25	23/25
32,00,000	27,24,852	1,56,73,464	2,30,92,019	30,35,783	12,241	12	83 Ruby General	10	13 1/2	15 1/2	8	10/37	10/00
8,00,000		21,62,472	47,92,606	51,893	12,241	12	.. Standard General	..	..	..	10	6/12	6/12
5,75,000	7,133	77,12,554	1,05,52,159	10,05,738	..	12	39 Triton	45	60	50	25	130/00	130/00
FLOUR MILLS													
12,00,000	4,11,000	29,55,020	6,63,425	10,87,621	1,80,000	12	24 Bengal	40	25	25	10	34/12	34/12
6,60,000	6,51,040	2,47,038	2,17,808	1,05,473	1,26,880	10	97 Delhi P.	..	..	..	10	14/00	14/00
48,90,137	47,18,433	77,72,310	56,85,368	33,61,767	4,07,338	9	175 Ganesh P.	..	..	..	12 1/2	13/75	13/75
9,00,000	4,53,646	4,52,302	8,883	2,19,375	32,614	12	236 Hookhly	15	Nil	Nil	10	19/75	19/75
5,00,000	2,77,355	6,61,791	25,812	2,25,689	6,571	11	236 United	35	10	7 1/2	10	27/81	27/81
OIL COMPANIES													
22,00,000	22,366,123	21,875,442	21,080,797	21,537,438	2,168,520	12	249 Attock Oil	13 1/2	13 1/2	13 1/3	21	sh. 37/6 sh. 37/6	sh. 33/9
28,419,000	23,843,356	21,750,000	21,148,421	21,444,093	2,582,661	12	82 Burmah Oil P.	22 1/2	..	..	21	sh. 66/- sh. 64/4	sh. 49/4
1,00,00,000	59,28,364	1,75,25,203	2,84,68,306	54,63,502	1,19,330	12	249 Indo Burmah Petroleum P.	20	25	22 1/2	10	21/62	21/75
6,00,000	3,20,016	9,89,137	4,92,803	4,37,005	12,113	10	2 Tide Water Oil	30	35	35	10	33/19	33/19
PAPER MILLS													
58,50,000	1,09,71,994	63,55,637	10,43,959	47,17,412	50,816	12	436 Bengal P.	32	27 1/2	20	10	27/50	28/00
88,20,000	1,16,27,906	90,40,934	1,01,010	40,65,122	28,615	8	2 India Paper Pulp	15	13	12-15*	10	18/94	18/94
1,90,87,250	6,87,00,000	57,39,270	1,08,97,843	1,40,08,528	98,457	12	82 Orient Paper P.	22 1/2	22 1/2	22 1/2	10	39/05	39/40
1,25,51,920	3,84,89,769	1,77,04,218	90,74,618	1,15,62,353	73,294	12	140 Shree Gopal Paper P.	17 6/7	17 6/7	17 6/7	10	25/75	26/12
2,73,19,050	4,28,25,108	94,29,176	63,90,689	2,93,680	1,08,791	6	22 Sirpur P.	6 1/2	8 1/2	8 1/2	10	13/19	13/31
1,00,00,000	4,41,41,480	8,52,288	5,66,797	-1,17,823	56,480	9	36 Star Paper P.	Nil	Nil	Nil	10	9/12	8/25
16,00,000													
437,500PO													
36,00,000AO	4,87,90,174	3,15,32,295	20,74,443	-20,620	15,112	8	106 Titaghur P.	25	13	13-13*	21PO	3/44	3/44
36,04,800BO													
1,50,00,000O	4,95,97,051	95,00,000	1,73,752	58,44,186	17,196	6	873 West Coast P.	25	20	10-10*	10BO	16/31	16/19

BOMBAY COTTON MILLS

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

Paid-up Capital Ordinary	Number of Spindles Looms	Net Block Account	Reserve & other Funds	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Names	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until
Ra.		Ra.	Ra.	Ra.	Ra.	Ra.			1960 1961 1962	Ra.	3-3-64 25-2-64 A year ago
40,00,000	48,652	1,016	1,28,56,156	45,70,828	20,69,878	10,39,744	26,620	289 Ahmedabad Advance P.	16	12	100 142/50 140/00 170/00
50,00,000	48,254	986	20,17,010	10,78,394	1,49,501	2,24,486	12	329 Apollo	Nil	Nil	2 1/92 2/00 1/98
40,00,000	41,135	980	43,32,511	11,42,781	4,76,501	1,42,728	3	350 Beharilal Ramcharan	Nil	Nil	100 138/00 138/00 82/50
2,50,00,000	2,03,942	4,911	5,87,37,535	3,82,76,018	47,87,842	62,56,837	67,586	12 196 Bombay Dyeing, etc.	14	14	25 62/50 64/20 61/30
10,00,000	35,052	948	32,07,778	34,59,612	10,89,180	1,37,996	12	262 Bradbury P.	Nil	25	50 151/00 151/00 150/00
1,27,75,700	1,18,296	2,700	4,98,32,541	3,26,61,468	25,80,074	80,68,350	6	222 Century	Nil	30	100 655/50 703/00 548/00
46,87,500	1,15,188	2,062	2,99,18,629	10,75,722	15,14,712	3,59,289	9	269 Central India P.	Nil	Nil	100 99/00 100/00 103/00
26,00,000	24,916	719	37,34,829	32,52,434	1,01,653	4,46,029	12	68 Corla	11	11	100 160/25 162/50 150/00
28,00,000	43,512	...	33,97,504	29,03,230	5,19,246	23,98,267	12	262 Dawn	30	30	50 156/00 154/50 142/00
34,00,000	49,164	920	74,35,701	43,13,002	1,86,928	-9,41,132	12	269 Edward Textiles	9	9	200 305/00 305/00 99/00
29,98,050	47,700	886	1,32,62,451	48,56,520	2,59,089	4,04,302	18	269 Elphinstone P.	18	22	50 102/00 101/00 310/00
50,00,000	63,212	784	85,32,658	71,82,852	16,834	4,09,432	23	241 Finlay	23	23	100 315/00 325/00 176/00
39,04,700	77,966	...	19,75,309	43,25,176	23,64,706	12,85,523	14	56 Gokak	14	18	100 187/00 188/00 965/00
12,00,000	40,856	1,116	64,14,595	58,13,259	10,75,932	4,27,954	5	305 Hindoostan	50	50	250 950/00 950/00 176/00
2,00,00,000	2,48,870	6,498	4,41,45,022	3,84,70,022	31,82,629	1,32,22,197	5,89,816	12 15 India United	8	14	100 21/24 21/88 23/60
9,00,000	47,824	1,202	75,60,490	61,57,161	4,26,274	...	3	305 Indian	23 1/5	374	1Dd 2/48 2/56 160/00
50,00,000	50,074	1,426	74,72,293	26,00,000	26,71,578	4,58,532	8,880	12 103 Indore Malwa United	8	10	100 250/00 205/00 192/00
59,85,000	65,280	1,514	1,07,21,545	82,79,165	25,00,707	76,87,297	38,751	6 149 Khatau Makanji P.	32	16	100 200/00 208/75 397/50
1,00,00,000	1,20,504	1,846	1,38,52,384	1,07,07,211	9,13,095	38,39,253	12	146 Kohinor	15	18	100 339/00 341/50 282/00
89,60,000	49,893	1,369	1,26,36,356	62,49,272	7,11,717	-21,14,041	-10,80,896	12 83 Lakshmi Vishnu P.	5.7	6	Nil 101/50 101/50 106/25
51,75,000	71,652	1,620	2,44,04,458	78,75,201	1,68,667	33,39,748	6	104 Morarjee Goudaldas P.	21 1/2	24	24-20* 100 395/00 395/00 450/00
39,68,250	50,480	500	55,13,433	39,56,794	22,08,037	2,05,250	2	261 Mysore Spg. & Mfg. P.	14	14	50 44/50 44/00 46/00
24,00,000	45,944	432	23,52,760	7,45,700	10,79,000	15,67,753	8,456	12 .. New City of Bombay	Nil	Nil	100 188/75 185/00 142/50
30,00,000	46,864	1,029	22,27,098	25,72,444	27,32,568	12,48,697	153	12 .. New Great Eastern P.	Nil	12	100 178/00 178/00 270/00
49,00,000	54,244	728	53,94,222	35,02,896	1,54,21,523	21,027	27	380 Phoenix	15	20	100 236/00 235/00 206/00
10,00,000	9,520	377	13,17,604	2,78,222	9,963	3,22,456	-1,07,771	12 257 Sassoon & Alliance	Nil	Nil	10 11/00 11/00 13/00
75,40,000	96,483	1,227	2,21,73,463	1,58,87,542	13,77,720	28,73,996	3,192	12 339 Sassoon Spinning	17	20	10 40/00 40/00 47/50
60,48,000	49,840	1,238	1,34,95,513	34,48,460	1,44,640	22,79,548	24,574	3 379 Simplex	15	Nil	22-16* 50 130/00 130/00 145/50
1,00,00,000	77,436	1,640	1,62,20,494	86,36,202	95,49,874	35,49,582	51,723	12 327 Shree Niwas P.	18	20	14 100 265/00 275/00 232/00
1,00,00,000	65,040	2,006	1,96,83,714	1,42,81,829	24,73,107	35,08,617	8,176	12 269 Swadeshi P.	17	19	100 249/00 254/00 258/00
38,00,000	40,328	649	46,84,834	71,73,334	4,20,451	26,00,000	26,00,000	12 41 Swan	36	21 3/5	100 267/50 267/50 280/00
65,57,875	63,248	1,800	2,12,86,475	1,12,83,538	11,32,192	20,80,953	1,422	12 269 Tata	20	22	20 25 56/50 57/70 60/00
12,00,000	45,508	1,308	62,07,441	12,11,933	31,81,227	10,12,985	8,027	3 305 Western India	46 2/5	25	250 847/50 847/50 835/00

* 1962

* 1963

BOMBAY MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Names	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until
Ra.	Ra.	Ra.	Ra.	Ra.	Ra.			1960 1961 1962	Ra.	3-3-64 25-2-64 A year ago
10,06,68,750	28,49,18,138	12,76,85,523	5,86,98,994	5,14,17,638	68,243	1	Associated Cement	12 12-12*	100	151/00 152/50 142/50
8,74,77,100	11,61,05,785	1,38,05,785	30,82,878	78,42,905	638	3	Ahmedabad Electricity	7	6	100 97/50 97/20 93/80
32,77,701	9,34,77,781	1,23,39,917	32,52,570	32,52,570	36,154	3	Andhra Valley Power P.	146	146	100 1,045/00 1,041/25 1,005/00
1,75,00,000	3,95,16,553	1,21,07,263	17,22,888	39,87,421	3,370	3	Bombay Suburban Elec.	267	267	100 105/00 105/00 101/00
2,39,99,775	7,17,76,550	1,39,56,841	51,65,971	60,68,808	27,536	8	Tata Hydro Elec. Power P.	8	8	100 112/00 111/25 104/00
8,15,36,000	17,59,03,832	3,61,11,341	87,28,753	1,22,80,113	29,988	3	Tata Power P.	267	267	100 1,085/00 1,106/25 1,070/00
31,42,200	17,06,292	44,16,374	1,54,08,311	5,79,666	1,35,820	12	Alcock Ashdown	17	22 1/2	100 307/00 311/00 321/00
14,75,050	7,99,713	4,61,618	2,25,568	-24,763	-33,604	3	Just's Engineering	8	10	10-Nil* 50 53/00 56/00 98/00
1,65,00,000	1,36,83,136	1,15,74,779	1,09,19,945	49,29,564	11,973	3	Larsen & Toubro P.	12 1/2	18	14-14* 10 23/76 24/00 27/00
1,10,00,000	1,03,70,225	3,45,914	...	...	1,016	7	McKenzie	10	12	14 100 148/75 148/75 140/00
2,50,00,000	5,834	1,00,53,052	1,79,52,042	3,35,178	59,102	12	Premier Construction P.	284	43 1/3	300 181/00 182/50 133/00
7,99,97,300	17,30,38,018	5,09,28,017	13,84,385	3,61,61,616	14,962	3	Tata Eng. & Locomotive P.	269	14 1/2	14 1/2 100 311/00 310/00 298/00
87,55,67,699	1,03,32,39,005	42,98,94,270	10,44,14,243	10,55,68,012	32,096	3	Tata Iron & Steel P.	269	10 3/6	10 3/6 100 150/25 150/50 121/25
20,00,000	...	23,84,913	95,96,033	4,24,629	1,18,806	12	British India General	297	...	...
18,74,940	23,01,134	2,88,61,155	2,61,49,442	38,951	4,65,316	12	Juniper General P.	55	...	...
1,42,42,125	23,46,782	8,80,88,899	9,41,74,741	92,81,250	92,81,250	12	New India	179	...	...
15,99,270	...	29,41,860	59,86,789	6,05,803	3,81,242	12	Vulcan	255	...	...
70,49,860	41,70,804	1,23,53,808	1,09,82,038	87,94,850	3,00,263	9	Belapur Sugar	42	50	...
1,33,50,000	3,34,19,072	2,76,00,447	1,67,73,491	1,13,92,935	2,25,985	6	Bombay Burmah Trading	285	33 32-35 1/5*	25 228/00 232/00 200/00
84,00,000	4,66,81,360	3,87,07,011	23,74,064	4,77,27,501	53,598	12	Hindustan Lever	91	26	12 20 40/50 46/75 45/00
99,99,250	4,754	20,08,796	30,41,315	8,97,499	30,418	12	Industrial Invt. Trust	290	64	...
11,99,900	13,82,951	7,84,142	14,05,2231	...	16,942	12	Kemp (Chemicals)	67	12 1/2	...
4,41,12,100	7,40,36,031	2,03,71,187	27,33,087	1,69,61,608	4,41,151	12	National Harbors	196	...	...
11,27,98,680	23,26,06,055	11,58,24,547	11,18,89,983	48,75,907	2,22,649	12	Scindia Steam Navign.	196	...	...
20,88,450	61,89,784	1,93,290	...	...	-11 3/4	12	Shivrajpur Synd.	80	...	...
3,02,33,815	6,32,84,424	1,44,04,272	23,87,449	89,88,440	3,923	6	Tata Chemicals P.	269	...	...
1,05,05,475	2,21,88,319	1,25,42,336	47,75,465	50,73,815	1,187	8	Tata Oil P.	269	...	...
2,50,00,000	1,16,85,362	1,08,92,809	71,80,468	1,37,48,151	2,91,854	8	Volta	360	...	...
2,75,00,000	2,71,29,042	2,32,60,865	1,47,82,908	1,39,56,381	82,648	12	Western India Match	274	...	...

* 1963

SOUTH INDIA PLANTATION COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Acreage	Outturn and Average Price realised for crop	Average per kg/lb for crop	Net Profits	Accounts closed	Major Shareholders etc.	NAMES	Dividends per cent	Paid-up per share	Latest Market Quotations as available until				
Ra.	Ra.	Ra.		Lbs.	Ra.	Ra.				1960	1961	1962	Ra.	Ra.	Ra.	A year ago
475,000	16,06,067	1,50,000	1,992	7,996cwt	9.68	1,19,757	3	401	Amalgamated P.	10	..	..	10	10/01	10/01	10/36
1,50,000	12,57,795	5,72,253	878	1,12,000	1.48	70,011	12	402	Anandam P.	15	..	..	10	14/19	14/19	15/24
2,50,000	6,09,131	1,50,000	402	1,28,902	1.47cwt	3,501	2	403	Athimattam	Nil	..	..	2	1/20	1/23	0/80
6,09,980	13,96,078	4,83,841	1,630	225,168	4.34	4,11,290	3	287	Baanoor P.	15	12	..	10	13/25	13/25	12/91
1,00,000	3,94,072	2,05,000	319	1,07,765	3.2	1,11,970	5	404	Baimadur P.	7 1/2	5	Nil-5*	3	1/80	1/80	1/90
47,32,230	13,48,114	4,46,253	977	1,07,765	1.65cwt	3,110	6	270	Be Be P.	Nil	..	..	2	2/46	2/40	2/15
40,00,000	1,23,45,152	25,11,425	1,329	8,53,764	4.81	12,37,848	6	141	Blue Mountain	12 1/2	10	10-10*	2	2/43	2/40	2/56
14,00,100	27,96,388	14,46,380	4,586	8,36,283	3.15	6,16,055	3	210	Chembra Peak	20	20	20	2	4/68	4/65	3/62
8,91,279	48,15,737	18,60,914	8,051	11,05,303	..	8,80,694	2	210	Cochin Malabar P.	17 1/2	20	20-12*	3	6/44	6/40	6/16
5,50,000	39,31,708	30,28,661	2,710	19,48,320	..	4,11,249	6	405	Coffee Lands P.	..	..	..	10	16/12	16/12	12/75
1,85,000	1,18,74,494	63,44,278	7,001	80,81,120	..	25,60,562	6	406	Consolidated Coffee P.	20	..	..	10	20/00	20/35	16/00
6,66,730	21,85,561	13,31,210	411	4,49,666	2.32	1,58,198	9	203	Coonor P.	17 1/2	15	17 1/2	10	18/37	18/37	19/25
4,80,000	10,36,443	4,76,798	432	3,53,888	1.52	1,19,880	3	407	Coorg P.	20	..	..	2	4/85	4/85	3/98
6,00,000	11,82,508	2,17,761	1,026	1,69,785	1.47	46,942	3	12	Cottanad Plantation P.	10	..	..	10	9/60	9/00	9/31
6,00,000	8,89,831	4,80,155	345	3,25,310	2.66	1,25,313	12	212	Devashola (Nilgiri)	20	..	..	10	24/08	24/08	25/50
1,74,650	9,14,944	3,31,040	450	1,38,386	4.26	1,36,712	3	287	Devon P.	15	12	..	10	11/96	11/96	12/66
1,50,000	3,38,952	1,26,500	197	1,12,936	2.66	28,121	12	408	Emerald Valley	10	..	..	5	6/10	6/10	5/06
4,50,000	3,64,462	20,000	278	42,830	..	40,424	12	408	Goku	15	..	..	2	2/03	2/03	1/90
6,00,000	42,82,150	17,77,500	1,465	17,21,550	2.04	2,13,414	12	410	Haleburya P.	10	..	..	2	12/70	12/70	12/65
11,85,700	28,02,058	10,77,705	1,528	9,59,804	1.87	3,60,461	2	408	Kallia	22 1/2	..	..	2	5/89	5/89	5/05
11,85,700	18,83,359	8,86,159	465	2,92,200	4.64	4,14,877	3	210	Kalaisa Tea Produce	20	25	..	2	4/10	4/10	3/45
17,17,076	27,90,278	9,40,446	741	4,46,673	3.17	5,88,681	10	210	Kil Katagiri P.	25	25	..	2	4/90	4/90	5/15
6,00,000	9,11,259	1,21,604	267	305,757	2.31	96,465	12	203	Luck Valley	10	10	..	10	12/..	12/..	11/00
13,50,000	17,31,286	4,85,241	1,691	6,70,174	1.48	2,06,136	3	411	Malankara	15	..	..	10	16/50	16/50	15/92
40,50,000	74,75,217	14,33,242	4,013	740,800	4.47	13,89,961	3	270	Midland Rub. & Prod P.	12 1/2	12 1/2	..	10	11/60	11/40	10/18
14,06,250	33,53,404	4,45,346	1,587	9,98,586	2.90	1,80,900	3	402	Nizhir P.	8	..	..	10	9/15	8/90	8/95
28,10,000	24,28,291	11,02,621	1,057	7,29,106	2.92	16,62,532	6	14	Nonsuch	20	20	20-20*	10	22/57	22/57	22/15
6,50,000	1,07,931	3,11,493	810	1,35,230	..	1,41,176	3	210	Ossour	15	..	..	2	2/62	2/65	2/72
19,45,980	34,83,670	25,53,333	1,498	4,77,593	4.64	6,37,924	10	210	Ouchentery	13	12	..	2	4/28	4/28	4/30
14,88,960	27,02,359	17,22,963	678	4,13,064	4.74	7,70,117	6	203	Parkside Neilgherry	27 1/2	22 1/2	27 1/2	10	26/33	26/33	24/00
17,00,000	27,36,576	12,82,318	1,565	10,85,565	2.20	11,29,838	12	..	Peermadé P.	22 1/2	25	..	10	20/50	20/50	22/50
6,00,000	1,90,314	1,35,530	1,187	4,83,268	1.90	1,66,244	2	259	Pennicular	20	..	..	10	21/25	21/25	20/70
77,94,880	78,72,019	20,68,711	2,074	23,46,900	3.83	13,16,964	3	210	Perakaramalai	13 1/2	20	12 1/2-15*	2	3/43	3/50	9/80
18,50,000	48,44,469	13,58,959	952	845,000	3.16	8,05,161	6	270	Raisagiri Rub. & Prod P.	20	20	20-21 1/2*	5	20/75	20/75	3/06
2,00,800	3,14,567	1,53,963	711	3,320cwt	1.32	1,18,791	3	412	Ralendra P.	25	..	..	5	10/42	10/42	18/70
1,25,000	1,90,373	15,000	216	..	..	43,141	3	413	Swinton	12 1/2	..	..	2	2/68	2/68	2/85
10,00,000	20,71,084	2,48,373	1,454	4,30,693	1.51	63,263	3	172	Teekoy P.	Nil	..	..	10	6/60	6/60	5/03
8,15,300	13,14,493	10,80,000	2,227	2,45,549	3.76	1,27,943	9	210	Thiruvambadi	7	12	..	1	1/95	1/95	1/54
6,00,000	6,51,402	46,742	1,307	1,23,794	3.21	10,850	12	414	Trancornor Rubber	10	..	..	10	12/00	12/00	10/85
41,00,000	72,63,801	12,63,584	2,535	12,19,484	..	10,61,172	12	9	Trancornor Rub. & Tea P.	9	10	10	10	10/45	9/90	9/05
10,00,000	23,48,701	1,36,000	4,028	6,38,402	1.00	2,02,762	12	271	Francora Plantation	8	..	..	25	21/00	21/00	19/75
16,93,280	24,78,11	16,00,000	1,267	9,63,293	2.16	1,00,000	12	410	Unkiri Nilgiri	21	22	..	10	8/55	8/55	9/10
8,80,010	30,03,223	17,04,989	3,638	8,28,976	6.11	12,85,658	3	250	Valter	10	..	..	10	23/75	23/75	20/87
47,25,000	3,26,839	3,82,051	952	9,44,400	1.50	2,20,696	12	418	Valkundam	31	..	..	10	33/75	33/75	30/85
7,95,000	76,06,431	21,33,765	2,214	13,41,277	3.77	15,22,472	6	157	Waterfall Estates P.	12 1/2	10	10-10*	2	2/37	2/37	2/20
12,00,000	15,00,000	..	..	..	..	..	6	116	Woodland P.	10	..	..	10	6/90	6/90	7/85

SOUTH INDIA SUGAR MILLS

O, P, T, and Dd indicate Ordinary, Preferred Ordinary, Founders and Deferred Shares respectively 'P' next to the name of the company indicate that the company also has Preference Shares. Figures in "accounts closed" column indicate the months of the calendar year in which accounts are closed. For Managing Agents refer to the Key (last page) under the numbers indicated.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares If any	Cash & Securities	Net profits	Carry forward	Accounts closed Mg. Agts. Secretaries etc.	NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
								1960	1961	1962		3-3-64	25-2-64	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.						Rs.	Rs.	Rs.	Rs.
80,00,000	62,64,264	26,55,000	5,52,400	10,92,779	22,959	9	Andhra P.	..	..	..	10	15/75	17/36	18/20
40,00,000	80,62,883	12,61,424	1,58,472	13,46,266	1,40,987	6	Cauvery P.	..	..	..	100	103/00	103/50	99/00
39,84,000	80,95,449	50,28,500	10,91,223	29,00,521	9,587	5	Deccan Sugar	25 1/2	12	18-18 1/2	5	12/16	12/10	9/25
21,12,700	23,463,073	22,075,782	2,414,795	2,648,473	2,21,999	9	EID - Parry	21 3/4	21-3/4	28 3/4	21	37/50	37/50	39/75
63,97,850	45,80,752	15,25,348	64,67,521	12,34,057	3,17,077	9	Indian Sugar P.	14	10	..	10	10/00	10/00	10/25
12,45,572	1,22,66,623	18,99,861	1,51,052	5,99,416	2,090	6	Jeyapore P.	..	..	..	10	14/68	14/68	15/00
10,52,200	2,87,27,773	1,23,75,000	31,53,982	20,76,426	91,745	6	K. C. P.	..	..	..	10	22/85	22/85	25/07
79,98,000	1,40,66,784	..	3,14,482	-16,480	-1,26,762	6	Kothari	Nil	Nil	Nil-Nil	10	7/00	7/00	7/10
10,52,200	69,98,950	..	46,26,924	1,22,390	4,559	6	Mysore	30	30	30-30	10	44/65	44/65	51/30
21,79,280	1,19,98,416	1,19,98,416	10,12,037	4,98,802	..	6	Travancore P.	10	..	..	10	7/45	7/45	6/85
80,00,000	35,93,381	11,41,000	..	1,46,735	..	4	United Breweries	60	60	25-Nil	10	33/00	33/00	95/00
25,00,000	45,92,397	91,28,520	73,43,307	34,22,332	..	3								

* 1963

SOUTH INDIA MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares If any	Cash & Securities	Net profits	Carry forward	Accounts closed Mg. Agts. Secretaries etc.	NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
								1960	1961	1962		3-3-64	25-2-64	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.						Rs.	Rs.	Rs.	Rs.
1,00,00,000	85,99,116	39,83,750	10,36,603	19,80,945	1,52,818	3	Aluminium Industries	13	..	..	10	19/00	19/00	21/40
71,02,270	81,97,867	9,97,508	8,37,425	14,43,157	2,172	12	Andhra Cement P.	10	10	10-10	10	10/10	10/09	9/75
3,02,87,658	1,59,93,383	25,83,810	1,84,694	39,41,443	20,076	12	Ashok Leyland	8	..	..	10	7/23	7/25	7/70
1,00,00,000	1,47,081	49,33,435	2,75,867	19,88,813	4,39,222	12	Binny	12 1/2	..	..	10	282/00	282/00	327/17
7,50,000	5,48,587	56,538	41,650	93,226	-1,46,143	12	Brunton & Co.	..	..	..	10	5/00	5/00	5/30
24,99,000	40,82,511	3,52,644	62,051	3,35,186	4,810	12	Enfield P.	..	..	..	10	10/40	10/40	9/50
2,24,44,750	321,08,642	66,66,496	73,60,473	51,28,679	1,38,608	3	India Cement P.	11	9	12	5	5/73	5/90	6/25
23,82,732	16,92,196	2,50,222	93,924	2,16,808	2,977	12	Indian Steel Rolling P.	..	..	..	10	9/90	9/80	10/50
1,40,00,000	1,39,97,039	37,48,801	36,09,251	29,82,180	11,631	3	Mettur Chemical Industries P.	12 1/2	12 1/2	13 1/2-18 1/2	10	13/55	13/83	13/70
24,81,220	12,69,939	10,47,778	17,48,674	5,48,641	8,514	3	Mysore Chem & Fert	10	10	..	10	7/95	7/90	9/75
5,00,000	5,20,889	4,52,183	2,18,413	2,33,791	85,187	3	Mysore Chemical Mfgs. P.	20	..	..	10	16/70	16/70	18/28
5,58,250	5,13,565	9,38,686	4,374	1,23,899	3,140	3	Mysore Lamp P.	20	..	..	10	30/00	30/00	34/66
85,00,000	58,50,342	37,12,500	2,45,664	14,29,395	36,653	3	Mysore Paper	15	15	..	10	12/40	12/40	14/25
10,00,000	7,56,320	3,16,884	29,32,342	75,422	622	3	Mysore Tobacco	10	..	..	10	12/00	12/00	7/90
10,00,000	6,54,848	8,02,000	2,60,104	4,84,835	1,51,607	3	Parrys Conf.	30	..	..	10	3/33	3/25	3/63
60,00,000	82,50,079	1,03,14,883	40,58,627	23,52,432	10,74,117	6	Spencer (Provisions)	18	18	18	10	22/25	22/00	22/50
47,00,000	86,53,610	20,65,000	51,902	1,85,966	3,899	12	Standard Motors P.	9	..	..	10	10/33	10/33	16/13
11,56,300	5,95,547	14,04,007	16,66,624	4,19,707	41,732	9	T. Stanes P.	32 1/2	..	..	10	27/40	27/40	29/75
38,84,400	42,98,650	13,07,759	26,027	4,92,816	832	4	Textool	15	..	..	100	145/50	146/00	157/00
8,50,00,000	4,24,61,684	2,14,79,630	72,21,483	85,33,091	50,510	7	Tube Investments	10	10	10-10 1/2	100	215/00	215/00	235/00

11963

LIGHT RAILWAY AND ROPEWAY COMPANIES

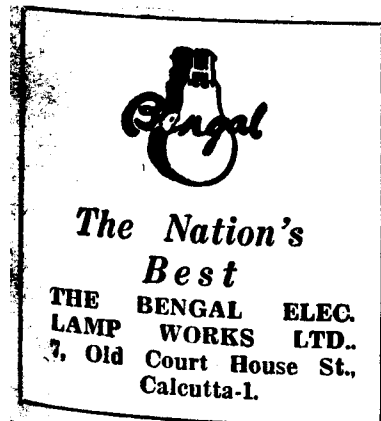
Paid-up Capital Ordinary	Gross Block Accounts	Reserve & other Funds	Net Earnings	Carry Forward	Accounts closed Mg. Agts. Secretaries etc.	NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
							1960	1961	1962		3-3-64	25-2-64	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.						Rs.	Rs.	Rs.	Rs.
17,24,000	18,02,732	12,576	-2,52,424	..	3	Ahmedpur Katwa	1.90	1.90	1.75	100	26/00	26/00	29/00
21,69,300	34,93,619	6,11,708	3,03,821	2,918	3	Arrah Sasaram	5	5	5	100	30/50	30/50	30/50
34,00,000	35,33,840	21,816	-4,66,034	..	3	Bankura Damodar	1.90	1.90	1.75	100	30/00	30/00	29/50
17,80,000	20,25,854	10,772	-3,07,176	..	3	Burdwan Cutwa	1.90	1.90	1.75	100	29/00	29/00	29/50
81,00,000	28,10,290	44,296	1,72,713	1,480	3	Chaparmukh-Silghat	2.90	2.90	2.80	100	40/00	40/00	35/00
4,75,000	1,48,268	5,33,389	1,35,796	3,691	3	Cherra Chhatak Ropeway	9	12	12	6	4/62	4/62	5/75
2,47,650	2,28,169	59,790	42,399	4,008	3	Darjeeling Ropeway	..	..	..	10	8/50	8/50	8/00
60,00,000	49,80,137	14,51,000	10,14,361	33,951	3	Dohri Rohtas	17	20	15	10	12/50	12/50	14/00
11,49,700	15,85,943	8,500	69,013	1,480	3	Futwah Islampur	1.90	1.90	1.90	100	28/70	28/70	28/70
16,00,000	49,13,938	13,57,712	1,70,485	3,022	6	Howrah Amta (P)	6	5	4 1/2	100	34/00	34/00	46/00
6,00,000	13,66,352	5,14,980	62,731	4,225	3	Howrah Sheekhala	6	5	4 1/2	100	45/00	45/00	45/00
8,91,100	11,74,348	15,024	73,580	160	3	Katakhal Lala Bazar	3.50	3.10	1.90	100	41/00	41/00	41/00
18,00,000	60,91,311	18,08,821	1,11,807	6,893	3	Shahdara (Delhi)	6	3	..	100	52/00	52/00	50/75

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

1. Anderson Wright Ltd.-7, Wellesley Place, Calcutta.	68. Cowasjee Jehangir & Co. Ltd.-Ready Money Mansion, Churchgate Street, Fort Bombay.	116. K. G. Khanna-Solan Brewery (H.P.), Haridwar.	174. N. M. Cole-8, Clive Row, Calcutta.
2. Andrew Yule & Co. Ltd.-8, Clive Row, Calcutta.	69. N. K. Jalan-Kamini Chamber, 32, Nicol Road, Ballard Estate, Bombay.	117. Hari Sons-Avur (Cochin State).	175. Satya Narain Gupta-Subzimidar, Delhi.
3. S. N. Beri-6, Middle Road, Hastings, Calcutta.	70. Chandrie & Co. Ltd.-Madras.	118. Hormusjee Sons & Co.-605, Girgaum Road, Dhobi Talao, Bombay-2.	176. Moton & Co.-Maung Pauley Street, Rangoon.
4. Hazareemull Heeralal-148, Cotton Street, Calcutta.	61. Bagaria More Co. Ltd.-5 Clive Row, Calcutta.	119. Ramnarayan Sons Ltd.-Bombay.	177. H. S. Marshall-1, Humayun Place, Calcutta.
5. Amritlal Ojha & Co. Ltd.-"Security House" Netaji Subhas Road, Calcutta.	62. Dayaram & Sons-8, Old Court House Street, Calcutta.	120. Industrial Financing Co.-68, College Street, Calcutta.	178. Madura & Co. Ltd.-Cochin.
6. Alcock N. C.-Hultsdorf Mills, Colombo.	63. Duncan Brothers & Co. Ltd.-31, Netaji Subhas Road, Calcutta.	121. Imperial Chemical Industries (India) Private Ltd.-34, Chowringhee, Calcutta.	179. A. D. Shroff-New India Assurance Bldgs., Mahatma Gandhi Road, Fort, Bombay.
7. Associated Industrial Development Co. (Private) Ltd.-"Nico House", Hare Street, Calcutta-1.	64. Duff Thomas & Co.-2 and 3, Clive Row, Calcutta.	122. Indra Singh & Sons Private Ltd.-7, Wellesley Place, Calcutta.	180. Mafadal Gagalbhai & Sons-Rustam Bldgs. 29, Churchgate Street, Fort, Bombay.
8. Agarwala S. L.-Indian Insurance Building, Old Cantonment Road, Dehra-Dun.	65. Dass Bros.-29 and 30, Strand Road, Calcutta.	123. Hari Brothers Private Ltd.-Scindia House, New Delhi.	181. Murphy C.-Rampart Row, Fort, Bombay.
9. Aspinwall & Co. (Travancore) Ltd.-Chavadi Parambu North Commercial Canal Road, Alleppey.	66. A. K. Das-15, Netaji Subhas Road, Calcutta.	124. R. Raja Rao-Honnawal Road, Shimoga.	182. Menta Chuntlal V. & Co. Ltd.-Queen's Mansions, Prescott Road, Bombay.
10. Aryan Planter Agency-P-12, Chowringhee Square, Calcutta.	67. Day, P. G.-Anderson's House, Bishopsgate, London, E.C.2.	125. Iyer, I. R. Anantharam & Bros. Ltd.-Pushpagiri, Trichur.	183. Sir V. N. Chandavarkar-Standard Buildings, Hornby Rd., Fort, Bombay.
11. Altum Bharucha & Co.-214, Hornby Road, Bombay.	68. Hari Brothers Private Ltd.-Scindia House, New Delhi.	126. N. Sirur & Co. Private Ltd.-70, Forbes Street, Fort, Bombay.	184. Mysore Industrial Development Co.-33, Gandhinagar, Bangalore City.
12. Associated Planters Private Ltd.-25, General Patters Road, Madras.	69. Dadabhai, Sir M. B.-Kampte Road, Civil Lines, Nagpur.	127. J. P. Hannay-2, Metcalfe St., Calcutta.	185. Mascarenhas B. M.-Platform Road, Bangalore City.
13. Antony M. K.-Alleppey.	70. N. D. Bangur-14, Netaji Subhas Road, Calcutta.	128. Jardine Henderson Ltd.-4, Clive Row, Calcutta.	186. Naidu, G. Kuppaswamy & Co.-Pappanaikepalayam, Coimbatore.
14. Harrison And Crossfield Ltd.-Cochin.	71. B. C. Roy-Hindustan Buildings, 4, Chittaranjan Avenue, Calcutta.	129. S. S. Shrivastava-7, Chowringhee Road, Calcutta.	187. Best & Co. Ltd.-The Hyderabad Laminated Products Ltd., Secunderabad-3.
15. Agarwal & Co.-E. D. Sassoon Building, Douglall Road, Ballard Estate, Bombay.	72. Duffs, J. C. & Co. Ltd.-National Bank Buildings, Netaji Subhas Road, Calcutta.	130. Jajnarria Bros. Ltd.-138, Harrison Road, Calcutta.	188. R. Beema Naidu & Co.-Singanailur, Coimbatore.
16. Andhra Eng. Co. Ltd.-22/422, Dana-Vayyeta, Rajahmundry.	73. C. C. Dey-25, Netaji Subhas Road, Calcutta.	131. Jain, N. K. & Co. Ltd.-"Devashram", Arrah, Shahabad.	189. Naidu, A. G. Guruswamy & Co.-Peelemedu, Coimbatore.
17. Amte & Co.-Hubli.	74. Davenport & Co. Private Ltd.-6, Church Lane, Calcutta.	132. J. K. Industries (Private) Ltd.-7, Council House Street, Calcutta.	190. Naidu P. S. Govindaswami & Sons-Coimbatore.
18. B. M. Krishan-Sri Jayachamaraja Wadiyar Road, Bangalore-2.	75. Desai, R. M.-14, Nicol Road, Ballard Estate, Fort, Bombay.	133. James & Co. Ltd.-25, Netaji Subhas Road, Calcutta.	191. K. Mookerjee-18, Convent Road, Entally, Calcutta.
19. Macneil and Barry Ltd.-2, Fairlie Place, Calcutta.	76. Dodwell & Co. Ltd.-Glennie Street, Slave Island, Colombo.	134. Jute Industries Ltd.-4, Lyons Range, Calcutta.	192. B. D. Agarwala-Stephen House, 4, Dalhousie Square, Calcutta.
20. Oha Brothers Ltd.-Security House, Netaji Subhas Road, Calcutta.	77. Darragh Small & Co. Ltd.-Ilaco House, Sir Phirozeshah Mehta Road, Bombay.	135. John, V. C.-Kattayam, Travancore State.	193. Kesarnal Manocha-529/1, Hall Bagh, Amritsar.
21. Bird & Co. (Private) Ltd.-Chartered Bank Buildings, Calcutta.	78. Dadabhai B. A. & Co.-Ilaco House, Sir Phirozeshah Mehta Road, Bombay.	136. Jones, H. Edwin-Oriental Building, Bombay Elec. House, Ahmedabad.	194. G. V. Swaka-"Pollock House" 14/B, Brabourne Road, Calcutta.
22. Birla Bros. Private Ltd.-8, India Exchange Place, Calcutta.	79. B. N. Elias & Co. Private Ltd.-1 and 2, Old Court House Corner, Calcutta.	137. John, Kurian-Kottayam, Travancore State.	195. R. R. Aiyer-71, Park Street, Calcutta.
23. Babulal & Co. Ltd.-13, Syed Sailey Lane, Calcutta.	80. Eastern Corp. Ltd.-7, Wellesley Place, Calcutta.	138. Kettlewell Bullen & Co. Ltd.-21, Strand Road, Calcutta.	196. Srinivasan, S. D.-7, Council House Street, Calcutta.
24. Balmer Lawrie & Co. Ltd.-21, Netaji Subhas Road, Calcutta.	81. Ebeling, A. F.-Rawaipindi.	139. Kibbourn & Co. Private Ltd.-4, Fairlie Place, Calcutta.	197. Naraindas Lachmandas Ltd.-Rajpurva Kanpur.
25. Butts India Corporation Ltd.-Sutherland House, Kanpur.	82. P. D. P. L.-135, Canning Street, Calcutta.	140. Karamchand Thapper & Bros. Private Ltd.-Thapar House, 25, Brabourne Road, Calcutta-1.	198. Dhanarmey M. Khatau-Scindia House, Daugall Road, Ballard Estate, Bombay.
26. R. L. Thompson-Agraharam Road, Bangalore-2.	83. Forbes, Forbes, Campbell Ltd.-Ramesh Buildings, Home Street, Fort, Bombay.	141. Kothari & Sons Agency Private Ltd.-Armenian Street, Madras.	199. Nowrojee Wadia & Sons (Private) Ltd.-Neville House, Ballard Estate, Bombay.
27. Bengal Textile Agency Ltd.-11, Clive Row, Calcutta.	84. S. R. L. Thompson-Agraharam Road, Bangalore-2.	142. R. Suryanarayan Rao-Channanapatta, Mysore State.	200. Dooduawala & Sons-5, Mukhtaram Babu Street, Calcutta-7.
28. Swedeshi Enterprise Ltd.-41, Chowringhee Road, Calcutta.	85. A. Firpo, Jr.-18/2, Chowringhee, Calcutta.	143. S. L. Dhanuka-P-15, Bentinck Street, Calcutta.	201. R. Arunachalam-17, Richmond Road, Bangalore-1.
29. Beardsell, W. A. & Co. Private Ltd.-Second Line Beach, Madras.	86. Forbes, Forbes, Campbell Ltd.-Ramesh Buildings, Home Street, Fort, Bombay.	144. Khaitan, D. & Sons-14, Netaji Subhas Road, Calcutta.	202. Octavius Steel & Co. Ltd.-14, Old Court House Street, Calcutta.
30. Bhagyalakshmi & Co.-Delhi Road, Udamapet Dt. Coimbatore.	87. S. V. S. Iyer-88C, Old Prabhadevi Road, Bombay-28.	145. P. S. Nikantan-1, Waterloo Street, Calcutta.	203.

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

251. Ramamurthy, A.—Ravakhada (Orissa), Koraput Dist.
252. Ratnams Ltd.—Pugalur, Trichinopoly.
253. T. Shamanna—1129, Vani Vilasa Road, Mysore.
254. Bangur Bros. Ltd.—14, Netaji Subhas Road, Calcutta.
255. Soorajmull Nagarmull—8, Dalhousie Square East, Calcutta.
256. Shaw Wallace & Co., Ltd.—4/3, Bankshall Street, Calcutta.
257. Srivastava, J. P. & Sons—Kanpur.
258. Bharat Ram Charat Ram & Co. Private Ltd.—Bara Hindu Rao Delhi.
259. A. R. Kalairaja Chettiar—Coimbatore.
260. A. K. T. K. M. Narayanan Nambodripad—Kalliat Malabar.
261. Singh, Ranjit—Lucknow.
262. N. L. Roy & Co.—9, Royal Exchange Place, Calcutta.
263. Shyamal Agarwal—9, Dalhousie Sq. East, Calcutta.
264. Sovaram Keshavdeo—15, Netaji Subhas Road, Calcutta.
265. Dr. B. N. Ghose—6, Ganesh Avenue, Calcutta-13.
266. Sundaren, S.—Indian Mercantile Chambers, Nicol Road, Bombay.
267. Singhania Padampat—Kamala Tower, Kanpur.
268. E. K. Srinivasan—15, Hare Street, Calcutta.
269. Steel Bros. & Co., Ltd.—Gillanders House, Netaji Subhas Road, Calcutta.
270. T. Stanes & Co.—Coimbatore.
271. Southern India Plantations Agency Ltd.—Coonoor.
272. Saha Bahuballav—18/11/B, Raja Raj Bally Street, Calcutta.
273. R. B. Pradhan—Empire House, 214, Hornby Road, Bombay.
274. Sindia, M. Ramchandra Rao—3rd Road, Chamarajpet, Bangalore City.
275. Setaivad, J. C.—73, Oppo. Churchgate Station, Fort, Bombay.
276. Scindia Steam Navigation Co., Ltd.—Ballard Estate, Bombay.
277. Ramnath A. Podar—Podar Chambers, Parsee Bazar St., Fort, Bombay.
278. Swedish Match Co.—Nicol Road, Ballard Estate, Bombay.
279. S. Ramashramony Aiyer—Trivandrum.
280. Purnam Buba Sons—Indu House, Douglall Road, Ballard Estate, Bombay.
281. N. Sirur & Co. Private Ltd.—70, Forbes Street, Fort, Bombay.
282. Ramnarayan Sons Ltd.—Bank Street, Fort, Bombay.
283. Seshasayee Bros. Private Ltd.—Metur Dam R.S.
284. V. Venugopal Naidu—Sir Jayachamaraja Wadiyar Road, Bangalore-2.
285. Shree Hanuman Invt. Co., Ltd.—173, Harrison Road, Calcutta.
286. Talukdar, B. S.—Amiasadarpur, Nadia West Bengal.
287. Tata Hydro-Elec. Agency, Ltd.—34, Bruce Street, Bombay.
288. Turner Morrison & Co., Ltd.—6, Lyons Range, Calcutta.
289. Tata Industries Private Ltd.—Bombay House, Bruce Street, Fort, Bombay.
290. Thomas, A. V. & Co. Ltd.—Alleppey.
291. Thomas, P. T.—Kottayam, S. India.
292. Thomas, M. K. & Co., Ltd.—Trivandrum.
293. Tayabjee, O. S.—159, Gunfoundry Rd., Hyderabad (Deccan).
294. A. Hydari and S. Gohberg—Indian Mercantile Chambers, Nicol Road, Ballard Estate, Bombay.
295. United Eastern Agencies—Bombay House, Bruce Street, Fort, Bombay.
296. United Agencies Ltd.—Punalur.
297. Villiers Private Ltd.—F-3, Clive Buildings, Calcutta.
298. S. M. Smith—4, Bankshall St., Calcutta.
299. Williamson Major & Co., Ltd.—4, Mangoe Lane, Calcutta.
300. Whitman, M. J. M. C.—Mayo Road, Rawalpindi.
301. N. K. Jha—22, Chittaranjan Avenue, Calcutta.
302. C. Hockley—3, Netaji Subhas Road, Calcutta.
303. P. R. Shunjunwala—Sewrie, Bombay-14.
304. Walchand & Co. Ltd.—Ballard Estate, Fort, Bombay.
305. Wallace & Co.—9, Wallace Street, Bombay.
287. Young India Agencies Private Ltd.—175/1, Mount Road, Madras-2.
288. Dass Group Private Ltd.—29, Strand Road, Calcutta.
289. B. L. Mathur—4, Clive Row, Calcutta-1.
290. K. S. Basu—63, Netaji Subhas Road, Calcutta.
291. Lionel Edwards (Private) Ltd.—81, Old Court House Street, Calcutta.
292. R. N. Jhunjhunwala & Co., Ltd.—9, Ezra Street, Calcutta.
293. J. F. Horwood—31, Chowringhee Road, Calcutta.
294. R. L. Rampuria—3, Fairlie Place, Calcutta.
295. Premnath & Sons, Ltd.—New Delhi.
296. S. N. Pantia—1 & 2, Old Court House Corner, Calcutta.
297. F. R. Mehta—Mehta House, Apollo Street, Bombay.
298. L. S. Vaidyanathan—Oriental Buildings, Bombay.
299. Kishore M. Premchand—61, Apollo Street, Fort, Bombay.
300. North Bihar Trading Co. (Private) Ltd.—11, Brabourne Road, Calcutta.
301. J. W. L. Russell—1 & 3, Brabourne Road, Calcutta-1.
302. Mitra Mondal—Khatauli, Dt. Muzaffarnagar.
303. G. S. Shroff—2, Hardinge Avenue, New Delhi.
304. James Finlay & Co., Ltd.—2, Netaji Subhas Road, Calcutta.
305. Thackersey Mooljee & Co.—16, Apollo Street, Fort, Bombay.
306. Jatia Brothers Ltd.—21, Rupchand Roy Street, Calcutta.
307. Bhatnagar Agency Ltd.—18, Netaji Subhas Road, Calcutta.
308. The Hyderabad Constructions Co., Ltd.—Kothagudum Collieries, Singareni P.O. Deccan.
309. T. Leslie Martin—12, Mission Row, Calcutta.
310. D. S. Barron—Chakala, Andheri P.O., Bombay.
311. Pyne & Sons—23A, Netaji Subhas Road, Calcutta.
312. Ram Kumar Agarwalla & Sons—4, Lyons Range, Calcutta.
313. Bullion Co., Ltd.—7, Canning Street, Calcutta.
314. Brooke Bond India Ltd.—2, Metcalfe Street, Calcutta.
315. Anderson Wright (Rangbar) Ltd.—7, Wellesley Place, Calcutta.
316. The Cotton Agents Private Ltd.—14, Radha Bazar Lane, Calcutta-1.
317. Bird & Co. (Pakistan) Ltd.—Narayan-gani.
318. Shree Krishna Investment Co. Ltd.—1-B, Halwasiya Road, Calcutta.
319. H. V. R. Tengar—Dare House, Parry's Corner, Madras.
320. F. W. J. Penn—32, Grant Road, Bangalore-1.
321. B. Ghosh—14, Old Court House Street, Calcutta.
322. Messrs Fata Sons Ltd.—New India Assurance Buildings, Mahatma Gandhi Road, Fort, Bombay-1.
323. Anderson Wright & Co.—7, Wellesley Place, Calcutta.
324. Indo Corporation Private Ltd.—3, Swinhoe Street, Calcutta-19.
325. Brian Granger Pearson—Virginia House, 37 Chowringhee, Calcutta.
326. R. L. Pyne—14, India Exchange Place, Calcutta.
327. Marwar Textiles (Agency) Ltd.—Waudby Road, Fort, Bombay-1.
328. John Taylor & Sons (India) Ltd.—Mysore Gorgan South India.
329. Sri G. D. Bhagat—12, Shib Thakur Lane, Calcutta.
330. Mahindra & Mahindra Ltd.—Gateway Building, Apollo Bunder, Bombay.
331. N. L. Roy & Sons—Canning Street, Calcutta.
332. M. P. A. Paspatti—16, Hare Street, Calcutta.
333. Mungturam Jaipuria—Swadeshi House, Civil Lines, Kanpur.
334. H. Mackay Fallack—3, Fairlie Place, Calcutta.
335. Sabu Jain Ltd.—11, Clive Row, Calcutta.
336. Ruindas Kilachand—Scindia House, Douglall Road, Bombay.
337. Bertwala & Co.—63, Netaji Subhas Road, Calcutta.
338. U. K. Sons Ltd.—Hornby Road, Fort, Bombay.
339. M. G. Investment Corp. Ltd.—Mafatala House, Backbay Reclamation, Bombay-1.
340. K. O. Cherian—Travancore.
341. N. L. Kanoria—India Exchange, Calcutta-1.
342. O. N. Chatterjee—2, Royal Exchange Place, Calcutta.
343. Indra Singh—133, Canning Street, Calcutta-1.
344. V. J. Pilani—Victoria Bunder Colaba, Calcutta.
345. The National Tea Corporation—130, Cotton Street, Calcutta.
346. Seshasayee Brothers (Travancore) Ltd.—Eloor Factory, Alwaye.
347. Tania Brothers Private Ltd.—1 & 2, Old Court House Corner, Calcutta.
348. M. D. Jalan—62, Ballygunge Circular Road, Calcutta-19.
349. Seth Sonanlal Murarka—19, Circular Garden Reach, Calcutta-23.
350. K. Agarwal—Empire House, Dr. Dadabhai Naoroji Road, Fort, Bombay.
351. L. & I. (Management) Private Ltd.—I. C. House, Douglall Road, Ballard Estate, Bombay.
352. Chinai Anco Co. Private Ltd.—Sadhana Rayon House, Dr. Dadabhai Naoroji Road, Bombay-1.
353. N. K. Jha—14, Netaji Subhas Road, Calcutta.
354. L. C. Kanoo—P-8, Mission Row Extension, Calcutta.
355. T. R. Jalan—16, Strand Road, Calcutta.
356. R. Bajoria—10, Clive Row, Calcutta.
357. A. K. Jain—11, Clive Row, Calcutta.
358. L. P. Goenka—14, Old Court House Street, Calcutta-1.
359. G. D. Kotnari—15, India Exchange Place, Calcutta.
360. R. E. S. Falyarkhan—Volkart Building, 19, Graham Road, Bombay-1.
361. N. K. Bose—85, Netaji Subhas Road, Calcutta.
362. Dalmia Agencies Private Ltd.—Raj-ganpur (Orissa).
363. C. L. Nahata—14, Old Court House Street, Calcutta.
364. W. A. C. H. Boschaart—7, Justice Chandra Madhab Road, Calcutta-20.
365. S. L. Dhanuka & P. L. Dhanuka—5, Mission Row, Calcutta.
366. A. K. Sen—48/1, Diamond Harbour Road, Calcutta-27.
367. Lakshminarayan Singhania—7, Council House Street, Calcutta.
368. Kaiyaji, Mavji & Company—14, Netaji Subhas Road, Calcutta.
369. P. L. Batia—7, Canning Street, Calcutta.
370. Pannalal Saraogi—B. Lyons Range, Calcutta-1.
371. G. L. Saraogi—56, Sir Harihar Goenka Street, Calcutta-7.
372. H. K. Newar—9, Brabourne Road, Calcutta.
373. C. L. Maheswari—Shreenivas House, Waudby Road, Fort, Bombay.
374. Taiukdar Law & Co. Private Ltd.—4, Chittaranjan Avenue, Calcutta-13.
375. K. N. Mookerjee—Leslie House, 19, Chowringhee, Calcutta-13.
376. K. D. Ganguli—Mercantile Buildings, Lalbazar, Calcutta.
377. K. C. Dass & B. Maltra—35, Pandita Road, Calcutta-20.
378. R. N. Goenka—18-A, Brabourne Road, Calcutta.
379. S. K. Damani—30, Clerk Road, Bombay-11.
380. British India Corporation Ltd.—Sutherland House, Kanpur.
381. A. K. Jain—Dalmanagar Bldg., Calcutta-1.
382. B. P. Kedla—7, Wellesley Place, Calcutta-1.
383. W. H. G. Baird—9, Brabourne Road, Calcutta.
384. Punam Chand Batia—19, Circular Garden Reach Road, Calcutta-23.
385. G. P. Kanoria—3, Clive Row, Calcutta.
386. M. D. Jalan—McLeod House, 3, Netaji Subhas Road, Calcutta.
387. Shibendra Sankar Sarbadhyaksha—Jaipalpur.
388. A. V. Sirla—4, Kaliprasanna Singhee Road, Calcutta-2.
389. Sirtas India Corporation Ltd.—Kanpur.
390. I. Ratan—18/3, Chowringhee Road, Calcutta-13.
391. R. M. Cox—59C, Chowringhee Road, Calcutta-20.
392. R. A. Godwin—32, Chowringhee Road, Calcutta-16.
393. Khatau M. Shethia—14, Netaji Subhas Road, Calcutta-1.
394. A. M. Sirla—India Exchange, Calcutta-1.
388. Wilkinson, A.—117/119, Esplanade Road, Bombay.
389. W. F. Maiden—Lohat, Darbhanga.
390. D. Marson—21, Netaji Subhas Road, Calcutta.
391. N. M. Bhushalka—135, Canning Street, Calcutta.
392. Hoare Miller & Co., Ltd.—3, Fairlie Place, Calcutta.
393. B. Patnalk & Co. Private Ltd.—P.O. Chowdwar, Cuttack.
394. R. K. Kanoria—9, Brabourne Road, Calcutta-1.
401. K. V. Venkatasubramoney Iyer—Seetagundy Estate, Stharkunda P.O., Palghat, Dist. Kerala State.
402. A. V. George & Co. Ltd.—Anchoril Bank Buildings, Post Box 1, Kottayam, Kerala State.
403. Mathew Sebastian—Thodupuzha, Kerala State.
404. Planting Agencies Private Ltd.—Oriental Buildings, Armenian Street, Madras-1.
405. The Consolidated Coffee Estates (1943) Ltd.—Pollibetta Coorg.
406. C. L. Machia—Pollibetta S. Coorg.
407. Srinivas Agencies—Coimbatore-2.
408. K. N. Krishna Iyer—22, Royapettah High Road, Madras-14.
409. Yong India Agencies Pvt. Ltd.—Monorama Bldgs., K. K. Road, Kottayam (Kerala) State.
410. Parkins Private Ltd.—Kottayam.
411. Johnsons Estates & Agencies (Private) Ltd.—Malankara Bldgs., Kodimathu, Kottayam, Kerala.
412. Associated Planters (Pvt.) Ltd.—25, General Patters Road, Madras-2.
413. J. R. Motishaw—Mercantile Bank Building, 16, First Line Beach, Madras-1.
414. K. V. Mathew—Kottayam, Kerala State.
415. K. Ramachandran—Patton Palace, P.O. Trivandrum-4.
416. N. Kunjukrishna Pillai—T. C. 6/750, Patton Palace, P.O. Trivandrum-4.
417. Rangoo Rao & Co.—Venkatarapuram, Tanuku, West Godavari Dist., Andhra Pradesh.
418. The India Sugar Agencies Private Ltd.—139, Meadows Street, Fort, Bombay-1.
419. R. S. Industrial Corporation Private Ltd.—Bavazada, Koraput Dist., Orissa State.
420. V. Ramakrishna Sons (Private) Ltd.—38, Mount Road, Madras-6.
421. Seshasayee Brothers (Travancore) Pvt. Ltd.—1, Ceramic Factory Road, Kunda (Kerala).
422. Sir A. Ramaswamy Mudaliar—Ennore, Madras.
423. P. J. M. Leigh—7, Armenian Street, Madras-1.
424. K. R. Sundaram Iyer—Thiruvottiyur, Madras-19.
425. Essen Private Ltd.—175/1, Mount Road, Madras-2.
426. J. L. D'sa—Old Turnkur Road, Malleswaram, Bangalore-12.
427. The Standard Motor Co. (India) Pvt. Ltd.—29, Mount Road, Madras-2.
428. E. H. Stanes—6/53, Race Course Road, Calcutta-1.
429. Balasundaram & Co.—Satyamangalam Road, Ganapathy P.O., Coimbatore-6.
430. A. M. M. Arunachalam—52/53, Jehan-gir Street, Madras-1.
431. J. M. Parsons—2, Fairlie Place, Calcutta-1.
432. Mahabir S. J. B. Rana—1, Humayun Place, Calcutta.
433. G. N. Sam & Co.—Senthottam Sowripalvam P.O., Coimbatore-4.
434. G. Kejriwal—Rajgangpur Dist., Sundergarh, Orissa State.
435. D. C. Ghosh & Co. (Agents) Private Ltd.—11, Government Place, East, Calcutta.
436. N. D. Bangur—14, Netaji Subhas Road, Calcutta.
437. R. N. Bhutika—4, Old Court House St., Calcutta.
438. Suria Gwalior Private Ltd.—Industry House, 159, Churchgate, Reclamation, Bombay-1.
439. R. S. Hajpal—Kamala Power, Kanpur.
440. R. L. Jada—2, Brabourne Road, Calcutta-1.
441. S. K. Agarwalla—24, Netaji Subhas Road, Calcutta-1.
442. S. R. Chowdhury—17, 18 & 19, Old Court House Street, Calcutta.
443. Madan Mohan Lal Shri Ram Ltd.—D.C.M. Premises, Bara Hindu Rao, Delhi-6.
444. I. K. Jalan—2, Brabourne Road, Calcutta-1.



CAPITAL

A Weekly Journal of Commerce, Industry and Finance
WITH WHICH IS INCORPORATED

THE INDIAN FINANCIAL REVIEW



70th YEAR OF ISSUE

CALCUTTA, 12th MARCH, 1964.

Vol. CLII 3801

CONTENTS

Editorials	
A Plea for Rationalising the Coal Industry	365
The Cup of Tears	366
Role of the Private Sector	366
Current News and Comment	367-72
Fourth Valuation of L.I.C. Cotton Control Controversy	
Minimum Price for Sugarcane Raised	
Producing Low-cost Cars Using Irrigation Facilities	
Cotton Textile Exports up	
Two French Missions for India	
Tasks of Personnel Management	
Fresh Taxation in Assam and Rajasthan	
Progress of Central Warehousing Body	
Calcutta Port Finances	
Pump Production and Exports Rise	
A Ditcher's Diary	373
Guide for Investors	375-78
Tax Concessions and Price Rise	
Fail to Lift Coal Shares	
Alkali and Chemical Corporation	
Asian Jali Mills	
Blaskar Textile	
Century Spinning	
Conoor Tea	
Durgapur Projects	
E.I.D. Parry	
I.C.I.C.I.	
Indian Overseas Bank	
Madura Mills	
Mahindra and Mahindra	
Martin Burn	
National Ekco	
National Pipes	
Omanahahi Mills	
Phalton Sugar	
Rajasthan Spinning	
Star Paper	
United Bank	
Walchandnagar Industries	
New Capital Issues	
The Stock Markets	379
Special Articles	
Checking the Growth of Unaccounted Money	382
Solving U.K. Housing Problem with Factory-made Homes	403
Bank Balance-sheet	
United Bank of India	384
Company Announcement	
Blaskar Textile Mills	386
Chairman's Statements	
Indian Mining Association	387
E.I.D. Parry	390
Industrial Credit and Investment Corporation of India	392
Alkali and Chemical Corporation	394
Newsletters	
New Delhi	395
London	400
Sections	
Jute	
Money	401
Commodity Markets	403
Books	407

A PLEA FOR RATIONALISING THE COAL INDUSTRY

UNTIL a year or two ago, the Indian coal industry's headaches centred on three main problems. The first was that because production costs had been rising faster than selling prices, profitability had suffered, so resources for investment became difficult to conserve or attract. The second was that because investment had been slow the output of coal stayed short of the demand. The third was that because rail transport capacity was inadequate, even the relatively limited quantities of coal which were produced could not be moved to consumers regularly and in time. Over the past fifteen months or so, however, these problems have been gradually waning—thanks initially to the impetus given by the emergency. Although the profitability of the industry is still nowhere near what it should be, its investment in expansion plans has been greatly accelerated through special measures, and with the help of a loan given by the World Bank to the Indian Government for the use of the private collieries. Output has risen impressively, from 55.2 million tonnes in 1961-62 to 63.8 million tonnes in 1962-63 and a probable 66 million tonnes in 1963-64. Finally, the transport shortage has eased to an extent that would have been unimaginable two years ago—so much so that the railways are now in a position to carry almost all the coal they are offered. The result of all these changes together is that the industry is entering an era of stronger competition than at any other time since the end of the second World War. Competition, sometimes, is the progenitor only of moans; but far and away the most encouraging quality of Mr. Pran Prashad's address from the chair at the annual general meeting of the Indian Mining Association in Calcutta last Saturday is that it is bold, progressive and optimistic in its thinking. (A fuller version of the address is published on a later page in this issue of *Capital*.)

The first notable point emerging from the address is a familiar but important one. It is that to talk of a coal "surplus" is misleading, for some grades are in surplus, whereas others are not. The "surplus", such as it is, is confined to the lower grades, and it has arisen because a host of lilliputian mines have suddenly increased their production to an extent which neither the planners nor the country wanted them to. Having done so, those that can survive deserve good luck; those that cannot, may deserve a good-bye. For the fact, fortunately or unfortunately, is that the competitive conditions which have set in now call for more efficient working, and that in turn implies modernisation and large-scale operations of a sort of which the multitude of low-grade producers are basically incapable. As Mr. Prashad put it, "no other country in the world today is obliged to keep 850 and odd coal mines in production to produce merely 66 million tonnes of coal per annum." The production of fuels at the lowest possible cost can in modern conditions be achieved only by units capable of ultimately producing upwards of half-a-million tonnes of coal per annum. The Indian coal industry is now well set on the road to expansion, and "there is a splendid opportunity to leap at

once from the age of the pick-axe to the age of full mechanisation."

Many of Mr. Prashad's ideas bear the clear impress of the thinking of Lord Robens, the bluff and hearty chairman of the U.K. National Coal Board who visited India last October after having scored an astonishing success in reversing the British coal industry's slow march towards its dark and gloomy grave. Lord Robens shrewdly recognised that the U.K. mines' first and most important need was for advanced management techniques; Mr. Prashad endorses the prescription for the Indian industry. Lord Robens saw, secondly, the need for mechanisation, modernisation and large-scale operations with the latest possible equipment in the effort to cut unit costs; Mr. Prashad sees the need no less clearly. Thirdly, as the Labour Party's most worthy capitalist, Lord Robens was aware of the social and political consequences of mine-workers being displaced in the process; Mr. Prashad gives the Indian answer to the problem by saying that large new employment opportunities will be created in the secondary industries to which an increase in coal production will give rise. Finally, Lord Robens knew that mechanisation was the main way to increase labour productivity, and thus incidentally to become able to afford the wages necessary to stem the drift of the best workers away from the British coal mines; Mr. Prashad recognises that much the same thing is necessary in India if collieries are ever to be able to afford the exorbitant wages and other benefits they are already compelled to give.

The genesis of the ideas notwithstanding, and allowing for the important differences between British and Indian conditions, there can be no doubt that Mr. Prashad is fundamentally right. Critics may ask whether the Indian coal industry, which has for many years been desperately short of capital for investment, will find it easy to secure the rupees and the foreign exchange necessary for a major programme of mechanisation and modernisation. Others may question whether the managerial and technical resources exist to cope with so ambitious a venture. But the availability of these elements is, to some extent, chiefly a matter of time, and depends on the realism of the policies adopted for the future. It is primarily as a plea for realism and foresight that Mr. Prashad's address deserves careful thought, for the cost of conservation and inefficiency in so basic a sector as coal is something which in the final analysis the economy as a whole will have to suffer. The point is one which the large army of Luddites—in Central and State Governments, in the unions and, not least, in the industry itself—will need to bear in mind.

The case for rationalisation and efficiency through mechanised and concentrated large-scale production acquires further strength if one considers the vast scope for increasing the use of coal. The producers of the lower grades in particular, who have been basking in the sunshine of a coal shortage for many years, need to explore the potential markets more energetically before they

bellyache about current surpluses. As Mr. Prashad pointed out, millions of tonnes of firewood, animal dung and vegetable wastes are burnt in the rural areas each year; according to one estimate, the quantities burnt are equivalent to 80 million tonnes of coal annually. More enterprising salesmanship, supported perhaps by a small subsidy, could encourage villagers to switch gradually to coal; the manure could then be put to its proper use and the country could save some of the foreign exchange it has to spend on fertiliser imports. Similarly, outside the villages, there is vast scope for using coal to produce electricity from thermal generating plants—an idea that was once grandiloquently aired by the former Central Mines and Fuel Minister, Mr. K. D. Malaviya, although not a great deal has been done about it subsequently. Finally, there are signs that the Government may be reversing its policy of encouraging the use of furnace oil in western India; indeed, with an increase in coal supplies as well as in transport capacity, there is little point in spending foreign exchange on larger petroleum imports for the purpose.

Whatever the immediate prospects of reducing the surplus of the lower-grade coals by more aggressive selling, there is an urgent need to ensure that plans to expand the output of the higher grades should gather momentum. As Mr. Prashad pointed out, the supply of the latter has hardly managed to keep pace with demand; a serious shortage would have arisen "if expansion in steel and other important sectors had proceeded at the rate originally envisaged". Expansion in coal depends primarily on greater profitability. The

latest Budget proposals are welcome in that they include coal among the basic industries which will be entitled to rebates of corporation tax and surtax, although it is disappointing that the plea for a depletion allowance has not been conceded. Mr. Prashad also welcomed the decision announced last week to increase the prices of the better grades of coking coal and the Selected grades of non-coking coal; he thought, however, that the exclusion of Raniganj Grade I and Grades I and II coals produced from the outlying fields was unjust. The basic difficulties of the industry, in general, nevertheless remain.

Any increases in selling prices allowed so far have only gone some way towards neutralising increases in production costs. The profitability of the industry has, therefore, not been improved to the extent that is necessary to enable it to attract and service the large amounts of capital it requires for investing in expansion plans. The difficulties could be eased to some extent if assistance were given on a more realistic and liberal basis for such things as stowing, working difficult mines, strengthening railway sidings and extending facilities for mechanical loading. But the fundamental need is to ensure that the prices fixed for particular grades of coal reflect their real values more accurately; in other words, the range of prices requires to be widened by increasing the selling rates of the higher grades whose supply is still inadequate. In this way, the production of the grades which the country needs most would be expanded more rapidly. At the same time, the true purposes of conservation would be served in that consumers would be given a cost-incentive to switch as far as possible to the use of the lower grades.

THE CUP OF TEARS

IF the tea industry continues to make a handsome contribution to exports, it is more because of its own, largely unappreciated efforts than because of any assistance extended by New Delhi. This may seem an uncharitable thing to say so shortly after Mr. T. T. Krishnamachari, Central Finance Minister, has made Indian tea companies eligible for tax rebates until one notes the limited nature of the concession. Non-resident sterling companies, which account for 55 percent of the local tea output, are not eligible for the rebates, and will in fact have to pay slightly more to the Exchequer in 1964-65 because of the increase in corporate taxation from 63 percent to 65 percent. One cannot but agree, therefore, with the view expressed by the Hon. S. P. Sinha in his address from the chair to the Indian Tea Association in Calcutta last Friday that the tea industry views the new Budget proposals with considerable disappointment.

The basic fact is that an increase in production—as Mr. Manubhai Shah, Central Minister for International Trade, acknowledged a fortnight ago in an address to the Import-Export Advisory Council—is a "precondition" for larger exports. A sustained rise in output is also needed to maintain supplies to the domestic market, which is growing at the average rate of 15 million lbs a year. This is fully recognised in the targets set by the planners for the industry, which erred if anything in being overambitious. Unfortunately, however, the planners' prescription for rapid growth is still to be matched by action at the executive level to help the industry secure the necessary resources. The scale of its requirements is evident from the figure of Rs. 3,500 an acre cited by the I.T.A. chairman as the average cost of replanting, coupled with the fact that a sizable proportion of the acreage under tea in north India is past its prime. The bushes which have done duty for 50 years or more may soon have to be uprooted and replanted. The outlay in these days of high wages and soaring costs does, of course, throw a large burden, but this is aggravated by the loss of production for five or six years before newly planted bushes will yield a marketable quality of leaf.

The unsatisfactory tax treatment of the expenditure on replanting has been a major grievance of the industry which loans from the Tea Board have failed to remedy. The Board's terms—an effective interest rate of 6½ percent—seem at first sight fair, but to say so would be to miss the heavy incidence of stamp duties involved in creating a *pari passu* first charge. Mr. A. S. Bam, the Board's chairman, is perhaps willing to go as far as he can

to help, but he cannot ignore the limits set to his discretion by the legal red-tape which surrounds Government lending. His problems will be evident from the tiresome delays in advancing irrigation loans, where the Board found itself unable to assist in the sinking of tube-wells because of the difficulty of creating a suitable mortgage. Its readiness to finance the purchase of equipment alone has proved, therefore, an inadequate answer to the industry's needs, as is now being recognised. Some uncharitable critics are inclined to dismiss the problems involved here; they argue that the industry must not make itself so wholly dependent on State-assisted financing, but this is to overlook the debilitating effect that the Government's taxation policies have had.

The welfare concept has added to the damage by imposing on the industry liabilities which must mean an unwise diversion of resources from the essential tasks of expansion. The industry cannot have any quarrel with the aspiration of its workers for a better life, but the pace of change and the share of responsibility to be borne by the gardens are matters which admit of differences. It is pertinent to ask why the obligations which the State accepts elsewhere for providing medical care and schooling should automatically devolve on the industry in tea garden areas. The isolation of these areas in the past may have warranted throwing such responsibilities on employers but this does not hold good now in many of the more populous regions in which tea is being grown. While a fairer division of responsibility with the State is an issue which will take time to resolve, it would be ruinous if current policy-making did not keep this perspective in mind. In Assam, for instance, the Govern-

ROLE OF PRIVATE SECTOR

MR. Bharat Ram's presidential speech at the annual session of the Federation of Indian Chambers of Commerce and Industry in New Delhi last Saturday was remarkable for its refreshing blend of candour and persuasiveness. Without appearing to be self-righteous, he exposed the inherent contradictions in the Government's policy as a result of which production has suffered and prices have risen. The malady that is afflicting the economy has often been diagnosed and prescriptions suggested. But political considerations have stood in the way of applying the right remedies.

ment has done little to ensure a steady and adequate supply of foodgrains for tea garden labour; incompetence and maladministration have led to recurring crises. The State Government, furthermore, is insisting on specifications for workers' housing which virtually double the cost of building. The demand is less than responsible, and the attitude underlying it has its roots in the present system under which the Government itself can disown all social welfare obligations towards citizens who happen fortuitously to live on the tea estates.

On a similar plane is the indifference which marks the outlook of State Governments towards tea plantations in their areas. There is a long history of neglect in providing serviceable roads and other communication links in tea districts. On top of this deficiency, highlighted during the emergency of 1962-63, there is an unfortunate reluctance to take any steps at all to assist the growth of the industry. Land needed for new planting has been extremely difficult to acquire even though the maintenance of production in the short-term and the expansion of output over a longer period must depend on the extent to which this is available. Mr. Manubhai Shah had promised last year to intervene on the industry's behalf with State Chief Ministers; even if he has done that, there is so far no perceptible change in a situation made sorer by the unceasing exhortations from New Delhi to accelerate replanting.

These domestic disabilities are hampering the industry's export effort, which depends in the highly competitive situation now emerging on its ability to reduce its unit costs through a larger volume of production. North India's common teas are, despite the deceptive rise in export figures, getting priced out even in a year when demand well matches the total of world supplies. Higher productivity is the obvious, answer to the problem arising from competition but not one that is of any immediate relevance, even if one assumed the removal of the present constraints upon progress in this direction. In the short term, there is no alternative to fiscal adjustments to reduce the burden carried by common teas in order to make them marketable. This is what the I.T.A. chairman presumably had in mind when asking for a rebate of excise duty in the case of teas which are exported. A rebate on exports will make domestic sales marginally less attractive and thus help to secure adequately competitive offerings for export.

The concession will undoubtedly mean some loss of revenue—about Rs. 3.2 crores at the old rate of a flat refund of 15p a kilogram—but it is not beyond the Finance Minister's ability to offset the loss through suitable adjustments elsewhere. The demand for an excise duty rebate will need to be pressed in the coming weeks because of the disquieting trend revealed by the export returns for the current marketing season which began last July. The comfort derived by the Ministry of International Trade from calendar year figures seems to be based on nothing more substantial than the spillover of despatches from the last months of 1962 to early 1963 because of the delay in getting north Indian teas down to Calcutta during the weeks when transport was disorganised first by the steamer strike and later by the emergency. Had Mr. Manubhai Shah taken this into account, he might have been persuaded to press the industry's case more forcefully upon his colleague in the Finance Ministry before the Budget. This particular opportunity has been lost but that is no reason why relief should be deferred until next March.

Although the Central Finance Minister has defined the aim of his fiscal policy as the promotion of economic growth, some of his proposals are manifestly contrary to this purpose, as Mr. Bharat Ram pointed out.

The Federation feels that the cumulative burden of the surtax and dividend tax will not be much lower than that of the super profits tax. Furthermore, the levy of capital gains tax on bonus issues, the expenditure tax, and the almost compulsory increases in gift tax and estate duty, will weaken the forces of economic growth. In

spite of the lip-service paid to promoting growth, the fact remains that the Finance Minister has decided to pump out an additional Rs. 90 crores from the people, which is bound to affect the savings of the community—savings that normally would have been available for investment in private ventures. The F.I.C.C.I. has taken the view that the distinction between distributed and undistributed profits, which discriminates against equity capital, will defeat the purpose of improving the investment climate. Mr. Bharat Ram rightly called attention to the dangers of investing the executive with "ominously large" discretionary powers in a bid to get more revenue. There is considerable substance in his view that the new measures may cause much harassment to honest taxpayers by exposing them to the prejudices of individual tax collectors.

The Central Home Minister, Mr. G. L. Nanda, in his inaugural address to the F.I.C.C.I. session, referred to the increase in prices and asked business men to co-operate "more fully" with the Government in bringing prices down. While the short-fall in agricultural production has contributed to the rise, he maintained that traders too had been quick to exploit temporary shortages and raise prices on the slightest pretext. This made controls necessary. While this justification for controls looks impeccable on paper, actual experience is different. First, the Government does not have adequate and efficient machinery to administer controls, with the result that the first thing the announcement of controls over a particular commodity stimulates is a flourishing black market. It also enlarges the opportunities for corruption in the administration. At the same time, the restraints imposed on a particular commodity make its production unprofitable, and thus discourage further investment and expansion of output. The working of important industries like cement, fertilisers and coal during the past few years bears testimony to the stifling influence of controls. It is only recently that the Government awakened to the folly of enforcing controls in basic industries. Another point about the increase in prices is that the Central and State Governments themselves have been responsible for it by their indiscriminate levy of taxes. Again, the under-utilisation of industrial capacity, over which the producer has no control, is a major cause of high production costs and high prices. The problem of high prices has to be tackled by creating conditions for bigger production and not by im-

posing restraints on consumption and distribution, which at best are only temporary palliatives.

The discussion at the F.I.C.C.I. session inevitably centred on the rôle of the private sector. Mr. Bharat Ram emphasised that, by and large, the private sector had fulfilled the functions expected of it. There has been a big expansion of industries in the fields in which private enterprise has been allowed to function; over 188 major new products have been manufactured for the first time in the last five years, the quality of output has been improving and the output itself has doubled during the last decade. With all this, he said, the view was spread that private enterprise in industry and trade had somehow failed, and newer agencies were recommended to replace it. Although ideologically the Bhubaneswar session of the Congress broke no fresh ground after Avadi, the former has raised a cry, to quote Mr. Bharat Ram, "for nationalisation and establishment of co-operatives in respect of all conceivable economic activities—from banks to rice mills and wholesale and retail trade". These radical demands are largely a reflection of the mood of despair in the ruling Party at having achieved very little and the need to woo electors, particularly after the recent reverses at the polls.

The rift within the Party is particularly glaring in the case of the demand for nationalising banks. Party men apart, even ministers have demanded the nationalisation of banks, which is rather incongruous when the Central Finance Minister, Mr. T. T. Krishnamachari, has disapproved of the step. In the cry for nationalising banks, the interest and preference of the depositor are forgotten. Mr. Nanda acknowledged that the private sector had made a valuable contribution in increasing production, but wished the private sector had done more to improve the quality of its products and to reduce costs. He also stated that in several key areas where the private sector alone operated, there had not been much advance. While this may be true, in most cases the poor progress is due to the unimaginative policies adopted by the Government, such as the one which has restricted the profitability of key industries. But in the case of public-sector enterprises, in spite of the monopolistic positions they enjoy, the working has been poorer still. In fact, their inefficient working is an important cause of the inflationary pressures in the economy, since the large volume of funds invested in them have yielded very little in terms of output.

Current News and Comment

Fourth Valuation of L.I.C.

The fourth valuation report of the Life Insurance Corporation of India, based on its assets and liabilities as on 31st March, 1963, shows a profit of Rs. 26.34 crores, against Rs. 34.45 crores in the previous valuation for the two years 1960 and 1961. In accordance with the provisions of the Life Insurance Corporation Act, 1956, the share of policyholders in the profit amounts to Rs. 25.39 crores, against Rs. 32.73 crores in the previous valuation period. The Central Government's share is Rs. 1.32 crores, against Rs. 1.72 crores. The return to the Central Government on its capital investment amounts to 20.57 percent a year, against 15.95 percent in the previous valuation period. On the whole, the Corporation has raised the bonus rates on insurance policies for the 15-month period ended March 1963. The bonus on whole life policies has been raised from Rs. 16 a year for Rs. 1,000 assured to Rs. 17.50 a Rs. 1,000, and that on endowment assurances from Rs. 12.80 a Rs. 1,000 to Rs. 14 a Rs. 1,000. Proportionately higher bonuses have similarly been declared on the participating policies of erstwhile insurers, in accordance with the classification of policies under Differential Bonuses Regulations, 1961. The higher distribution, the L.I.C. pointed out, is made possible by the larger profit earned in the intervalation period, in spite of the slight increase in the rate of interest used in the valuation.

According to the L.I.C. Act, the Corporation shall—at least once every two years—ask the actuaries to undertake an investigation into its business, including the valuation of its assets and liabilities. It is not, however, mentioned in the section what

should be the qualifications of the actuaries and how they should be appointed—whether they should be employees of the Corporation or independent actuaries. The public interest demands that persons entrusted with the investigation should be independent of any control or influence from the Corporation or the Central Government. Furthermore, policyholders should have a say in the appointment of actuaries. Since the Corporation has always gone by the valuation reports of its own employees, the valuation has inevitably suffered from certain weaknesses, which would have been absent if an independent actuary did the work.

In reply to the suggestions made from time to time that in view of the favourable mortality experience the L.I.C. should have reduced the premium rates, the L.I.C. chairman, Mr. B. K. Kaul, said that when most of the insurers substantially reduced the rates in 1954, the current favourable experience concerning mortality and interest was anticipated and taken into account. He further pointed out that, in adopting in 1956 the premium rates of the "Oriental" after further reducing them by Re. 1 on an assured sum of Rs. 1,000 or 5 percent of the premium whichever was less, the Corporation had expected some economy in expenses. This was, however, belied. In view of the increasing pressure of inflationary forces, he said it would be too much to expect any significant reduction in expenses in the near future. Mr. Kaul said that the general practice among insurers even in foreign countries was not to revise the premium rates frequently for with-profit policies. Insurers think that changes in experience concerning mortality, interest and expenses can be more equitably handled under the with-profit policies by changes in

the bonus rates than by changes in premium rates. Mr. Kaul pointed out that when 90 percent to 95 percent of the new business is generally under with-profit plans, the passing of the benefits of favourable experience in the form of reversionary bonuses to policyholders rather than by a reduction in the premium rates was desirable since the former was anti-inflationary.

In accordance with this view, the Corporation has not only raised the bonuses on its own policies but also on those issued by the erstwhile insurers. But while the bonus rates of some of the latter showed substantial increases, the increase in the rates on the Corporation's policies is more nominal than real. So it does not offset the progressive erosion of policyholders' savings resulting from inflationary forces. Nor is the increase a true index to the Corporation's success in cutting down expenses. For some years, the expenses of the Corporation have been mounting. The renewal expense ratio for the intervalation period was 14.13 percent, against 12.42 percent in 1961 and 12.90 percent in 1960. The net rate of interest earned in the intervalation period was 4.08 percent, compared with 4.14 percent in the previous valuation. The chairman explained that the lower yield had to be attributed to the comparatively few dividend declarations on preference or ordinary shares made from January to March. All these factors, one way or the other, tended to erode the funds of the Corporation. So policyholders did not get a higher yield in the shape of dividends which they fondly expected after the chairman announced some months ago that the favourable experience would be passed on to them in the form of reversionary bonuses. Policyholders have no alternative now but to watch whether the L.I.C. offers greater rewards in its next valuation.

Cotton Control Controversy

The Gujarat Government seems to have succeeded in convincing the Central authorities that the Textile Commissioner's ban on the movement of cotton in the State and the requisitioning of some 3,000 bales of Digvijay cotton had not only caused great discontent among cotton growers and co-operative societies, but these measures were also likely to jeopardise the State Government's plans to grow more cotton. The Central Minister for Agriculture, Dr. Ram Subhag Singh, is reported to have stated at a recent meeting of the Executive Committee of the Congress Parliamentary Party that the Textile Commissioner had banned the movement of cotton in Gujarat without consulting his Ministry and that neither the ban nor the requisitioning of stocks was in the interests of growers. A similar ban last year, he added, had cost growers about Rs. 1 crore. This brings to surface the differences between the Ministry of Industry and the Ministry of Food and Agriculture on the issue of cotton.

Whatever the merit (or demerit) of the case, the Agriculture Minister's statement seems indiscreet as it is likely to undermine respect for the Textile Commissioner's authority and his policies, which is not conducive to efficient administration. The Gujarat Government's anxiety about securing the highest possible price for the product of its farmers in understandable. But surely prices cannot be allowed to pierce the statutory ceilings. The movement of cotton had been banned by the Textile Commissioner in order to prevent prices moving beyond the ceiling. That almost all varieties of Gujarat cotton were quoted well above the ceiling when the ban was imposed, is common knowledge. The Textile Commissioner has all the authority for enforcing the price control order. Gujarat farmers' plea that Digvijay cotton is not properly priced in relation to other varieties and that it deserves a higher ceiling price is quite a different issue and it cannot be made an excuse for pushing Digvijay prices beyond the existing statutory ceilings. It may, however, be pointed out that Digvijay A is at present fetching a price higher than that of comparable American cotton.

The Central Minister of Industry, Mr. Nityanand Kanungo, has assured the Gujarat Government that the Centre would pay the maximum price for Digvijay cotton which had been requi-

sitioned in Gujarat, and that it would also institute an enquiry into the recent requisitioning of this cotton. The Minister is reported to have pointed out that if ceilings were observed and sales were made to *bona fide* mills, the Textile Commissioner's office would issue permits of movement "within four hours." Fortunately, cotton prices have fallen appreciably over the past few weeks; not only have unofficial premiums disappeared but most varieties are now quoted well below the ceilings. The fall in prices, ranging from Rs. 20 to Rs. 60 a candy, has been brought about by the upward revision of crop estimates and the U.S. Government's permission allowing India to import 275,000 bales (of 400 lbs each) of Upland cotton under P.L. 480.

The 1963-64 cotton crop which at one time had been talked down to 5.4 million to 5.5 million bales because of the prolonged cold spell in certain cotton growing areas, particularly Gujarat, is now placed around 5.8 million bales to 5.9 million bales—an all-time record. Besides, the entire U.S. cotton allowed under P.L. 480 is expected to reach India before the end of the current season. Imports from other sources since the beginning of the season up to about the middle of February, are placed around 260,000 bales. If all goes well, total imports this season might well exceed 700,000 to 800,000 bales. The supply position of cotton should, therefore, cause no serious anxiety, increased mill consumption notwithstanding. Odds are that cotton prices will now keep within the statutory ceilings, thereby eliminating the need for official intervention. This is not to suggest that all is well with the supply position because imports still continue to hold the key to cotton prices. If the industry's growing requirements are to be met at reasonable prices, domestic production of cotton will have to be increased appreciably. More efficient means of production rather than higher prices are needed for stepping up output.

Minimum Price for Sugarcane Raised

The Indian Government has announced the minimum sugarcane price for 1964-65 in advance of the sowing season. The minimum price at factory gate for a recovery of 9.4 percent or below for the 1964-65 season—to be in force from 1st November, 1964, to 31st October, 1965—is Rs. 4.96 a quintal compared with the present season's price of between Rs. 4.69 and Rs. 4.85 a quintal. The result of this change is that for the entire country, the minimum sugarcane price will be Rs. 1.85 a maund for recoveries of 9.4 percent or below, against Rs. 1.75 a maund in 1963-64 for a recovery percentage of 9. This rise will not only bring sugarcane prices into parity with those of other agricultural commodities, but will also compensate the cultivators for higher production costs. This is calculated to raise sugarcane output for the 1964-65 season, in order to enable the factories to produce more. But if the production of better quality cane is to be stimulated, a mere increase in the basic minimum price will achieve little. It is necessary to widen the price differentials between the lower and higher grades of cane to encourage production of cane with higher sucrose content. As a result of the higher cane prices, sugar may cost more in the next season, but this is inevitable if the output of the commodity is to be increased.

As in the past, the actual price to be paid for sugarcane will be linked with the recovery percentage of sugar. At present, the Government has announced the basic minimum price; the minimum price of sugarcane payable by each factory would be announced when the final position about recovery in the current year is known. Prior to 1962-63, an unduly large amount, ranging from 32nP to 96nP a quintal, was deducted from the factory gate price of sugarcane depending on the distance of the purchase point. As in the current season, the permissible reduction from the factory-gate price of sugarcane for other purchase points in 1964-65 will continue to be 32nP a quintal, in the case of both rail and road transport, and the balance of expenses up to a maximum of 64nP a quintal will be taken to be the manufacturing cost. This method has worked quite satisfactorily in the current year, and its extension to the next crushing season seems justified. But in some cases, the

sugar factories have incurred a higher transport cost and provision for this should be made.

Producing Cheap Cars

The Central Minister for Steel, Mines and Heavy Engineering, Mr. C. Subramaniam, recently referred to the manufacture of low-cost cars and a reduction in existing car prices. But from the statements he made on the production of cheap cars, it appears that he has not yet made up his mind on the issue. The Minister said recently that he would put forth a proposal to the existing producers to pool their capacity for producing small and cheap cars. He added that the informal discussions he had had with producers were not helpful. But he insisted on submitting the proposal officially to know the final reaction of producers and come to a firm decision. Mr. Subramaniam is obviously uncertain about the outcome of his scheme. But he pointed out that the original idea of merging the existing three units producing motor-cars "bristled with difficulties." He, therefore, hinted at the possibility that the Government might start a public-sector project or select one of the existing units for the manufacture of small and cheap cars. But the Government does not seem to be definite about what it will do if it adopts the latter course. Mr. Subramaniam referred to three possibilities. One is that the firm selected for the purpose may get Government assistance. The other is that the Government itself may seek participation in the venture. Thirdly, it may run it as a full-fledged State-owned concern.

The selection of one of the three units producing passenger cars may make the Government liable to the charge of discrimination. Nor will it be easy to predict which of the three units will be able to produce cheap cars efficiently. Mr. Subramaniam, however, appeared to be much too enthusiastic about Government participation in the venture although, judging from the working of State-owned concerns, the scheme would be better if left to private enterprise. The pooling of capacity will lead to formidable technical problems. The ruling prices, Mr. Subramaniam said in Parliament recently, could not be brought down unless production was increased to an economic level. The demand for motor-cars, he said, would be around 30,000 a year by the end of the third plan, while production was not likely to exceed 22,000. The ex-factory price of a small car should be fixed at between Rs. 6,000 to Rs. 8,000. But whether this would be possible is another matter. As Mr. G. H. Turnbull, director and general manager of Standard Triumph International Ltd of the U.K.—the British collaborators of Standard Motors of Madras—rightly said recently, a sizable reduction in the price of motor-cars will not be possible unless the Government reduces the taxes on motor-cars and their components. But the Government seems to be reluctant to do this.

The Government, Mr. Subramaniam said, had taken steps to raise the proportion of indigenous components in motor-cars to 90 percent. But it is time to consider whether the increased use of these components has affected the durability of cars and has led to a sharp rise in their manufacturing costs. The ancillary industries in India, as is well known, lack experience and technical know-how. Nor do they always have the resources to requisition the services of experts to improve the quality of the spare parts and components they produce. The Government should, therefore, appreciate that self-sufficiency in components is not an unmixed blessing and that it should not be carried too far. Before a low-cost car is produced, it is also necessary to examine whether roads can bear the increased traffic. The Buchanan Committee in the U.K. has recently pointed to the mess in traffic conditions in that country and the need for advance action for the future.

Using Irrigation Facilities

Inaugurating last week the fifth Near East and South-Asia Irrigation Practices Seminar, sponsored by the United States A.I.D. and the Government of India in New Delhi, the Central Minister for Food and Agriculture, Mr. Swaran Singh, observed that

the only way to meet the demands of a growing population for food was to increase the area under irrigation. In India, for example, out of a total area of 322 million hectares, some 132 million hectares are already under cultivation, and it is not possible to increase the cropped land area any further. The hope of increasing food production, therefore, lies in more intensive methods of farming backed by efficient and adequate irrigation facilities. Since 1947 nearly 8 to 10 million hectares of additional land had been brought under irrigation in India. But even the present irrigated area of 28 million hectares is inadequate, and an effort will have to be made to increase within next 20 years the irrigated area to 70 million hectares. But this is going to take time and cost a lot of money. In the meanwhile, it is essential to devise scientific methods of soil and water management and land conservation so that the best use is made of the available irrigation facility, and such evils as water-logging, salinity and alkalinity of soil as a result of irrigation, are avoided. Another very important problem is that much irrigation water is lost by seepage in field channels. It is necessary to devise cheap and effective methods of lining the channels so that the wastage is avoided.

India is not the only country which has faced such problems, although some of them are peculiar to this country. It is necessary to devise practical methods of dealing with them. The seminar, which is to last two weeks, should keep this question in view.

In India and the other countries of the region, the problem is not only to increase irrigation facilities and to devise methods for utilising the irrigation potential, but, as Dr. K. L. Rao, Minister for Irrigation and Power, told the Seminar, it is to conserve river waters by building dams to prevent the wasteful flow of riverine waters. Dr. Rao estimated that, on an average, Rs. 3 to 7 crores are required to conserve water in India. The difficulty, however, was not so much in finding this money as in its proper utilisation. The experience of the third plan shows that although the allotment of money for irrigation purposes was quite adequate, the States have not made proper use of it. If waste in expenditure is avoided, and actual results are achieved, there is no reason why India should not become self-sufficient in wheat and other foodgrains. Dr. Rao estimated that self-sufficiency in wheat could be achieved if another 4 million acres of land could be effectively brought under irrigation.

Cotton Textile Exports Up

Exports of mill-made cotton piecegoods from India in 1963 amounted to 531.15 million yards valued at Rs. 41.02 crores, compared with 508.36 million yards valued at Rs. 39.956 crores in 1962. While exports were higher in both quantity and value, the average price realised during 1963 was lower at 77nP a yard, against 79nP a yard in 1962 and 80nP a yard in 1961. This shows that India has been obliged to reduce its prices in order to be able to compete in overseas markets. Little comfort can be derived from the improvement in exports over the previous year when exports fell to a record low since 1949. Of the 531.15 million yards exported last year, the European zone accounted for 168.44 million yards (152.10 million yards in 1962) to be followed by Asia with 131.09 million yards (115.34 million yards), Africa with 117.24 million yards (143.29 million yards), America 72.52 million yards (53.98 million yards), and Oceania 41.86 million yards (43.14 million yards). The ten major markets for Indian textiles in order of importance were: the U.K. 155.65 million yards, British East Africa 45.44 million yards; Sudan 35.07 million yards, the U.S.A. 32.73 million yards, Australia 29.34 million yards; Malaya and Singapore 21.83 million yards; Afghanistan 21.06 million yards, Ceylon 20.03 million yards, Canada 19.18 million yards, and Burma 17.15 million yards.

Exports of apparel rose impressively from Rs. 16.5 lakhs in 1962 to Rs. 2,538 crores in 1963. Shipments of cotton yarn rose from 22.96 million lbs to 29.87 million lbs and foreign exchange earnings increased from Rs 52.28 million to Rs. 61.91 million.

Shipments of mill-made cotton piecegoods from the Bombay port, which accounts for nearly 90

percent of the country's total exports of cotton textiles, in February are placed around 32.82 million yards valued at Rs. 2,833 crores, compared with 46.17 million yards valued at Rs. 3,687 crores in the previous month. While exports are substantially lower, the value realised is much higher at 86nP a yard, against 80nP in January.

Cloth Stocks with Mills Down

The output of cotton textiles by Indian mills in January is provisionally placed at 426 million yards. While this is three million yards less than the December production of 429 million yards, it is appreciably higher than the January 1963 figure of 410 million yards. The average monthly production for 1963 works out to no more than 403 million yards. Yarn output in January is placed at 176 million lbs, as against 180 million lbs in the preceding month and 162 million lbs in January 1963. Cloth stocks with mills at the end of January at 262,400 bales (of 1,500 yards each) were 41,800 bales less than the December-end figure; unsold stocks declined from 123,700 bales to 100,100 bales, and there was also a decline of 18,200 bales under "sold but not lifted".

The January-end figure of 262,400 bales is a record low since April 1961. The decline in stocks in spite of the improved production trend over the past few months indicates an improvement in domestic offtake. The cotton piecegoods market has been quite active in recent months and there has been a fair increase in the prices charged by mills, more particularly for the popular varieties. With the Government in no mood to accept the industry's plea for higher cloth prices in order to compensate for the rise in production costs since the cloth prices were last fixed, mills have been trying to manufacture new varieties, thereby circumventing the so-called voluntary scheme of price regulation. Price stamping has been reduced to a farce.

Two French Missions for India

In response to a suggestion made some time ago by Mr. Manubhai Shah, Central Minister for International Trade, two trade missions from France are visiting India this week. The first is an official mission led by Mr. J. Wahl, director of the Trade Department in the Ministry of Finance and Economic Affairs. The team will be in New Delhi from 9th March to 13th March studying the prospects of closer Indo-French economic relations, the possibilities of increasing the import quotas for Indian goods, including gunnies, and of lowering Customs duties.

The second mission, which will be in New Delhi from 11th March to 15th March, represents importers of tea, jute goods, hides and skins, fats and oils, tobacco, manganese, cotton goods and pharmaceutical products. Besides meeting Mr. Manubhai Shah and Mr. N. Kanungo, Central Minister for Industries, the mission will hold discussions with the Federation of Indian Chambers of Commerce and Industry. The chairman of a major French tea firm and a representative of the jute industry, who have come with the mission, will visit Calcutta later. The former will also visit Darjeeling and Assam. The latter will be in Calcutta from 15th March to 21st March.

Tasks of Personnel Management

A number of interesting problems connected with personnel management were discussed at the annual conference of the Indian Institute of Personnel Management in Jamshedpur, and at the personnel management seminar organised in Ahmedabad by the Ahmedabad Management Association. Inaugurating the annual conference of the Indian Institute of Personnel Management, Sir Jehangir Ghandy emphasised the basic fact that personnel management was not the monopoly of the personnel manager of the firm, but was the responsibility of all supervisors. An important point which he made was that, while keeping the human factor in mind, personnel managers should develop cost-consciousness and ensure that unnecessary expenditure was avoided. This should not be difficult because, given a democratic set-up and enlightened enterprise, the long-term interests of

employers and workers are identical and one could not prosper without sharing benefits with the other. But for creating such cost-consciousness, it is necessary that personnel managers should receive some training in costing and budgetary control. The Indian Institute of Personnel Management could help in developing facilities for training experts in personnel management.

One of the speakers at the Jamshedpur conference made the suggestion that in order to prove more effective, a personnel manager should win the co-operation of line managers and the confidence of top management, and should act as the guardian of staff morale. To achieve these results, the personnel manager should not only have a human approach, a clear grasp of labour and factory legislation, but also have considerable skill in his work. Personnel managers are a buffer between management and labour, and while they help the former in conforming to the requirements of labour laws, they help the latter in getting humanitarian treatment from employers.

At the Ahmedabad seminar, Mr. Gautam Nanavati, chairman of the personnel panel of the Ahmedabad Management Association, observed that the importance of the human approach in personnel management was no more a debatable issue. The real problem was to give effect to this human approach in such a fashion as to improve industrial relations and at the same time increase the efficiency of labour. For this, it is necessary for top management to make the duties and functions of the personnel department quite specific, so that there may be a correct appreciation of the work of personnel managers.

One of the difficult tasks which the personnel manager faces is to prevent interruption of work by strikes, lock-outs and go-slow tactics. One of the speakers told the Ahmedabad seminar that collective bargaining should be used by every management as a matter of basic policy; healthy traditions should be built, so that this method might be used as a real tool for promoting peaceful industrial relations. The opinion generally held is that the multiplicity of trade unions in India makes collective bargaining ineffective, but this speaker was of the view that the multiplicity did not make collective bargaining useless, although it did make it slightly difficult. With tact and patience, collective bargaining could be made successful. In this connection, he defended the practice of some companies of signing agreements with more than one union. It would surely help matters if the negotiations were related to industrial problems and if ideological friction is kept out of them. But when employers have to enter into a simultaneous agreement with a number of trade unions, ideological considerations and party factions would inevitably creep in. Besides, it is not always easy to formulate the terms and conditions which might at once be acceptable to numerous trade unions.

As for labour participation in management, a speaker at the Ahmedabad seminar held a critical view. According to him, the concept of "labour participation in management" meant different things to different people, and its emotional espousal in India had unduly raised expectations which could never materialise. This, according to him, explained the failure of this experiment in India. He further pointed out that the moment labour joined management, it ceased to propound the functional interest of labour, and, in fact, it created further complications without solving any. He suggested that collective bargaining and organisational pressures were better instruments than "labour participation in management" for improving the conditions of labour, and for ensuring better industrial relations.

Fresh Taxation in Assam and Rajasthan

The Assam Budget for 1964-65 follows the usual pattern of declaring a surplus on revenue account and then showing an overall deficit because of additional expenditure on "social security" measures like increased emoluments for Government servants, and plan schemes. Assam also has lined up with those States who have made efforts to raise fresh funds from their own resources. For a relatively small sum like Rs. 85.9

lakhs, this State has cast its net rather wide. The new tax proposals include an increase in the general rate of sales tax, the increase being bigger in the case of luxury articles; there will be a sales tax on coal, coke and coal gas at the rate of 2nP in the rupee, an electricity duty of 2nP a unit, increased excise duty on liquor and enhanced agricultural income tax at a graduated rate. Some of these items are obviously ill chosen, especially those on electricity and coal, which would add to the production cost of industries, and Assam would now find it harder to attract entrepreneurs from outside unless it offers them electricity at cheaper rates as Andhra has been doing. However, in spite of the revenue surplus and the expected yield from the new taxation measures, the Budget, with its capital and revenue sides taken together, is expected to close with a deficit of Rs. 2.30 crores. The revenue receipts for the year are estimated at Rs. 61.78 crores, and expenditure at Rs. 59.05 crores, but in the capital Budget, as against an estimated outlay of Rs. 38.72 crores, firm provision has been made for only Rs. 28.84 crores. This gap of Rs. 5.88 crores can be partly bridged by the revenue surplus and fresh taxes, but further Central assistance is essential to cover the entire deficit. The Finance Minister, Mr. Fakhruddin Ali Ahmed, made some bitter comments in his Budget speech against the Planning Commission, accusing the latter of going back on its promise of allocating Rs. 28.6 crores for the State's 1964-65 plan, and for unilaterally reducing the amount to Rs. 22.1 crores. The State, however, has drawn up a plan costing Rs. 34.2 crores, more or less on the lines of the estimates it had originally submitted to the Planning Commission. Mr. Ahmed hoped that the latter would now redeem its promise, taking into consideration the special needs of the State, which is now facing more difficult problems because of the emergency and the influx of refugees from East Pakistan. The major needs of Assam relate to power and transport facilities, without which much industrial development cannot take place. The Budget reflects the anxiety of the Government to remove these deficiencies and substantial allocations for these have been made on the capital side. For power alone, the allocation is Rs. 9.5 crores, that is, 26 percent of their total. Flood control measures get an allocation of Rs. 3 crores. Other major items of capital expenditure include industries (Rs. 2.35 crores), education (4.15 crores) and transport (Rs. 1.93 crores).

The main features of the Rajasthan Budget for 1964-65 are a revenue deficit of Rs. 62 lakhs (estimated revenue income Rs. 72.19 crores and expenditure Rs. 72.81 crores) and a deficit of Rs. 1.38 crores on capital account. The additional taxes proposed by the Finance Minister, Mr. Bal Krishna Kaul, are a tax on vacant land in urban areas, increased sales tax on bullion, on tyres, tubes and tractors and plastic goods, a duty on exports of hides and skins and yarn from the State, and an excise duty on liquor. These levies are expected to yield an income of Rs. 58 lakhs, so the overall gap of Rs. 2 crores has been left partly uncovered. The State also proposes to float a public loan of Rs. 5 crores some time in the next financial year. The "social security" feature of the Budget includes an old age pension scheme covering destitutes and persons who are over 65 and have no means of livelihood or supporters. They will get a pension of Rs. 20 a month. Provision has also been made for increased dearness allowance to Government employees.

Progress of Central Warehousing Body

The results of the Central Warehousing Corporation for 1962-63 show an all-round improvement. It is the first year of its working since the Corporation was reorganised under the Warehousing Corporation Act, 1962. The Central Government has become its shareholder in place of the National Co-operative Development and Warehousing Board. Warehousing facilities have been extended to several commodities, particularly iron and steel, insecticides, rubber, Portland cement, paper, pulp, paper products, leather goods, etcetera. The number of Central warehouses has risen from 60 to 78 with the result that the target for the year has been achieved. The targets fixed in relation to the storing capacity and stocks have been exceeded. New warehouses have been set up in ten

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CAPITAL, 12th March, 1964.

centres and the opening of warehouses in 34 other centres is being considered. New commodities are being taken for storing, so the business potential of warehouses has increased greatly.

All agricultural commodities received in warehouses are analysed and graded according to standard specifications. The Corporation has participated in the price support scheme of the Government to stabilise the price of raw jute and has handled large stocks of fertilisers in many centres on behalf of the Central Government. It has undertaken to construct warehouses on a large scale in Assam to meet local requirements. As for the storage of tea by the Corporation on behalf of the Tea Board, the completion of new specialised warehouses by the Port Commissioners of Calcutta has been delayed. Since this undertaking involves considerable obligation, the Tea Board is proceeding cautiously in the matter.

The working of the Cetral warehouses has yielded a profit of Rs. 2.20 lakhs, against Rs. 1.80 lakhs for 1961-62, although the curbs imposed by the Reserve Bank of India on advances against paddy and rice and other foodgrains interrupted the business during 1962-63. Storage charges have risen from Rs. 14.26 lakhs to Rs. 20.48 lakhs, but the overall net deficit of the Corporation has amounted to Rs. 2.20 lakhs. The loss is understandable considering that warehouses generally take several years to show profitable results. This apart, it has spent large sums of money on promotional activities in order to impress on the agricultural population the benefits of warehousing. It has already invested more than Rs. 56 lakhs in the share capital of the State Warehousing Corporations, against Rs. 18 lakhs during 1961-62. The issued share capital of the Corporation amounts to Rs. 10 crores. The major shareholder is the Government of India. The remaining shares have been subscribed by the State Bank of India, scheduled banks, co-operative societies, insurance companies, investment trusts, other financial institutions, recognised associations and joint-stock companies dealing in agricultural produce or notified commodities. The Central Government has guaranteed a dividend of 3.5 per cent on these shares.

Calcutta Port Finances

Calcutta port is expected to handle a little more than 11 million tons of traffic during 1964-65, compared with 10.5 million tons in the previous year, which in turn was 600,000 tons more than the traffic handled in 1962-63. Port charges were also enhanced in 1963-64. The income during the next financial year is expected to rise to Rs. 11.77 crores, but the expenditure, too, is expected to rise to Rs. 17.56 crores. Presenting his Budget for 1964-65 to the Port Commissioners recently, the chairman, Mr. B. B. Ghosh, explained why he was expecting only a nominal surplus, although the earnings during next financial year is likely to be Rs. 30 lakhs more than in the revised Budget for 1963-64. This is mainly because of the heavy expenditure on debt services, which alone will amount to Rs. 31 lakhs. Higher wages for labour and a bigger establishment cost also will take away a substantial part of the port's revenue. Calcutta port's debts are sizable. During 1963-64, borrowings on account of capital schemes from the Government and the World Bank amounted to Rs. 4.275 crores—Rs. 1 crore from the former and the balance from the latter against the first and second loan of \$29 million and \$21 million, respectively, besides the 30-year loan of Rs. 1 crore carrying interest at 5 percent. During the next financial year, the Port Commission proposes to borrow Rs. 3.25 crores from the Government and about Rs. 6.43 crores from the World Bank. It is also proposed to raise a market loan of Rs. 1 crore. It is clear that for servicing these debts, the port's earnings must rise, but a large increase will not be possible until the Haldia dock starts functioning and the conditions in the Hooghly improve as a result of the barrage being built at Farakka. However, the port authorities do not propose to vary their charges for the next financial year. In fact, a relief of Rs. 2 a tonne will be granted to iron ore exporters. They have been complaining that Calcutta port charges for the ore are higher than those of other ports. No general relief for other goods could be considered "unless the Government finds it possible to meet the Commis-

CAPITAL, 12th March, 1964.

sioners' request for assistance towards the cost of the river's maintenance," Mr. Ghosh said.

Pump Production and Exports Rise

Under the third plan the production target for pumps has been fixed at 150,000, and the industry has already achieved it. There has been a steady rise in production from 127,200 in 1961 to 150,000 in 1963 (estimated on the basis of eight months' production). Manufacturers have also made considerable progress in the diversification of their output with a view to meeting industrial requirements. Speaking at the annual general meeting of the Indian Pump Manufacturers Association in New Delhi last week, Mr. R. V. Deshpande, chairman, said that since there were still two more years of the third plan to go and because the demand for pumps was rising, it might be necessary to raise the third plan target. Unfortunately, there is a ban on the expansion of capacity since the third plan target has been reached. But there is scope for further expansion of the capacity not only for special types of pumps but also for small ones needed for irrigation. Mr. Deshpande emphasised the need for licensing additional capacity for the manufacture of such pumps as are being imported. India still imports pumps worth Rs. 2 crores every year, but it will be necessary to cut down these imports during the fourth plan. The Government should, therefore, examine the possibility of achieving self-sufficiency in all kinds of pumps, "except a very few number of very special types or of exceptionally large sizes of pumps, the demand for which is too small to justify their manufacture at economical costs."

The value of pumps exported in 1961-62 was Rs. 4.85 lakhs which increased to Rs. 12.75 lakhs in 1962-63. The average monthly rate of exports up to October 1963 exceeded Rs. 1 lakh. The trend is encouraging, so it is hoped that the industry would be able to make a substantial contribution to India's foreign exchange earnings. The Government, the chairman said, should allow further licensing of capacity during the current plan for units interested in exporting part of their production.

CORRESPONDENCE

NEW CENTRAL BUDGET

(TO THE EDITOR OF "CAPITAL")

Sir,

A casual reader may be inclined to think that India's Finance Ministers are actuated more by personal pique than by public interest in formulating some of the details in their financial policy. For instance, because Mr. Morarji Desai abolished the expenditure tax introduced by his predecessor, Mr. T. T. Krishnamachari, the latter dropped partially the compulsory deposit scheme soon after he assumed office and has now completely done away with it in the Budget for 1964-65. That this impression is not wide of the mark is confirmed by the views expressed by some of the important persons one of whom has gone even to the extent of describing one of the purposes of the Budget to be "to undo what Mr. Desai had done."

Having proposed to abolish the compulsory deposit scheme, there is no point whatever in requiring that outstandings on account of the scheme during the current year should be paid before the close of it. It is doubtful if this infliction should continue. The Finance Minister expects to collect over Rs. 50 crores under his annuity deposit scheme. He may, therefore, be magnanimous to pay up the amounts already collected under the C.D.S., close the accounts without keeping them open for five years and leave the scheme to sink into oblivion. It will be noted that the new annuity deposit scheme is not different from the previous scheme except that it affects a smaller number of persons. What the Budget looks like giving with one hand, it takes away even in a larger measure with the other, so that such class of assessee are really worse off.

The Finance Minister has endeavoured to plug some of the holes in the administration of the Income Tax Act, and the results remain to be seen. In the matter of taking gifts made in previous years into account for the purpose of levy-

ing the gifts tax, there is nothing new since it is merely a provision in one of the earlier Budgets which was dropped during the discussions in Parliament.

In order to stop evasions and delays, some new provisions are being introduced which are rather drastic. For instance, an assessee, in whose case the amount of tax payable on the basis of his return of income exceeds Rs. 500, is required to pay the estimated amount of tax within 30 days of the submission of his return, failing which he is liable to the imposition of a penalty not exceeding 50 percent of the tax so payable. The Government also takes paternal interest in its employees. Not only are they given increases of pay and allowances, privileges and amenities from time to time but they are also being relieved of responsibility and failures on their part to do their duty. At present, an Income Tax Officer is authorised to issue, soon after the commencement of a year, a notice of demand requiring the payment in advance in instalments of the amount of tax likely to be due from an assessee on the basis of his income during the current year. Having so collected the moneys due to the Government, the officer loses interest in the assessee and the final assessment is delayed. Does the Government pay interest on the amount of excess collection?

It cannot be stated that many of the assessee to income tax are conversant with the provisions of the Act. The correct course for the Government is, wherever advance payment is not demanded, to complete the assessment of the return forthwith on receipt and in the event of any unforeseen delay to make a provisional assessment and require the assessee to pay the amount assessed within 30 days as at present, subject to the proviso that where the amount so demanded and paid is in excess of what may be finally found to be due, the Government undertakes to pay interest at, say, 6 percent a year, provided the amount of interest falling due exceeds, say, Rs. 5.

The Central and State Governments are entering fields of industry and manufacture in a larger measure, and the indications are that they will do so more and more. The Finance Minister has, therefore, stressed the need for speedier exe-

cution of projects and of earning better returns from investments that are being made. He has disabused the idea that public-sector enterprises should work on no-profits or low profits and emphasised that they should make not only profits but also good profits. This should not encourage them to proceed on a policy of profiteering, of which enterprises in the private sector are often accused and glaring instances of which have frequently been brought to the notice of the public in relation to public undertakings.

The Finance Minister has further stated that one of the prime objectives of the Government's economic and fiscal policy is to generate savings in the hands of both individuals and corporate bodies. "To this end", he adds, "our policy in relation to incomes, wages and consumption has to be reoriented towards savings as a consequence, by a margin between consumption and incomes or wages." One wonders if this expression of policy is genuine. It is well known that savings generate savings and tend to provide increasing funds for investment in private enterprises or in the form of loans to the Governments. The action of the Government does not show that it is genuinely anxious to increase savings. It looks more like the liquidation of the well-to-do which is, after all, a relative term.

Yours etcetera,

K. V. Iyer

Madras,

6th March, 1964.

L.I.C. AS GENERAL INSURER

(TO THE EDITOR OF "CAPITAL")

Sir,

The entry of the L.I.C. into general insurance has raised various problems which need calm and careful thinking. Competition will, no doubt, be intensified, and the industry will have to be prepared to meet the onslaughts of a powerful rival, armed with almost unlimited assets, consisting of the accumulated savings of thousands of persons,



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and with the full backing of a Government, which seems to have thrown all ethical considerations to the winds, and decided upon a course of penetration and semi-nationalisation, to be achieved without payment of compensation. To say the least, it is a very tricky situation, and any hasty or emotional reactions will not be to the industry's advantage. Scrapping the "Code" may improve the competitive ability of a few selected companies, but by and large, it is likely to release forces which will

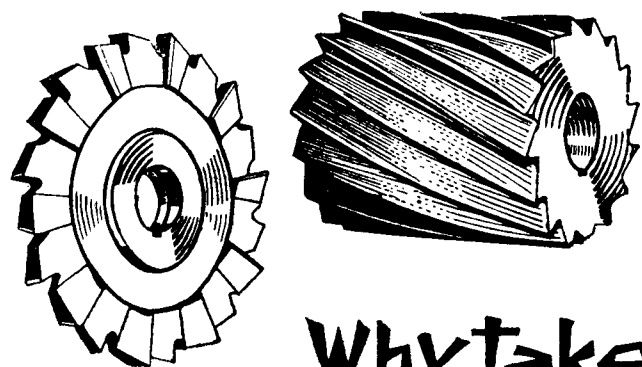
only provide a ready handle to the detractors of the industry.

One has to remember that, at the time of nationalisation, of life insurance, the emphasis of Mr. C. D. Deshmukh was not on the requirements of the various plans, but upon the so-called "misdemeanours" of the industry, with pointed attention to a single unit. Even the present Finance Minister emphasised the effect that the entry of

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CAPITAL, 12th March, 1934.

the L.I.C. will have in improving the "standards" prevalent in the industry. But at the Bhubaneswar session, the cat leapt out of the bag, and the real intentions of the Government were revealed. I wonder if under the Constitution of the country, the Government can declare its intention to semi-rationalise an industry in this manner, and avoid payment of compensation, which is obligatory under the Constitution.

Quite apart from that, those running the industry must realise that while relaxations of the "Code" here and there, may become necessary, any "free for all" competition will only provide the authorities with an opportunity to "give the dog a bad name" before hanging it. On the other hand, it is necessary to acknowledge and to publicise the fact that with its own efforts, the industry has made tremendous strides in the last few years in building up new business, in reducing premium rates and in improving its own working in every way. The private sector has plenty of detractors waiting to throw stones at the slightest opportunity. One cannot, however, suppress one's surprise, when such slings come also from otherwise friendly quarters.

Yours etcetera,

M. N. SETH

Chairman and Managing Director,
Sterling General Insurance Co. Ltd

New Delhi,
25th February, 1964.

ASSESSMENT OF POVERTY

ADAM Smith who may fairly be called the founder of English Political Economy, called his great work, as everybody knows, *The Wealth of Nations*, and he brought the whole of the resources of his peculiarly practical intellect to bear upon the problem of those causes which make for wealth. He was, of course, almost necessarily compelled to consider causes which make also for poverty, but he has devoted to this side of the question nothing like the analysis and illustration which he bestowed on the economic origins of wealth. The difficulty of defining a standard of wealth, or a standard of poverty, would seem to be almost insuperable; but the problem is nevertheless one of considerable practical interest for India as indeed for all countries. It was only the other day that addressing a meeting of the Edinburgh Association, the Chairman of that body thought fit to make once again the oft repeated assertion as to India's poverty. After alluding to the ignorance which prevailed in Great Britain on many elementary points regarding India, he went on to indicate in general terms the distressful condition of this country in so far as the poverty of the masses are concerned. The first impression of a visitor to India, according to Mr. Rhenius, who, in his position of President, occupied the chair, is "the terrible poverty of the great mass of the people." I can't quite understand whence this "visitor" would derive primary impressions of this melancholy nature. If he landed at Bombay I should imagine he would naturally conclude that he had set foot upon a singularly busy, flourishing and, on the whole, wealthy portion of the British Empire. If he landed at Calcutta, the same kind of reflection might naturally enough arise in his mind, and I certainly do not know that a first view of Madras or Karachi would arouse the suspicion of terrible poverty. Poverty, of course, there is in these places. So there is in Spitalfields, or White Chapel or the Bowery in New York, or Ancoats, Manchester, or Patrick's Market, Sydney—or, well, almost anywhere. The point is how are we to estimate poverty? According to Mr. Carroll D. Wright of the United States Labour Department we should estimate the cost of living in the number of days' earning absorbed by the purchase of the necessities of life. Judged by this test I am inclined to think the Indian urban and agricultural labourer might possibly compare not unfavourably with the working units of other nations. How many working days in India are required to cover the cost of housing, food, clothing, lighting, heating and taxation for the ryot? It would be interesting to get some statistics of this kind and if every reader of *Capital* were to contribute the results of personal enquiry at first hand from time to time, we might arrive at figures from which some fairly sound inferences might be drawn.

FROM

CAPITAL
17th March, 1904

CAPITAL, 12th March, 1964.

A Ditcher's Diary

AS MEMORIES OF THE COLONIAL DAYS BEGIN TO fade, I suspect a new generation is growing up which will know nothing or little about certain usages in the English language which bore the more or less innocent stamp of imperialism. How many of my young friends, Indian or British, know the subtle distinction that once was heartbreakingly real between "Mr.", "Esq." and "Babu"? The egalitarian "Sri" has wiped out all differences; with them, also, a bit of Indo-British history. "Babu" was once a very respectable honorific—until it was debased by the ignorant, even as "native" is a useful word and, once, was not pejorative at all. Not many in India cared to notice in those angry days that, as Otto Jespersen knew, the British were as chary of extending the dignity of "Mr." to Europeans. The French spoke of Monsieur Churchill (however outrageously pronounced) and the Germans spoke of Herr Churchill; but, for the British, it was always Herr Hitler and Monsieur Daladier (remember him?). As the days were getting warmer towards the end of February, I remembered that it was once the practice to refer to India's cooler months—all right, have it your way, the less hot months—as the "cold weather". "Winter" it never was. I am now beginning to wonder whether even "cold weather" is not a bit of an exaggeration. So far as Calcutta, at least, is concerned, this season we knew only a very few pleasant days; really cold days could be counted on one's fingers, not requiring all twenty. It is not, I suggest, a question of comfort only, nor one of productivity, although both are important. The temper of a society is determined by the natural climate it lives in. I will not go so far as to say that there would have been no riots at all in Calcutta if there were more of cool days; but the two may not be as unrelated as some may think. A temperate climate lends a certain grace to life, individual as well as collective. If I were to suggest an alternative direction for the millions of dollars now spent on nuclear weapons, I would unhesitatingly say: Do something about the weather in the tropics.

CONSIDERING THE EXTENT OF TAX EVASION IN INDIA, it is not difficult to appreciate the Finance Minister's eagerness to ensure that taxpayers in future submit more accurate returns of their income to the tax authorities; there are obvious dangers in the proposal that you should be liable to stiff penalties if your income, as declared, is less than 90 percent of your income, as finally assessed, although the broad purpose of the move, as such, may not be easy to question. Nevertheless, I cannot help noticing the sad coincidence whereby the Finance

Ministry, in its eagerness to teach accuracy to others, has forgotten the need for the same excellent quality in its own case. I trust it has by now been demonstrated to Mr. Krishnamachari's satisfaction that income tax has not been reduced "at all levels", as he was rash enough to claim in his Budget speech. But those who ought to know tell me that this is not the only discrepancy—to use a euphemism—between his Budget speech and the Finance Bill he himself had the honour to introduce. In the speech, it is proposed that the exemption limit for gift tax purposes should be reduced from Rs. 10,000 to Rs. 5,000; although I have not had the time to wade through the details of the Finance Bill, I am reliably assured that, through a lapse of memory not wholly dissimilar to that for which evaders are sometimes condemned, it contains no such proposal. Finally, the Finance Minister gave an advance warning that the development rebate for companies might not be continued in its present form beyond 1st April, 1966; it now transpires that the date indicated in the Finance Bill is a year later, 1st April, 1967. My own very indulgent view is that these are but minor discrepancies, magnified only by the accident that they are rare in the fiscal history of any country in the world, including diligent India. I am intrigued nevertheless by another reported discovery—the estimate that the annuity deposit scheme, which the Finance Minister originally said would bring in Rs. 50 crores more, might now bring in Rs. 57 crores more. It will, I hope, be possible to issue a denial, or an explanation, even if Rs. 7 crores is mere chicken-feed by the standards of accuracy in estimating receipts shown by the Indian Exchequer in recent years. Those who still, twelve days later, are unable to assess the cumulative impact of the tax proposals have an uncommon consolation this year; the Budget appears to have baffled those who wrote it as much as it has baffled those now reading it.

WHENEVER EDUCATIONISTS FOREGATHER, THEY bemoan the decline in standards of teaching and learning, pass pious resolutions, and then return quietly to the old dens of slumber. If the subject under discussion is technical education, the theme varies but little: we have five steel plants today, and we shall have ten tomorrow, so more engineers, technicians and technologists are required. The discussion sometimes is spiced with a denunciation of industry for doing little to help colleges and technical institutions create the sort of men it needs. The criticism is not unjust: Indian industry has yet to show a proper awareness of the importance of specialised training for the people it em-

ploys. The question may still be asked: if much of the product of general education at the primary and secondary levels emerges as unusable pulp, can industry do much to shape it into something more worth while at a later stage? The trouble, in other words, goes deeper, and one sign of how deep it goes is to be found in the Education Ministry's proud claim this week that no less than 66 million children will be attending school a couple of years hence, by the end of the third plan. To have 66 million in school out of a total population of 440 million is no mean achievement, and the Ministry deserves qualified credit for it. The point still remains unanswered: does the country need all 66 million half-trained parrots of the variety the schools normally produce; and, if not, what on earth is going to be done with them? The resources, for education as for anything else, are limited; by spreading them thinly in giving "education" of a sort to what will ultimately turn out to be a multitude of unemployable semi-literate, the Government is only wasting other people's time and its own money. Educational reform, in India, has to begin at the grass-roots. Unless the numbers entering primary and secondary schools are drastically cut, and the remainder then given instruction of the quality they deserve, moans about the inadequacy of technical education—and about industry's indifference to it—will remain irrelevant. The seminar on "collaboration between industries and technical institutions," organised by the Institute of Applied Manpower Research in Bombay over the week-end, seems to me to have discussed everything under the sun. But not this basic problem.

THERE IS A BIG AND LEARNED TOME TO BE WRITTEN on the currency of corruption which itself needs precise definition. Cash, sex and flattery perhaps came early on in political and corporate life, although not necessarily or always in that order. The motor-car is a relatively recent thing but its position is already secure in political affairs the world over. In Kerala Minister Sankar had to explain the transfer of some lorries or buses from one party to another. Mr. Krishna Menon is believed to have insisted on a new Rolls Royce on his translation to the High Commission in London, a practice since imitated in Nairobi by Jomo Kenyatta. Neither of course is corrupt. But, especially when there are import restrictions, as in India, the car acquires a special attraction. In Delhi, for instance, a humble Ambassador is enough for Mr. Nehru, except when he is on a long tour. Not so for lesser Ministers. I happen to know of one, famous for his simple living, who would be content with nothing less than a Cadillac and got the State Trading Corporation to sell him or his Ministry one. And among the cars of the world there is a fairly rigid caste system. That Rolls Royces and Cadillacs are Brahmins admits of no doubt. A name that is fast making the grade

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is the Mercedes Benz, a brand currently very highly regarded without many owning one. Cattle used to be once the main currency of corruption. Today, I say, count and classify cars. If "status symbol" is now a cliché, one's status is today largely determined by the car one rides, and in the United States, a chauffeur-driven car is an immediate key to recognition. I suddenly remember that writing on corruption—or not writing on it—can also conceal a multitude of corrupt transactions. Time, therefore, to stop.

A CORRESPONDENT HAS WRITTEN FROM LONDON to say that although he has not yet read Michael Edwards' book, the *Last Years of British India*, which I mentioned here a few weeks ago, he is nevertheless interested in the theory that the Jallianwallah Bagh massacre played a greater part in the independence movement than the Sepoy Mutiny. While not denying that the incident is of considerable importance, he has recently formed the opinion that it might be so rather because of the political and propaganda use which was subsequently made of it on both sides than for what in fact happened. He bases his doubts on an article by Brian Bond in a recent issue of *History Today*, which attempts to reassess the character of General Dyer and the circumstances with which he had to contend. Without going into too great detail, the burden of the argument is that far from being an ignorant and hot-headed soldier with little knowledge of local conditions and even less sympathy with the "natives", he was in fact an intelligent, efficient and conscientious officer with an admirable record and strong family connections with the country. He was sent to Amritsar with wholly inadequate forces to quell a riotous situation which had already resulted in a number of murders and in which both the Sikh and European communities throughout northern India were seriously threatened with extermination. Memories of the Mutiny played a big part in this fear, by the way. He did not open fire without warning; in fact, the threat that any unlawful assembly would be immediately fired on had been repeated by every available means for several days beforehand. Throughout, Dyer had the support and sympathy of the authorities, both Indian and British. The valid charges against him, according to Mr. Bond, were that he did not give the rioters time to disperse, that he continued firing too long, and that he made no effort to tend the wounded afterwards. But even here there were mitigating circumstances in that he might have judged that his men were in danger of being overpowered by vastly superior numbers. Afterwards he was congratulated by Sikhs and Europeans alike, and was actually invested as a Sikh by the guardians of the Golden Temple. His downfall came when, to propitiate Indian nationalist feeling, he was selected for sacrifice by Montagu, with the support of Winston Churchill, of all people, who was then Secretary of State for War. But the Hunter Committee exonerated Dyer, and the British Army, despite considerable pressure, flatly refused to cashier him.

AT A TIME WHEN CONFUSION OVER THE BUDGET proposals is widespread, one should be grateful for comments that are clear and consistent. It is a rare pleasure to be able to compliment our valued contemporary, *Indian Finance*, on its analyses this year, from which the following two extracts are taken:

"It is a strange and heartening experience, after a lapse of some many years, to be able to welcome wholeheartedly and almost without qualification the contents of a Central Budget. What is significant about Mr. T. T. Krishnamachari's effort for 1964-65 is not merely that the additional revenue sought is small; the Finance Minister is to be congratulated on having based his proposals on correct considerations, and also for an eminently fitting approach to the very task of Budget-framing."—*Indian Finance*, Special Budget Supplement, 4th March, 1964.

"There has since been time enough for second thoughts, and if studies under way in our office are any indication, we are afraid we have regretfully to come to the conclusion that, whatever may have been Mr. Krishnamachari's stated intentions in his speech, the Finance Bill that has been introduced makes a mockery of practically every one of the reliefs and concessions that had ostensibly and on surface been extended to a long-suffering tax-paying public."—*Indian Finance*, 7th March, 1964.

THE DITCHER

Guide for Investors

TAX CONCESSIONS AND PRICE RISE FAIL TO LIFT COAL SHARES

(BY A SPECIAL CORRESPONDENT)

THE index for ordinary coal shares has declined from 115.3 to 103 (1952-53 equals 100) over the past year. The long-awaited increase in the prices of good-grade coking and selected grade non-coking coal, which the Government sanctioned last week, has had virtually no effect on investors. They have not also been impressed by the tax concessions granted to the industry by the Central Finance Minister in his Budget for 1964-65.

It looks rather odd at first sight that coal shares have not responded to these favourable developments and continue to remain as sluggish as before. A careful analysis, however, shows that investors have good reasons not to feel enthusiastic. Rebates of 5 percent in the corporation tax and of 20 percent in the surtax on profits allowed to the industry are no doubt steps in the right direction. But the benefits have been greatly neutralised by two new measures proposed by the Finance Minister. Firstly, all companies, including coal companies, will have to pay a dividend tax of 7.5 percent on distributed ordinary dividends. The burden of the levy will be considerable, particularly on those coal companies which pay good dividends.

Secondly, confidence has been shaken by the proposal to treat bonus shares as capital gains, because the glamour of growth depends greatly on the prospect of bonus share issues. Since the decision to consider bonus shares as a capital gain has been superimposed on the existing penal rate of tax on such shares, companies in general will be restrained from issuing bonus shares. It is particularly depressing for the coal industry since it has committed itself to investing large sums of money in capital assets for expanding output.

Nevertheless, the recent price increase has been welcomed by the industry, although it may not go beyond neutralising the rising production costs. Since the increase has been confined to only good-grade coal, the output of other categories will continue to remain as uneconomical as before.

Even after taking into account the higher development rebate which the industry enjoys, the tax concessions given by the 1964-65 Central Budget and the increase in the prices of good coal, it does not appear that the profitability of the industry has improved. The most disappointing feature is that the question of offering a depletion allowance to the industry has not yet been considered by the Government. The need for this allowance cannot be exaggerated because depreciation allowed at inadequate rates has been far too inadequate to cover the cost of replacing plant and equipment. No industry other than coal needs to incur capital expenditure more urgently because coal mines are a wasting asset. Every coal company has to replace an exhausted mine by opening a new one, which involves considerable capital expenditure. In the circumstances, coal companies require funds not only to expand output but also to maintain the existing level of raisings.

A generous World Bank loan of \$35 million given to the industry for expansion, has not been fully used

due to the shortage of rupee resources. Only a few large and better-managed collieries have been able to make use of the facilities provided and even their resources have been greatly strained. Because of the low profitability of the industry, it has not attracted capital from the market. Furthermore, since profits have been low, coal companies have not been able to plough back sufficient money into the business.

This apart, investors have been disturbed by the decline in the demand for coal. The pithead stocks at collieries have already risen to about 5 million tons. Although the surplus relates mostly to the power grades, since all good coal has been well absorbed, the industry has suffered greatly for the time being. Under the circumstances, investors cannot be expected to lend support to coal shares unless they are assured that the profits of coal companies will improve substantially in the future. As long as investment in the industry remains less remunerative than in others, coal companies will find it extremely difficult to attract capital.

Good Progress of A.C.C.I. Expansion Schemes

COMMENTING on the Central Budget for 1964-65 in his chairman's statement at the annual general meeting of the Alkali and Chemical Corporation of India Ltd, held in Calcutta last week, Mr. A. R. Foster welcomed the abolition of the super profits tax. It has been replaced by a more realistic surtax on profits by increasing the statutory deduction to 10 percent and broadening the capital base. (A full text of the speech is published on a later page in this week's issue of *Capital*). Concessions to some industries have been given to encourage their development. The withdrawal of the super-tax on inter-company dividends is a step in the right direction, but it may give no right inducement to the potential foreign investor. Alkali Chemical will have to bear an additional tax burden of Rs. 3.5 lakhs due to the levy of the new tax of 7.5 percent on ordinary dividends, on the basis of the current dividend of 15 percent, taxable.

The Company has been given no relief in corporate taxation by the Budget. He thinks that the better way of encouraging plough-back would be to give tax rebates for amounts transferred to reserves rather than by the imposition of a penal tax on dividends. The levy will deter potential investors. The Finance Minister's observation that the development rebate may be withdrawn from certain industries by 1966 has caused concern. He hopes that all projects so far licensed will qualify for the rebate, even if they are unable to begin production before 1966, because commitments will have already been made on hopes of receiving the rebate. Investment in India will suffer greatly without this concession. (It may, however, be noted that a recent Press report from New Delhi says that the rebate in its present form will continue until 1st April, 1967, and not 1st April, 1966, as mentioned by the Finance Minister in his Budget speech). As a result of

the tax changes proposed, he thinks some companies may benefit; many may be a little better off and some worse off particularly when the impact of the dividend tax is considered.

As for expansion in Alkali Chemical, the plan to increase the production of paints has made satisfactory progress and the new units may begin production within the next year or so. Steps have been taken to increase the range of polymers and extend the rubber chemicals plant. Production for 1962-63 has shown an all-round improvement. The output of paints has been maintained at a high level in spite of raw material difficulties. A record production of polythene has been achieved and the plant for the production of intermediate density polymer has begun to function. The working has, nevertheless, been interrupted by an acute shortage of alcohol. Unless an adequate supply of this item is ensured, output during the current year will suffer. The production of rubber chemicals from the new plant has been satisfactory and should meet the entire domestic demand. Sales at Rs. 8.13 crores were the highest ever made. The abolition of price control on caustic soda, liquid chlorine and hydrochloric acid is a welcome step, and the Company has raised the prices of these products only marginally in the interests of consumers.

Martin Burn Earns More, Pays the Same

THE working of Martin Burn Ltd for the year ended March 1964 shows an improvement in the trading profit and in the managing agency commission earned before providing for taxation, but additional taxation provision has to be made for the super profits tax. In order to reduce the impact of these levies, it has been found necessary to transfer the requisite amounts from profits to a special reserve to be used in the manner permitted by the Act. So profits available for distribution amounts to more or less the same as for 1961-62. The engineering group of companies has shown better results. The electric group had more or less maintained its position, but the U.P. State Electricity Board has given notice of its intention to exercise the option to purchase the undertakings covered by the licences operated by the U.P. Electric Supply Co. Ltd in September 1964. The railway companies

have faced difficult working conditions. The increase in road competition, combined with the rising administrative costs, has proved a heavy burden on all the railways managed by Martin Burn.

The profit has amounted to Rs. 44.60 lakhs, against Rs. 41.67 lakhs for 1961-62, after providing Rs. 2.84 lakhs (against Rs. 2.89 lakhs) for depreciation, and Rs. 47 lakhs, including Rs. 2.50 lakhs for the super profits tax (against Rs. 36.50 lakhs) for taxation. The taxable ordinary dividend of 25 percent has been maintained, absorbing Rs. 36.78 lakhs. The yield amounts to 8.9 percent at the present price of Rs. 28.12 a share of Rs. 10 each. Special reserve under the Super Profits Tax Act is allocated Rs. 12 lakhs and general reserve Rs. 3.75 lakhs (against Rs. 1 lakh), leaving a carry-forward of Rs. 1.289, against Rs. 2.45 lakhs brought in.

E.I.D.-Parry Group Profit Rises

IN a statement circulated to the shareholders of E.I.D.-Parry Ltd, Mr. H. V. R. Iengar, chairman, has explained the setback which the Ennore fertiliser factory has suffered due to causes beyond the control of the Company. (The full text is published on a later page in this issue of *Capital*). The contractors and their sub-contractors who have built the factory have been responsible for not being able to get it into full running condition. Instead of an expected output of 56,000 tons, the factory produced only 11,500 tons. As a result, the Company has had to sustain considerable loss on account of this factory. It is expected that the factory will be able to show a better performance during the current year.

It is nevertheless encouraging that the loss has been absorbed because the group has done very well in other spheres. The group profit has improved from £252,287 for 1962 to £360,047. But the higher profit has mainly been due to tax concessions which the Company has enjoyed as a result of a substantial development rebate for the Ennore factory. The Company has done well in sugar, pottery and sales of fertilisers and general goods. Although manufacturing activities have grown considerably, great importance has been attached to maintaining trading activities at a high level. In view of the uncertainty concerning the working of the Ennore factory, the directors have decided to cut the dividend from 21.3/7 percent to 18 percent.

As for the manufacture of sugar, the outlook is assessed with caution. There has been a shortage of cane supplies due to their diversion for the manufacture of gur. Mr. Iengar thinks that the prospect for the sugar industry in 1964 is uncertain. The cane price has been further in-

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Armstrong Smith Ltd.

creased, so its impact on sugar factories needs to be carefully watched. In ceramics, the Company has expanded the production of sanitary-ware substantially at the Ranipet factory in collaboration with Doulton and Co. Ltd. of the U.K. A new range of patterns has been developed and introduced in the market. The standard and quality of products have improved progressively. Referring to the Visakhapatnam fertiliser project which is estimated to cost about Rs 33 crores, Mr. Iengar pointed out that arrangements for its implementation are nearing completion. It is expected that an offer of shares will be made to the public in the near future. E.I.D.-Parry will hold Rs. 55 lakhs of equity share capital in the new company which will run the Visakhapatnam fertiliser project. E.I.D.-Parry will also act as the principal selling agent for fertilisers to be produced. The Vishakhapatnam factory is expected to manufacture about 365,000 tons of ammonium phosphate and 16,500 tons of urea.

National Pipes and Tubes Repeats

THE output of National Pipes and Tubes Co. Ltd rose during the year ended September 1963 due to an improved supply of raw materials. The fabrication work also increased considerably. Sales rose from Rs. 1.07 crores to Rs. 1.20 crores. The profit has risen from Rs. 21.94 lakhs to Rs. 30.79 lakhs, after increasing tax provision from Rs. 11.07 lakhs to Rs. 19.23 lakhs, out of which the super profits tax absorbs Rs. 4.12 lakhs, and after transferring Rs. 18.131 (against Rs. 21.148) to depreciation and Rs. 35,435 (against Rs. 15,600) to development rebate reserve. The taxable ordinary dividend of 20 percent has been repeated, absorbing Rs. 6 lakhs. This works out to a yield of 6.8 percent at the present price of Rs. 29.25 a share of Rs. 10 each. A further provision of Rs. 2.74 lakhs has been made for the super profits tax for 1963-64. General reserve is allocated Rs. 2 lakhs (the same) and dividend equalisation reserve Rs. 2 lakhs (against Rs. 1 lakh). The carry-forward is Rs. 19,484, against Rs. 52,804 brought in.

The directors say that modern machinery has been installed at the factory for improving quality and efficiency. Considerable progress has been made in the expansion scheme and it is expected that the installed capacity for the production of hollows will soon be increased. Orders for the necessary equipment have already been placed.

Madura Mills Raises Dividend

THE increase in the dividend from 15 percent to 17½ percent by the Madura Mills Co. Ltd for 1963 is fully justified by the Company's improved performance. As against an increase of a little over 11 percent in the sales from Rs. 16.3 crores to Rs. 18.1 crores, the gross profit has recorded an impressive increase of 21.4 percent from Rs. 1.68 crores to Rs. 2.04 crores. After providing Rs. 57.18 lakhs (against Rs. 43.53 lakhs) for depreciation and Rs. 58.32 lakhs (against Rs. 65.67 lakhs) for taxation and deducting other prior charges, the net profit amounts to Rs. 80.17 lakhs, against Rs. 51.51 lakhs in 1962. Allocations to the debenture stock redemption reserve and the National Industrial Development Corporation loan redemption reserve have been maintained at Rs. 10 lakhs, and Rs. 7.50 lakhs, respectively. The provision

for development rebate reserve has been stepped up from Rs. 9.68 lakhs to Rs. 27.38 lakhs, and a sum of Rs. 14.92 lakhs (against nil) has been set aside for the general reserve. After providing for the payment of the proposed dividend which absorbs Rs. 30.63 lakhs (against Rs. 26.25 lakhs), there remains a surplus of Rs. 59,353 to be carried forward, against Rs. 10.85 lakhs brought in.

The directors attribute the improvement in the Company's working results to the modernisation and rationalisation or workloads achieved during the year and to the increase in internal yarn prices. The 450-loom project has been implemented in full and permission has been obtained for the installation of another 500 looms which are being imported from Belgium and for which necessary licence has been sanctioned. The construction of the weaving unit in Ambasamudram is said to be making satisfactory progress, and it is expected to be completed before the end of this year. The Company has applied to the Government for permission to import up-to-date machinery for additions to the bleaching, dyeing and finishing plants. The total capital expenditure incurred by the Company during 1963 amounted to Rs. 1.99 crores, while outstanding commitments at the end of the year were of the order of Rs. 1.49 crores. These commitments do not include the additional looms under negotiation.

Star Paper Skips Dividend

IN their report for the year ended September 1963, the directors of Star Paper Mills Ltd point to the rising production costs due to the increased wages as well as the emergency war risks insurance premium paid by the Company. The new plant has achieved a satisfactory standard of output. As a result of improvement effected in the plant, production during the current year is expected to show further improvement. Certain additions are being made to the new plant to raise production. The Company is considering renovating the old plant. A new washing plant for the old machine has been ordered and its installation is expected to be completed during the current year. The directors say that the present selling prices of paper are uneconomic.

The profit has improved from Rs. 13.79 lakhs for 1961-62 to Rs. 34.96 lakhs for 1962-63, after providing Rs. 25.38 lakhs for depreciation. A sum of Rs. 25.15 lakhs has been provided to cover depreciation for 1961-62, leaving a balance of Rs. 10.37 lakhs. The ordinary dividend has been passed. In order to pay tax-free dividends on preference shares, it is proposed to hold meetings of preference and ordinary shareholders to obtain their sanction. When the shareholders make their decisions the directors intend to declare interim dividends on preference shares for 1959-60.

Sen-Raleigh Pays Nil

SEN-RALEIGH Ltd has passed the ordinary dividend for the year ended September 1963, against a taxable ordinary dividend of 8 percent paid for 1961-62. Sales fell from Rs. 4.86 crores to Rs. 4.68 crores. The trading profit has dropped from Rs. 45.23 lakhs to Rs. 32.65 lakhs. Depreciation absorbs Rs. 21.03 lakhs (against Rs. 21.86 lakhs) and taxation Rs. 7.51 lakhs (against Rs. 11.86 lakhs). Sums of Rs. 3.75 lakhs (the same) have been allocated to the repayment of loan

reserve and of Rs. 1.12 lakhs (against Rs. 57,757) to development rebate reserve. Super profits tax liability for 1961-62 has been provided to the extent of Rs. 32,914.

The unsatisfactory results have been due to a smaller production following the shortage of raw materials. It has been pointed out that after three years of near stagnation, the demand for bicycles and components has begun to improve. The expansion programme for bicycle production has made satisfactory progress. When it is completed the financial results should improve as a result of greater economies in output. The Company proposes to expand the production of components after completing the expansion of the bicycle-manufacturing plants. As for making house service meters, good progress has been made. The Company has made vigorous efforts to expand the export of its products.

Nylon from Century Spinning

IT is reliably learnt that a provisional agreement has been finalised between Century Spinning and Manufacturing Co. Ltd. and Messrs Algemene Kunstzijde of Holland and Vereingde Glanzstoff Fabriken of West Germany for a joint venture to establish a factory to manufacture nylon 1. It is proposed to build a plant with a capacity for producing 2½ tons a day at a cost of Rs. 4 crores. The plant is expected to go into production by the middle of 1966 and is likely to be located in Poona, Maharashtra State. Active steps are being taken to form an Indian Company at an early date with a board of directors consisting of Mr. B. K. Birla, two representatives of the foreign collaborators and two other Indian directors. The foreign collaborators will take 45 percent of the equity capital, and the balance will be raised by public subscription from Indian citizens. The new issue may be floated within the next three or four months.

Mahindra and Mahindra Fares Well

THE preliminary report of the Mahindra and Mahindra Ltd for the year ended October 1963, shows that the Company has fared much better than in the preceding year. The turnover has risen by about 15 percent from Rs. 13.88 crores to Rs. 15.92 crores, and the gross profit, after providing Rs. 29.70 lakhs (against Rs. 24.02 lakhs) for bonus to staff, has increased by about 20 percent from Rs. 98.28 lakhs to Rs. 1.187 crores. Although the dividend has only been maintained at 12½ percent, the total amount to be distributed among the equity shareholders is larger at Rs. 22.36 lakhs, against Rs. 18.22 lakhs as the new shares are entitled to a dividend of 88pP a share against 26pP paid in the preceding year. Appropriations include Rs. 17.18 lakhs (against Rs. 15.79 lakhs) for depreciation, Rs. 3.36 lakhs (against Rs. 3.87 lakhs) for development rebate, Rs. 50.18 lakhs (against Rs. 44.39 lakhs) for taxation, Rs. 7.84 lakhs for the new sur tax and dividend tax (against Rs. 11.22 lakhs for super profits tax) and Rs. 14 lakhs (against Rs. 3.50 lakhs) for general reserve. After providing for the preference dividend amounting to Rs. 4.49 lakhs (the same) and ordinary dividend of Rs. 22.36 lakhs (against Rs. 18.22 lakhs), there remains a small surplus of Rs. 13,000 to be carried forward, against Rs. 80,985 brought in. The directors point out that in maintaining the dividend at the previous year's level, they have taken into account the pressing need for liquid funds for

CAPITAL, 12th March, 1964.

meeting the Company's expansion programme in Kandivli where all the plants engaged in producing jeep components are proposed to be consolidated and integrated in one area. Construction work has already started and it is hoped that new facilities will be in operation by about the middle of next year. The Rs. 10-paid share of Mahindra and Mahindra is currently quoted around Rs. 15.48.

I.C.I.C.I. Help for Industry

THE Industrial Credit and Investment Corporation of India has been playing an increasingly useful rôle in the economy of the country. In normal times, it carries out scrutiny of projects and guides entrepreneurs about their projects; and in times of sluggishness in the capital market, it provides funds to enable the flow of investment to continue. During 1963, when investment seemed to falter and entrepreneurs tended to postpone undertaking further projects, the gross assistance sanctioned by the I.C.I.C.I. in the form of loans, underwriting and direct subscriptions reached a record high of Rs. 24.94 crores, against Rs. 19.60 crores in 1962. This was divided equally between foreign currency loans and rupee assistance. Net assistance sanctioned amounted to Rs. 23.05 crores. Rupee assistance in the form of loans, underwriting of and direct subscriptions to ordinary and preference shares and debentures amounted to Rs. 12.59 crores to 33 companies and foreign currency loans for the equivalent of Rs. 12.35 crores to 57 companies. Among these companies, 17 were sanctioned assistance both in rupees and foreign currencies. Total disbursement was Rs. 10.76 crores of which Rs. 6.14 crores was in foreign currencies. Addressing a Press conference convened for releasing the Corporation's annual report for 1963, the chairman, Mr. G. L. Mehta, made a pointed reference to underwriting business. The I.C.I.C.I. gave underwriting sanction for Rs. 3.68 crores in 1963. Eleven underwriting operations were completed during the year for a total amount of Rs. 1.77 crores, against which the Corporation was called upon to take up Rs. 83 lakhs. This, said Mr. Mehta, is a measure both of the state of the capital market during 1963 and of the Corporation's policy in coming forward and providing assistance to enable industries not to suffer for lack of funds.

Of the total net financial assistance amounting to Rs. 23.05 crores sanctioned by the Corporation during 1963, Rs. 16.07 crores (including Rs. 7.36 crores in foreign exchange) was for 52 new projects. The total cost of these projects including working capital of Rs. 31.13 crores would amount to Rs. 123.37 crores, of which Rs. 36.91 crores would be required in foreign exchange for fixed assets. When in normal production, the total turnover of these projects would be about Rs. 68.10 crores, which is expected to yield a net foreign exchange saving of about Rs. 46 crores.

The total of net operations sanctioned during the nine years from the inception of the Corporation in 1955 until the end of 1963, amounted to Rs. 83.21 crores to 248 companies of which 105 were new undertakings. Out of the rupee loans and guarantees sanctioned totalling Rs. 21.74 crores, the amount disbursed up to end of 1963 was Rs. 10.41 crores. Out of the foreign currency loans sanctioned amounting to Rs. 39.47 crores, the amount disbursed was Rs. 17.44 crores. Similarly, out of Rs. 16.86 crores sanctioned for underwriting up to the end of 1963 the Corporation completed 50 operations in all amounting to Rs. 13.49 crores, against which it was called upon to take up Rs. 6.52 crores in shares and debentures on which

CAPITAL, 12th March, 1964.

an amount of Rs. 6.33 crores was paid up. Out of the direct subscriptions to ordinary and preference shares and debentures sanctioned of Rs. 5.14 crores, the Corporation subscribed to Rs. 4.89 crores on which Rs. 4.84 crores was paid up. The Corporation thus disbursed a total amount of Rs. 39.02 crores up to the end of 1963.

The total repayments of loans up to the end of 1963, amounted to Rs. 4.02 crores, and the sale proceeds of investments to Rs. 3.37 crores. Companies to which assistance has been sanctioned are located in different parts of the country. State-wise, Maharashtra accounts for 33.8 percent of the total financial assistance to be followed by Madras with 11.9 percent, Gujarat 10.3 percent, Mysore and West Bengal 8.6 percent each, and Andhra Pradesh 7.7 percent. The share of Kerala State is a mere 0.8 percent and Rajasthan accounts for no more than 0.7 percent. Answering questions from newsmen about the wide variations in the State-wise distribution of financial assistance, Mr. G. L. Mehta said that the Corporation's assistance broadly followed the pattern of industrial licensing and the viability of projects seeking assistance.

To meet the increasing business, the Corporation has taken steps to increase both its rupee and foreign currency resources. Last year, the Government of India gave a loan of Rs. 10 crores and the World Bank sanctioned the fifth line of credit of \$30 million—the largest so far. With these additional resources, total rupee funds of the Corporation amounted to Rs. 32.5 crores and foreign currency funds to the equivalent of Rs. 48.12 crores (\$30 million from the World Bank, \$5 million from the A.I.D. of U.S.A. and 25 million Deutschmarks from K.F.W. of West Germany). In addition, the Corporation can use the funds arising out of securities and out of the sales of appreciable plough-back of profits. Reflecting the increased operations, the sources increased appreciably and its profit, subject to tax, amounted to Rs. 101.54 lakhs in 1963, against Rs. 78.90 lakhs in 1962. The profit after tax is larger at Rs. 57.88 lakhs (against Rs. 46.38 lakhs) and the dividend has been stepped up from 6.5 percent to 7 percent. The chairman stated that as a result of the new Budget, the Corporation would have to pay more tax on the dividend distributed, but it hoped to get some relief because of the removal of tax on inter-corporate dividends. In the present position, the net additional tax liability would be about Rs. 1.50 lakhs.

The performance of development banks like the I.C.I.C.I. is not to be judged by the profit that it makes and the dividend it declares for the shareholders. Such an institution has to stand by industry when the capital market is not in good shape, and conditions in the capital market in India have been far from favourable in the past year or so. In his statement to the shareholders, the chairman, Mr. Mehta, says that as the capital market seemed to dry up, industry increasingly turned to the I.C.I.C.I. and other financial institutions for finance to implement earlier. (A fuller version of the speech appears on a later page of this week's Capital.) Often enough financial plans had to be changed and entrepreneurs who would have issued rights shares turned to financial institutions for loans, and those who in more normal times would have approached the market directly, turned to the I.C.I.C.I. for underwriting their issues to ensure their success. And the Corporation rose to the occasion well. The process of industrialisation consists in drawing

into the vortex of industry persons from outside it. Here again, the Corporation has been playing an important rôle. Many projects financed by the Corporation have been started by new entrepreneurs coming from a variety of fields—trading, management, engineering and other professions. The Corporation has been providing various ancillary services to new entrepreneurs. The readiness of institutions like the I.C.I.C.I. to come forward with support and assistance has prevented a decline in the level of investment which public apathy would otherwise have brought about. Besides, the Corporation has been investing its funds in non-traditional industries—particularly metal-based and chemical industries—which involved taking greater risks. But in keeping with the planning effort in the country, the Corporation has considered it desirable to mould its investment according to the requirements of the economy.

Cane Supplies for Phalton Sugar

THE Phalton Sugar Works Ltd proposes to offer 20,000 cumulative participating preference shares of Rs. 50 each at par to cane-growers who agree to deliver cane to the Company. These shares will carry a fixed dividend of 8 percent which is lower than the prevailing rate of 9 to 9.5 percent on preference shares. A limited participation right up to 12 percent is, therefore, in case the attached to these shares. In case the equity dividend in any year exceeds 18 percent the holders of the preference shares will be entitled to an additional dividend of 1 percent over 18 percent. The maximum dividend on preference shares will not, however, exceed 12 percent in any case. The preference shares will have no right to participate in the surplus assets of the Company on winding up and will not ordinarily be transferable for a minimum period of five years from the date of allotment. The directors say that in view of the Maharashtra Agricultural Lands (Ceiling on Holdings) Act, 1961, the Company has handed over the possession of surplus agricultural lands to the State Government. In order to ensure the continuous supply of cane to a scheme factory, the directors feel that a scheme of participation in the Company by cane suppliers of the adjacent area will prove very useful.

The preliminary report for the year ended September 1963, released along with the announcement of an increase in the dividend from Rs. 7 to Rs. 10 a share, shows that while sales have just been maintained at Rs. 1.73 crores, the gross profit has shot up from Rs. 11.85 lakhs to Rs. 50.59 lakhs. According to the directors' report, several factors have contributed to the impressive rise in profits. The change in the manufacturing programme from refined to raw sugar has resulted in a considerable saving in the cost of production. As the internal demand for refined sugar continued to be brisk, the year's entire output as well as all the brought-forward stocks could be liquidated. So no stocks of sugar are being carried forward to the 1963-64 season.

Although the cane crushed during the season was lower at 123,307 tonnes (against 125,378 tonnes), sugar manufactured was higher at 160,949 bags (against 150,225 bags). The recovery was much better at 12.97 percent, against 11.94 percent.

The directors state that the Company has made provision in the accounts for the value of lands handed over to the State Government on the basis suggested in the Act, and that this has resulted in a loss. The

value to be received for buildings has not been determined. The payment for land and buildings will be in the form of transferable bonds to be issued for the purpose. The Company has submitted bills for Rs. 24.28 lakhs for tractors, implements, trailers, etcetera, of which only bills amounting to Rs. 12.39 lakhs have so far been settled.

Coonoor Tea Pays the Same

DESPITE a record tea crop, the gross profit of the Coonoor Tea Estate Company for the year ended September is down from Rs. 3.14 lakhs to Rs. 2.63 lakhs. The working results are said to have been adversely affected by the rise in production costs on account of higher labour charges and the decline in the average sale price of tea. The tea crop harvested during the year amounted to a little over 200,000 kilograms (452,000 lbs), against 195,000 kilograms (431,000 lbs) in the preceding year. The average cost of production of made tea was slightly higher at Rs. 1.54 a lb. The average sale price realised during the season was Rs. 2.25 a lb, against Rs. 2.32 a lb in the previous year. The outlook for the 1963-64 does not seem promising as the crop is estimated around 191,000 kilograms (420,000 lbs) at an average cost of Rs. 1.58 a lb (Rs. 3.48 a kilogram). After providing Rs. 37,219 (against Rs. 35,661) for depreciation and Rs. 1 lakh (against Rs. 1.28 lakhs) for taxation and deducting other prior charges, the net profit for 1962-63 amounts to Rs. 1.10 lakhs, against Rs. 1.30 lakhs in the preceding year. With Rs. 46,800 brought forward and including Rs. 10,000, being excess provision for taxation made in previous years no longer required, the disposable surplus amounts to Rs. 1.67 lakhs. A sum of Rs. 2,622 (against Rs. 272) has been set aside for development rebate. Preference dividend absorbs Rs. 8,473 (the same) and equity dividend of 17.5 percent (the same) takes up Rs. 99,177, leaving a balance of Rs. 56,592 which has been transferred to the general reserve, which did not receive anything in the preceding year. The Rs. 10-paid share of Coonoor Tea is quoted around Rs. 18.37.

Progress of Durgapur Projects

THE Durgapur Projects Ltd took over from 15th September, 1961, the "Durgapur Project" a complex of State-sponsored enterprises, managed by the Durgapur Industries Board constituted by the West Bengal Government. The Company is at present engaged in diversified industrial enterprises comprising the coke plant, benzol recovery unit, tar distillation plant, gas grid and power plant, but all these units are interlinked and inter-dependent. New additions include the tar distillation plant and the Durgapur-Calcutta gas supply scheme. The coke plant is in full production and has reached 95 percent of the rated capacity. The tar distillation plant has produced about 40 tons of tar a day, against a minimum target input of 70 tons a day.

The capital programme during the third plan period consists of expansion of generating capacity of the power plant, extension of the power transmission and distribution systems, doubling the capacity of the coke plant and the construction of a coal washery. The construction programme is proceeding satisfactorily and the Durgapur-Bandel H. T. line should be ready during the first half of 1964. The expansion of the coke plant and the installation of the washery may be completed early in 1965.

In addition to these expansion schemes, certain other projects like fertilisers and chemicals project undertaken by the Government of India will be handled by the Company as agents. Durgapur Projects has been doing considerable civil engineering construction work for the Central and State Government Departments.

In its report for the year ended March 1963, the Company has earned Rs. 1.09 crores. Depreciation absorbs Rs. 64.24 lakhs. After using the net surplus of Rs. 45.10 lakhs towards interest charges on capital works in progress, there remains a balance of Rs. 38.72 lakhs on interest account which is shown as a loss. But this will be reduced to Rs. 31.73 lakhs, if the interest liability is taken at 5.5 percent. The surplus amount of Rs. 45.10 lakhs represents a return of 3.03 percent on the depreciated value amounting to Rs. 14.82 crores of the fixed assets of the plants in commercial production.

This is the second year of the Company's working. The investment of Rs. 34.37 crores to which equity capital has contributed Rs. 15 crores and loan capital Rs. 19.37 crores. A sum of Rs. 92 lakhs was repaid to the Government in 1962-63 out of which Rs. 20 lakhs represent interest and Rs. 72 lakhs repayment of capital. The directors are considering various schemes for implementation during the fourth plan period. It is proposed to produce 100,000 tons of high silicon pig iron a year for foundry use, and to set up a unit for manufacturing 100 tons of methanol a day. In addition, schemes for manufacturing plastics, extending gas supply to various points and installing further thermal power are being considered.

Walchandnagar Industries Fares Better

ALTHOUGH the dividend has only been maintained at 12 percent, the working results of Walchandnagar Industries for the year ended September 1963 show that the Company has done much better than in the previous year. Against an increase of a little over 4 percent in the sales from Rs. 5.38 crores to Rs. 5.61 crores, the gross profit is up by about 23 percent from Rs. 67.11 lakhs to a record high of Rs. 82.80 lakhs. After providing Rs. 27 lakhs (against Rs. 29.13 lakhs) for depreciation, Rs. 2.50 lakhs (against Rs. 4.31 lakhs) for development rebate and Rs. 22.50 lakhs (against Rs. 15.50 lakhs) for taxation, the net profit amounts to Rs. 25.34 lakhs, against Rs. 14.38 lakhs in 1961-62. With Rs. 1.14 lakhs brought forward from the previous year and including Rs. 17,508, being provisions made earlier but now no longer required, the disposable surplus amounts to Rs. 26.65 lakhs. Out of this, the directors have transferred Rs. 26.64 lakhs to general reserve, leaving Rs. 1,059 to be carried forward. The proposed dividends—both preference and ordinary—absorbing Rs. 23.18 lakhs are to be paid out of general reserve.

The directors say that the sugar-cane crushed during the year was lower at 190,000 metric tons, against 203,000 metric tons in the previous year. The sugar output declined from 248,000 bags (of one quintal each) to 231,000 bags. The recovery was lower at 12.13 percent, against 12.25 percent. The distillery fared better with the output of spirit rising from a mere 762,000 litres to 3,722,000 litres. The sugar mill machinery supplied during 1962-63 rose from Rs. 2.13 crores to Rs. 2.29 crores. The plastic factory supplied goods worth Rs. 5.61 lakhs, against Rs. 5.05 lakhs. The Company has recently entered into an agreement with Prerovske Strojirny, Czechoslovakia, for the

manufacture of complete cement plant and parts in Walchandnagar.

The agreement for technical collaboration with Escher-Wyss of Zurich for the manufacture of paper plants and ancillary equipment has been finalised and is awaiting the Government's approval. Negotiations are in progress for technical collaboration with M.A.A.G. Gear-Wheel Company of Switzerland for the manufacture of speed reduction gears, pinions and their accessories as required in sugar, cement, paper and pulp industries. A proposal to manufacture steam turbines for sugar mills at the Company's factory in Walchandnagar in collaboration with G. and J. Weir Ltd of Glasgow is also being considered. The I.C.I.C.I. has sanctioned a loan of \$525,300 (about Rs. 25 lakhs) to meet the cost of imported equipment for the cement machinery making project. The Company has completed deliveries of sugar machinery to three co-operative sugar factories and it has secured further orders for the supply of two complete sugar factories.

National Ekco Does Well

IN 1963, National Ekco Radio and Engineering Co. Ltd produced 70,000 sets, of which 13 percent were transistor sets, valued at Rs. 1.27 crores. Production this year is expected to rise to 90,000 sets, including about 45,000 transistor radio sets, valued around Rs. 1.70 crores. The output is likely to increase to 108,000 sets in 1965 and 136,000 in 1966. The indigenous content of the Ekco set, which was about 30 percent in 1957, is now as high as 84 percent. The Company has shifted its factory to a new building in Andheri which has many facilities, namely, modern flow-line lay-out, material handling systems, automatic printed circuit machine and greatly improved facilities for quality control and for the special "monsooning" process.

The factory has a capacity to produce 125,000 sets a year. Talking to newsmen recently, the General Manager, Mr. G. R. S. Rao, said that the Company has so far produced radio sets worth Rs. 10 crores since its inception in 1949. Its Andheri factory, it is claimed, is the largest radio factory in the country. The Company's production accounts for nearly 20 percent of the total production of radio sets in India. National Ekco is expected to be self-sufficient in about seven years, that is, the radio set will be completely indigenous. The Company is enjoying collaboration of E. K. Cole Ltd (Ekco of England). National Ekco has recently started exporting its radio sets to Ceylon, Kuwait and a few other countries. Although the prices realised from export sales were very low, they helped the Company to obtain some of its raw material requirements.

Osmanshahi Mills Suffers Loss

THE Rs. 100-paid share of Osmanshahi Mills is quoted nominally around Rs. 45, which reflects the Company's continued disappointing performance over the past many years. Losses have mounted to Rs. 33.26 lakhs and arrears of depreciation add up to Rs. 47.76 lakhs. The shareholders have gone without any dividend for the past seven years ended September 1963. The Company's latest annual report for 1962-63 shows that it has fared worse than in the preceding year, but the outlook seems to have considerably improved with the change in the management

since about the middle of 1963 and the chairman's statement circulated along with the directors' report holds out the promise of a better future. The chairman, Mr. Motichand Bagri, has expressed the hope that the Company will be able to wipe off the past losses during the current year. The management has taken steps for the modernisation of the spinning department by the introduction of the high drafting system. A screen printing plant has also been installed. The management has taken various measures to improve the efficiency of the mills.

The Company's working results for 1962-63 show a loss of Rs. 20.02 lakhs (against Rs. 13.25 lakhs) after setting aside Rs. 3,800 (against Rs. 50,000) for development rebate reserve. No provision has been made for depreciation which works out to around Rs. 6.81 lakhs, bringing the arrears of depreciation to Rs. 47.76 lakhs. With the loss of Rs. 13.24 lakhs brought forward, the total deficit carried forward amounts to Rs. 33.26 lakhs. The working was particularly discouraging during the first half of the year, losses during the five-month period—October 1962 to February 1963—totalling Rs. 22.93 lakhs. Conditions improved after the change in the management in March and the mills made a profit of about Rs. 4.92 lakhs in the second half of the year. The current working of the mills is said to be quite encouraging.

Azam Jahi Mills Disappoints

THE Azam Jahi Mills reports extremely disappointing results for the year ended September 1963. In 1961-62, the Company had made a gross profit of Rs. 13.88 lakhs, and had paid a dividend of Rs. 3.50 a share. But the working results for 1962-63 show a loss of Rs. 17.16 lakhs, and the dividend has had to be skipped. The turnover has suffered, although not very much. Sales of cloth and yarn are down by about 9 percent from Rs. 2.67 crores to Rs. 2.43 crores. The directors attribute the Company's disappointing performance to high cotton prices, the increase in cost of stores and the unfavourable conditions in the cloth market, which, of course, are by no means peculiar to this Company. No provision has been made for depreciation which accounted for Rs. 9.33 lakhs in the previous year. After providing Rs. 95,000 (against Rs. 2 lakhs) for development rebate and Rs. 5,000 (against Rs. 6,000) for taxation for previous years, the total deficit of Rs. 18.16 lakhs has been carried forward. The Rs. 100-paid share of Azam Jahi is quoted nominally around Rs. 55.

United Bank Pays More

THE profit of the United Bank of India Ltd has risen from Rs. 21.20 lakhs for 1962 to Rs. 26.40 lakhs for the year ended December 1963. Including Rs. 3.26 lakhs brought in, the amount available for distribution amounts to Rs. 29.66 lakhs. The reserve fund is allocated Rs. 5.30 lakhs. The taxable ordinary dividend has been increased from 6 percent to 7.5 percent. This gives a yield of 9.1 percent at the present price of Rs. 8.25 a share of Rs. 10 each.

The balance-sheet (published on a later page in this week's issue of Capital) contains an interesting table showing the distribution of shareholdings of the bank. The number of shareholders amounts to more than 21,700, out of which small holders having shares of not

more than Rs. 2,500 each comprise about 90.4 percent of the total number of shareholders. The liquidity ratio of the bank has been maintained at 14.94 percent, against 12.22 percent. The bank opened seven branches in 1963 and it has bought land in Dalhousie Square to build a multi-storeyed building for its head office. Deposits rose by Rs. 7.90 crores to Rs. 72.60 crores and advances by Rs. 3.26 crores to Rs. 47.16 crores. Interest paid on deposits and borrowings amounted to Rs. 1.25 crores while interest and discounts earned improved from Rs. 2.90 crores to Rs. 3.32 crores.

Rajasthan Spinning to Expand

RAJASTHAN Spinning and Weaving Mills Ltd has made satisfactory progress during the year ended September 1963. The mill started production in December 1962, but since October 1963, all spindles have been working and the entire installed capacity has been functioning from January 1964. The Company has imported two English frames and has been granted a licence to import three American frames. As for the expansion programme, the Government has sanctioned additional spindles to the Company which proposes to increase them to 26,350. Sales amounted to Rs. 41.14 lakhs. The trading profit has amounted to Rs. 2.63 lakhs, before providing for depreciation and interest on loans. After meeting all charges, there is a loss of Rs. 14,300. Bringing in a loss of Rs. 9,430, the total loss of Rs. 23,730 has been carried forward.

Fixed assets of more than Rs. 25 lakhs were acquired in 1962-63. The major part of the acquisition was financed by borrowings from the Rajasthan Financial Corporation and the Industrial Finance Corporation. So loans from these two institutions have risen to Rs. 43 lakhs. The paid-up share capital has also risen from Rs. 29.24 lakhs to Rs. 29.88 lakhs.

Indian Overseas Bank Raises Dividend

FOR the year ended December, 1963, the net profit of the Indian Overseas Bank Ltd amounts to Rs. 16,23,333, after paying Rs. 9 lakhs to the staff gratuity fund. The net profit for the previous year was Rs. 19,99,875. Adding to the net profit a sum of Rs. 8,69,766 transferred from the pension and gratuity fund account and with Rs. 2,03,043 brought forward from the previous year, the total available for appropriation comes to Rs. 26,96,143. Out of this, the directors have transferred Rs. 6.75 lakhs (against Rs. 4 lakhs) to the reserve fund. Development rebate reserve gets nil (against Rs. 2 lakhs.) Provision for bonus amounts to Rs. 6 lakhs (against Rs. 4 lakhs). The dividend at 14 percent (against 12 percent) accounts for Rs. 13,19,293 (against Rs. 10,19,764). The balance of Rs. 1,01,850 is carried forward, against Rs. 2,03,043 brought in. The bank took over during the year certain assets and liabilities of the Coimbatore Standard Bank and also Nanjinad Bank Ltd.

Share Offer by Bhaskar Textile

BHASKAR Textile Mills Ltd is offering 140,000 ordinary shares of Rs. 10 each and 7,000 preference shares of Rs. 100 each for public subscription at par. The preference shares carry a fixed dividend of 9.5

percent, tax-free. The applicants for equity shares will have to pay Rs. 2.50 each on application and allotment while those for preference shares will have to make a payment of Rs. 25 with application. Applications should be made for ten or multiples of ten ordinary shares while preference shares should be applied for five or multiples of five. The entire public issue has been underwritten. The list opens on 23rd March, 1964. (Details of the issue are printed on a later page in this week's issue of Capital).

The Company will set up a factory with an installed capacity of 25,000 spindles to manufacture cotton yarn. At present, it is proposed to install only 15,000 spindles. The site has been located in Jharsuguda, Orissa, with an assured supply of power. Licences to import equipment from abroad have been obtained and orders for plant and machinery placed with foreign manufacturers. The plant, it is expected, will begin production by the end of 1964. The board of directors consists of Messrs Surajmal Mohta, P. D. Himatsingka, Baijnath Tapuria, Rasiklal Maneklal, Beni Prasad Maheshwari, M. K. Mohta and B. D. Kothari. The subscribed capital amounts to Rs. 14 lakhs divided into ordinary shares.

New Capital Issues

CAPITAL totalling over Rs. 2.07 crores will be raised by four companies. Two involve foreign collaboration and one is offering part of its new capital to be raised by public subscription. One company is giving part of its capital to its foreign collaborator on a rights basis and two companies are issuing partly cumulative redeemable preference shares. One company will be buying ships from abroad. The consent of the Controller of Capital Issues is valid for 12 months in all cases. Here are the details:

Warrior (India) Ltd, Bombay, is to raise further capital of Rs. 20 lakhs, divided into 20,000 equity shares of Rs. 100 each at par on a rights basis. Some 10,300 shares will be allotted to Nuckey Scott and Company Ltd of the U.K. or to their nominees in consideration of the capital equipment to be imported by the Company and 9,500 shares to Indian shareholders for cash. The money is needed for financing the expansion scheme involved in the manufacture of threading tools, namely, taps and dies.

In supersession of an earlier consent, *Thakur Shipping Co. Ltd*, Bihar, is to issue capital of Rs. 1.13 crores divided into 33,000 9.3 percent cumulative redeemable preference shares of Rs. 100 each and 800,000 equity shares of Rs. 10 each at par. Of this, 320,000 equity shares will be allotted to Ultramar Fischer and Co., West Germany, for consideration other than cash. Out of the remaining shares, 33,000 preference shares and 330,000 equity shares will be offered for public subscription by prospectus. The capital will be used for purchasing ships from abroad.

Vijay Engineering Company Ltd., Howrah, is to issue capital of Rs. 44,58,900 divided into 295,890 equity shares of Rs. 10 each and 15,000 9.5 percent cumulative redeemable preference shares of Rs. 100 each for cash at par. The proceeds will be used for the construction of a factory for the manufacture of cranes and hydraulic structures and tanks.

Gujarat Machinery Manufacturers Ltd is to issue Rs. 30 lakhs equity capital in shares of Rs. 100 each, for cash at par. The money will be used for the manufacture of glass-lined equipment and printing machinery.

The Stock Markets

NERVOUSNESS CONTINUES IN LYONS RANGE

Wednesday Evening.

THE Calcutta stock market has been quiet during the past week. Turnover has dropped appreciably and has largely been confined to clearing scrip. Weak holders were particularly nervous and hastened to sell their shares. Share prices have, on the whole, drifted downwards since there are few buyers. The clearing on Wednesday passed off uneventfully and carry-forward charges were about the same as at the previous settlement.

Towards the close, nervousness has been accentuated by the statement made by the Finance Minister, Mr. T. T. Krishnamachari, in Parliament on Tuesday. The panic which followed the Budget had abated somewhat on hopes that the Finance Minister may modify some of his harsh tax proposals, but it now appears that he will not do so. Operators have also been disturbed by adverse political rumours. The tension between India and Pakistan is growing. Sino-Indian relations continue to be strained. Since all bullish factors have been discounted, the market has again become sensitive to political news. A section of Lyons Range, nevertheless, thinks that prices have already reached the bottom. The technical position has improved due to large-scale liquidation by weak holders, so any big fall is unlikely.

Investors have meanwhile preferred to hold off since it is believed that the Budget proposals will affect shareholders. Although the burden of taxation on some companies has been marginally relieved, it is doubtful whether the benefit will be passed on to shareholders in the form of dividends. Unless the new dividend tax of 7.5 percent and the decision to tax capital gains on bonus shares are withdrawn, the outlook for equities will suffer. New issues have borne the brunt of pressure; almost all of them are quoting below par because the concessions given to new industries have not impressed investors.

Indian Iron have lost further ground due to bear pressure in the absence of support. Investors fear that the partial decontrol of steel may not benefit the producers. So the tax concessions given to steel companies have been overlooked. Engineering shares like Guest, Keen, Williams, Texmaco, Burn, Jessop and Indian Standard Wagon have on the whole eased. Selling pressure has, however, been light. Scattered support has been extended to Kumardhubi Engineering and J. K. Steel.

Attention in the miscellaneous section has centred on clearing scrip, but they have lost towards the close. Indian Aluminium, Indian Copper and Hindustan Motors have dropped. Union Carbide have weakened on repeating the dividend. Alkali Chemical have not responded to an encouraging speech from the chairman of the Company at its recent annual general meeting. Electric company shares have been sluggish and small business in Calcutta Electric has passed.

Managing agency shares like Jardine Henderson and Balmer Lawrie have been easier, although Martin Burn have been steady on a good report. Among new shares, Hindustan Aluminium, India Carbon

and Phillips Carbon have weakened on pressure. In banks, scattered support has been extended to United Bank on paying a higher dividend. Paper shares have declined in sympathy with the general trend. Orient, Sirpur, Seshasayee and Titaghur have quoted lower.

Prices of jute shares have dropped, although turnover has been smaller. Birla, New Central, Ganges and India have been available at lower prices. The absence of foreign enquiries in jute goods has disturbed investors. Coal shares have been sluggish in spite of an increase in the price of good coal. Stray business has been transacted in Burra-kur, Bengal and Central India. Support has been lacking because it is thought that the increase in prices will merely help collieries to cover their rising production costs.

Cotton mill shares have been subdued due to the sharp increase in excise duty. J. K. Cotton, Bharat Commerce, Elgin and Jay Shree Textiles have been easier. In tea shares, only a few transactions have been done in selected Assam and Doars gardens. Investors have been disappointed since the Budget has done nothing to help the industry to expand tea exports. In Doars group, Mim have changed hands after a long interval.

Government securities have been dull and quiet. Buyers have been conspicuous by their absence. The 3 percent Conversion loan 1986 has dropped to Rs. 63.30. Prices of short- and medium-dated stocks have, nevertheless, shown little change due to the absence of declared sellers. Some institutional support has been extended to selected State Government loans.

Tata Steel Output

Tata Industries Private Ltd, managing agents for the Tata Iron and Steel Company Ltd, report that the approximate production of iron and steel at the steel works in Jamshedpur during February 1964 was: iron 118,600 metric tons; steel ingots 139,000 metric tons and salable steel 109,100 metric tons.

Bombay

TEXTILE SHARES FALL SHARPLY

QUIET MOOD IN DALAL STREET

Wednesday Evening.

THE Bombay stock market has closed the past week in a quiet mood after showing a mixed trend. The earlier recovery was due to hopes that the Central Finance Minister, Mr. T. T. Krishnamachari, might modify his Budget proposals. Towards the close, these hopes have vanished as the Finance Minister indicated in Parliament on Tuesday that he was not prepared to consider any change except one or two minor ones. Share prices have declined due to pressure, especially from weak holders. Cotton textile and rayon shares have suffered heavily due to the steep rise in the

excise duty. Steel shares have also turned weaker on second thoughts about the partial decontrol of steel. It is doubtful whether the profits of steel companies will improve as a result of the move. Turnover has largely been confined to clearing shares, while cash scrip have been neglected. New issues have suffered heavily due to the absence of buyers.

Tata Steel ordinary have declined to Rs. 149. The decline in production figures for February has been an additional damper. The earlier support for Premier Construction following the rise in the dividend has petered out at the close. Tata Locomotive, Mukund Iron and Alcock Ashdown have quoted lower. Motor-vehicle shares like Hindustan Motors and Premier Automobiles have dropped.

Cotton mill shares have shown widespread losses. Century, Bombay Dyeing and Kohinoor have declined. India United ordinary, Simplex and Svadeshi have been weaker. Morarjee have not responded to the prospects of a rights issue. The Company has decided to issue rights ordinary shares at par to the existing shareholders in the ratio of four new shares for every nine held. It may be interesting to note that the Company had earlier reversed its decision to issue rights shares because the Controller of Capital Issues insisted on a heavy premium. Now that the Company is free to issue new shares to the extent of Rs. 25 lakhs, the present move has been made. Osmanshahi have been offered freely without attracting buyers, since the Company has passed the dividend for the seventh year in suc-

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*Derivation from the sensation of missing the nail and hitting the thumb or index finger. (Author)

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cession, Sassoon and Alliance Silk have attracted little notice, although the Company has declared an ordinary dividend of 6 percent after a lapse of six years.

Miscellaneous shares have moved down in sympathy with the general trend. In cement shares, Associated Cement and Digvijay have dropped. In sugar shares, Belapur and Phaltan have been offered at lower prices. Scindia Steamship have lost on pressure among steamship companies. Shivrajpur Syndicate have been sold freely in the mining section. Chemical shares have been quiet, and Tata Chemical have quoted lower. Rayon shares have weakened appreciably. National Rayon have declined in spite of rumours of an increase in the dividend. Voltas have been steady on prospects of a rights issue. Bank shares have been sluggish, while electric companies have on the whole shown losses.

BOMBAY ADVICES KEEP MARKET SUBDUED

SELECTED PLANTINGS REMAIN STEADY

Tuesday Evening.

THE trend in the Madras stock market has largely been influenced by advices from Dalal Street during the past week. Share prices

recovered earlier in the absence of selling pressure. But towards the close, sentiment has weakened on easier advices from Bombay. Investors have been reluctant to extend their commitments, since they have not yet been able to make up their mind about the possible impact of the Budget proposals. Sellers of tea, coffee and rubber scrip have been reserved, although companies engaged in these industries have been given tax concessions in the Budget.

Turnover in Government securities has been negligible, and attention has centred on high-yielding State Government loans. Bank shares have been sluggish. Stray business has passed in Indian Overseas and in Syndicate Bank. Electric company shares have been very steady. Negapatam have quoted Rs. 10.70 and South Madras Rs. 11.10. Sugar shares have been easier, and Deccan have quoted Rs. 12.10 in spite of paying an interim taxable ordinary dividend of 6.5 percent. Andhra have declined to Rs. 14.75 and E.I.D. to Rs. 36.87. Business in Mysore has been done at Rs. 44.65 and K.C.P. have been available at Rs. 22.85.

Prices of selected planting shares have been steady due to the absence of selling pressure, although investors have been discriminating in their purchases. Blue Mountain have improved to Rs. 2.45 and Cochin Malabar to Rs. 6.44. Support has been extended to Consolidated Coffee at Rs. 20.87. Ouchterlony have changed hands at

Rs. 4.40 on declaring a taxable ordinary dividend of 12.5 percent. Periakaramalai have quoted Rs. 3.43 and Coonoor Rs. 18.37 on paying a final taxable ordinary dividend of 10 percent. United Nilgiri have been bought up to Rs. 23.75 on declaring an interim taxable ordinary dividend of 7.5 percent. Mercara have come to hand at Rs. 7.75, Thamarapally at Rs. 16.40, Nonsuch at Rs. 23 and Peer-made at Rs. 20.50. Amalgamated have been done at Rs. 10.01, Ossoor at Rs. 2.60 and Swinton at Rs. 2.68.

In textile shares, South India Viscose have lost at Rs. 134 and Travancore Rayon at Rs. 24.90. Madura have been steady at Rs. 35.50 and Lakshmi at Rs. 135. Vasanta have changed hands at Rs. 255 on paying an interim taxable ordinary dividend of Rs. 4.22 percent. Anglo-French have been done at Rs. 153 and Dhanalakshmi at Rs. 216. Buckingham have quoted Rs. 233 and Bangalore Woollen Rs. 236. Mettur have been bought at Rs. 286 and Loyal at Rs. 40.50.

Among miscellaneous shares, selected cement scrip have been supported. Dalmia Cement have been taken at Rs. 13.30 and India Cement at Rs. 5.79. Aluminium Industries have gained at Rs. 20, but Ashok Leyland have been weak at Rs. 7.10. Mettur Chemical have recovered to Rs. 13.88. F.A.C.T. have been weaker at Rs. 5.80, but Seshasayee Paper have met with support up to Rs. 8. Enfield have gained at Rs. 10.25, but Tube In-

CAPITAL, 12th March, 1964.

vestment have been sluggish at Rs. 215.

Jeewanlal have quoted Rs. 10 and the Company has issued 480,000 ordinary shares at par, out of which 10 percent has been reserved for preferential allotment to the existing shareholders. Kirloskar-Asea have been transacted at Rs. 100. The Company has issued 15,000 ordinary shares of Rs. 100 each at par, out of which the existing shareholders have been offered 6,000 shares in the ratio of three new shares for every five held. Spencer have been steady at Rs. 22.37 and Parry's Confectionery at Rs. 3.33.

THE WEEK'S TRANSACTIONS

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

CLEARER SECURITIES

Birla Jute—Rs. 35/44—35/69—34/87—35/25—(26/62).
Burrakur Coal—Rs. 16/12—16/25—15/94—15/94—(15/06).
Dunlop Rubber—Rs. 38/25—39/00—38/19—38/31—(32/50).
Guest, Keen, Williams—Rs. 27/00—27/12—26/31—26/44—(30/37).
Hindustan Motor—Rs. 19/34—19/40—19/06—19/22—(16/28).
Howrah Jute—Rs. 18/00—18/12—17/81—17/81—(19/00).
Indian Aluminium—Rs. 32/12—32/87—32/00—32/25—(30/00).
Indian Copper—Rs. 3/71—3/72—3/61—3/62—(4/26).
Indian Iron—Rs. 25/48—25/56—25/20—25/24—(20/10).
Indian Cable—Rs. 38/12—38/12—37/44—37/50—(34/00).
J. K. Cotton—Rs. 12/19—12/19—12/00—12/00—(12/87).
Jaipur Udyog—Rs. 12/00—12/06—11/75—11/81—(10/62).
Kesoram Industries—Rs. 27/75—28/37—27/50—27/62—(19/75).
Orient Paper—Rs. 39/10—39/50—38/80—38/90—(32/50).
Orissa Cement—Rs. 14/00—14/00—13/75—13/94—(14/94).
Rohtas Industries—Rs. 12/69—12/75—12/41—12/47—(16/75).
Shree Gopal Paper—Rs. 25/75—26/00—25/75—26/00—(22/75).
Textile Machinery—Rs. 27/70—28/10—27/70—27/70—(20/60).

GOVERNMENT SECURITIES

3 % Govt. Paper—Rs. 63/05—63/10—63/05—63/10.
3 % Loan (1986)—Rs. 63/05—63/13—63/05—63/15.
3 % " (1970-75)—Rs. 90/25—90/25—90/25—90/25.
3 1/2 % " (1967)—Rs. 99/20—99/22—99/20—99/22.
3 1/2 % " (1974)—Rs. 96/80—96/85—96/80—96/85.
3 1/2 % " (1967)—Rs. 99/55—99/55—99/55—99/55.
4 % " (1969)—Rs. 99/50—99/67—99/45—99/50.
4 % " (1980)—Rs. 98/40—98/45—98/40—98/45.
4 % " (1972)—Rs. 99/30—99/30—99/25—99/25.
4 % " (1979)—Rs. 98/40—98/40—98/40—98/40.
4 % Madras (1968)—Rs. 98/65—98/65—98/65—98/65.
4 1/2 % Loan (1972)—Rs. 100/10—100/10—100/10—100/10.
4 1/2 % " (1973)—Rs. 100/00—100/00—99/95—99/98.
4 1/2 % " (1966)—Rs. 100/03—100/08—100/03—100/08.
4 1/2 % Behar (1974)—Rs. 99/20—99/20—99/20—99/20.
4 1/2 % Madras (1974)—Rs. 99/30—99/30—99/30—99/30.
4 1/2 % Orissa (1974)—Rs. 99/35—99/35—99/35—99/35.
4 1/2 % U.P. (1974)—Rs. 99/25—99/25—99/25—99/25.
U.P. Zemindary Rehabilitation Grant Bond (9 Collected)—Rs. 35/75—35/75—35/75—35/75.

BANKS

Allahabad—Rs. 250/00—250/00—250/00—250/00—(396/00).
United Bank of India (Rs. 10/- Paid)—Rs. 8/25—8/37—8/12—8/31—(7/12).

CAPITAL, 12th March, 1964.

United Commercial—Rs. 72/00—72/25—72/00—72/25—(75/25).

COTTONS

Basanti—Rs. 13/13—13/50—13/25—13/50—(12/75).
Bharat Commerce—Rs. 23/87—24/00—23/37—23/50—(21/00).
Jay Shree—Rs. 15/75—15/87—15/75—15/75—(14/12).
New Victoria—Rs. 1/47—1/47—1/41—1/47—(1/62).
Swadeshi—Rs. 11/00—11/00—11/00—11/00—(11/50).
Do. (P.O.)—Rs. 6/56—6/62—6/56—6/62—(7/00).

COALS

Associated Laikdi—Rs. 5/62—5/69—5/62—5/69.
Bengal—Rs. 252/00—255/00—252/00—254/00—(282/00).
Bharat—Rs. 3/44—3/50—3/37—3/37.
Borra—Rs. 20/25—20/25—20/25—20/25.
Equitable (Pref.)—Rs. 89/50—90/00—89/50—90/00.
New Beerhoom—Rs. 16/12—16/12—16/12—16/12—(19/94).
New Manbhoom—Rs. 12/00—12/00—11/94—11/94—(13/75).
Pench Valley—Rs. 17/75—17/75—17/75—17/75—(19/12).
West Ghusick—Rs. 14/00—14/00—14/00—14/00.

JUTES

Agarpara—Rs. 10/06—10/06—9/62—9/62—(9/75).
Do. (Pref.)—Rs. 94/00—95/00—94/00—95/00.
Alliance—Rs. 124/00—125/00—124/00—125/00—(10/00).
Auckland (2nd Pref.)—Rs. 59/50—59/50—59/00—59/00.
Birla (2nd Pref.)—Rs. 91/25—92/00—91/25—92/00.
Bally—Rs. 248/00—248/00—248/00—248/00—(280/00).
Barnagore—Rs. 217/00—217/00—216/00—217/00—(175/00).
Chitavalah—Rs. 9/06—9/06—8/94—8/94—(11/00).
Champdany—Rs. 22/00—22/00—21/94—21/94.
Fort Gloster (2nd Pref.)—Rs. 70/00—70/00—69/50—69/75.
Gourepore (Pref.)—Rs. 90/50—90/50—90/50—90/50.
Ganges—Rs. 13/37—13/44—13/19—13/19—(12/56).
Hukumchand—Rs. 20/31—20/75—20/25—20/75—(19/00).
Howrah (7% Pref.)—Rs. 92/00—92/50—92/00—92/50 x.d.
India—Rs. 15/19—15/19—15/19—15/19—(17/75).
Kankannarah—Rs. 128/00—129/00—125/50—125/50—(121/00).
Kinnison—Rs. 127/00—129/00—127/00—128/00—(150/00).
Do. (Pref.)—Rs. 92/00—92/00—92/00—92/00.
Lansdowne—Rs. 96/50—96/50—96/00—96/00—(120/00).
National—Rs. 21/75—21/75—21/75—21/75—(25/37).
New Central—Rs. 12/56—12/75—12/56—12/75—(12/87).
Northbrook (Pref.)—Rs. 72/00—72/50—72/00—72/50.
Presidency—Rs. 4/94—5/06 x.d.—4/94—4/94—(5/12).
Reliance—Rs. 8/00—8/00—8/00—8/00—(6/31).
Shree Ambica (Pref.)—Rs. 91/00—91/50—91/00—91/50.

MISCELLANEOUS

Aluminium Corp.—Rs. 12/75—12/75—12/51—12/56—(12/75).
Associated Battery—Rs. 25/25—25/25—25/25—25/25—(26/19).
Albion Plywood—Rs. 9/00—9/00—8/00—8/00.
Asiatic Oxygen—Rs. 12/75—12/75—12/62—12/62—(9/06).
Airways India—Rs. 4/00—4/00—4/00—4/00.
B. I. Corp.—Rs. 8/81—9/00—8/75—8/87—(9/37).
British Paints—Rs. 21/37—21/37—21/25—21/31—(20/50).
Bhartia Sons—Rs. 4/00—4/00—4/00—4/00.
Calcutta Tramways—Rs. 10/62—10/62—10/62—10/62—(11/06).
Calcutta Gas—Rs. 2/50—2/50—2/50—2/50.
Clive Row Investment—Rs. 8/44—8/47—8/37—8/37—(8/19).
Calcutta Silk Mfg. (Pref.)—Rs. 70/50—70/50—70/50—70/50.
Dunlop Rubber (2nd Pref.)—Rs. 68/00—68/50—67/50—68/00.
Do. (1st Pref.)—Rs. 103/00—103/00—103/00—103/00.
Dyer Meakin Breweries—Rs. 31/62—31/62—31/25—31/25—13/00 x.d.
Electric Construction—Rs. 12/50—12/50—12/50—12/50—(12/00).
English Electric—Rs. 14/00—14/00—14/00—14/00.
General Tyres—Rs. 9/06—9/06—8/69—8/69.
Goodyear India—Rs. 30/00—30/06—30/00—30/06.
Gwalior Rayon—Rs. 43/12—43/25—43/00—43/25.
Hoare Miller—Rs. 5/50—5/50—5/50—5/50.
Hindustan Aluminium—Rs. 13/62—13/62—13/31—13/31—(13/25).
Hindustan Lever—Rs. 39/75—39/75—39/50—39/75.
Hindusthan Pilkington Glass—Rs. 14/00—14/06—13/94—13/94—(17/87).
Hindusthan Twyford—Rs. 13/50—13/56—13/19—13/19—(14/25).
Hindusthan Development—Rs. 3/69—3/69—3/69—3/69.
Hindusthan Gas—Rs. 20/75 x.r.—20/75—20/75—20/75.
Imperial Tobacco—Rs. 9/81—9/91—9/65—9/65—(10/25).
Indian Oxygen—Rs. 28/75—28/75—28/00—28/00—(28/25).
India Carbon—Rs. 16/25—16/25—16/25—16/25.
Indian Tack & Nail—Rs. 10/37—10/50—10/31—10/44.
Indian Plastics—Rs. 7/75—7/87—7/75—7/87.
Indian Wood Products—Rs. 28/87—29/00—28/87—29/00—(31/25).

CEMENTS

Ashoka—Rs. 7/12—7/12—7/12—7/12—(7/37).
Assam Bengal—Rs. 4/00—4/00—4/00—4/00—(4/00).
Dalmia (Bharat)—Rs. 13/06—13/06—13/00—13/06—(13/00).
Sone Valley—Rs. 4/25—4/25—4/25—4/25—(4/31).
Alkali & Chemical—Rs. 32/12—32/37—31/37—32/00—(30/00).
ELECTRICS
Calcutta—Rs. 14/00 S.T.—14/25—14/00—14/25—(14/25).
Do. (Pref.)—Rs. 7/75—7/81—7/69—7/81—(8/00).
Cuttack—Rs. 10/50—10/50—10/50—10/50—(12/62).

Mozufferpore—Rs. 11/62—11/62—11/19—11/19—(12/25).
Sijua Jheriah—Rs. 8/50—8/50—8/50—8/50—(9/06).

ENGINEERINGS

Binani Metal—Rs. 12/69—12/69—12/50—12/50.
Britannia Building & Iron—Rs. 3/50—3/50—3/20—3/20—(3/65).
Burn & Co.—Rs. 314/00—315/00—311/00—312/00—(495/00).
Britannia Eng.—Rs. 10/12—10/19—10/12—10/19—(10/00).
Bhartia Electric Steel—Rs. 14/62—14/69—14/50—14/50—(14/00).
Calcutta Steel—Rs. 14/06—14/12—13/94—14/06—(14/37).
Damodar Enterprise—Rs. 110/00—112/00—110/00—112/00.
Dalmia Iron—Rs. 11/56—11/56—11/56—11/56—(11/87).
Indian Iron (Pref.)—Rs. 81/00—81/00—81/00—81/00.
Indian Standard Wagon—Rs. 37/25—37/37—37/12—37/19—(30/37).
J. K. Steel—Rs. 16/62—16/62—16/56—16/56—(15/75).
Jesop & Co.—Rs. 23/62—23/75—23/31—23/31—(22/66).
Jay Eng.—Rs. 19/62—19/69—19/62—19/69—(24/25).
Kumardhubi—Rs. 8/62—8/62—8/25—8/25—(7/44).
Marshalls—Rs. 2/50—2/50—2/50—2/50—(3/25).
Machinery Manuf. (Pref.)—Rs. 53/00—53/75—53/00—53/75.
National Iron—Rs. 6/00—6/00—6/00—6/00.
Sen-Righ—Rs. 15/00—15/00—15/00—15/00.
Textile Machinery (64% Pref.)—Rs. 102/00—102/00—102/00—102/00.
Welman Incandescent—Rs. 7/44—7/44—7/30—7/40.

INSURANCES

Hercules—Rs. 23/50—23/50—23/50—23/50—(25/00).
New Asiatic—Rs. 7/50—7/50—7/50—7/50—(8/31).
Ruby General—Rs. 10/37—10/37—10/37—10/37—(8/50).

PAPERS

Ballarpur—Rs. 16/94—17/19—16/94—17/19.
Do. (Pref.)—Rs. 88/00—88/00—88/00—88/00.
Bengal—Rs. 28/00—28/00—27/50—27/50—(31/25).
India Paper Pulp—Rs. 18/81—19/00—18/75—18/81—(18/81).
Orient (2nd Pref.)—Rs. 63/00—63/00—62/00—63/00.
Star (Ord.)—Rs. 8/87—9/12—8/87—9/12—(10/00).
Star (7% 3rd Pref.)—Rs. 100/00—100/00—91/00—91/00.
Straw Products—Rs. 10/06—10/25—10/06—10/25.
Sirpur—Rs. 13/06—13/06—13/00—13/00—(11/19).
Seshasayee—Rs. 7/87—7/87—7/87—7/87.
Titaghar—Rs. 16/19—16/25—15/87—15/94—(17/31).
Do. (P.O.)—Rs. 3/37—3/37—3/31—3/31—(3/78).
Do. (2nd Pref.)—Rs. 64/00—64/00—63/75—63/75.

REAL PROPERTY

Midnapore Zemindary—Rs. 20/00—20/00—19/25—19/75—(10/06).
Bengal Assam Steamship (Pref.)—Rs. 57/00—57/50—57/00—57/00.
India Steamship—Rs. 7/06—7/19—7/03—7/09—(8/87).
Do. (Pref.)—Rs. 60/50—60/50—60/50—60/50.
India General Nav.—Rs. 43/00—43/00—42/00—42/00—(66/50).
Port Shipping—Rs. 14/12—14/12—13/37—13/37.

SUGARS

Carew & Co.—Rs. 11/56—11/56—11/50—11/50—(12/50).
Darbhanga—Rs. 8/75—8/75—8/75—8/75—(8/12).
Raza Buland—Rs. 10/37—10/37—10/37—10/37—(9/31).
Shree Krishna Gyanodaya—Rs. 7/19—7/25—7/09—7/12—(7/50).

TEAS

Baghmari—Rs. 13/44—13/56—13/44—13/56—(18/50).
Baradighi—Rs. 23/50—23/62—23/44—23/44—(23/00).
Bhatkuli—Rs. 17/00—17/12—16/94—16/94—(17/37).
Birpara—Rs. 161/00 S.T.—162/00—161/00—162/00—(151/00).
Bishnauth—Rs. 17/06—17/19—17/00—17/00—(17/25).
Dimakusi—Rs. 25/12—25/37—25/12—25/25—(21/81).

Dufflaghur—Rs. 26/00—26/12—26/00—26/12—(27/87).
Dhunsari—Rs. 11/12—11/12—11/12—11/12—(15/00).
Gunagam—Rs. 130/00—131/00—130/00—131/00—(158/00).
Hasimara—Rs. 12/69—12/81—12/62—12/62.
Kotamullai—Rs. 9/81—9/81—9/81—9/81—(10/31).

Do. (Pref.)—Rs. 16/94—17/00—16/94—17/00.
Mim—Rs. 230/00—375/00—230/00—375/00—(191/50).
Oodlabari—Rs. 13/50—13/50—13/50—13/50—(14/25).
Ranicherra—Rs. 11/25—11/50—11/25—11/50—(16/75).
Rungamatee—Rs. 50/00—50/00—50/00—50/00—(50/00).
Tea Producing—Rs. 9/37—9/50—9/37—9/50.
Tezpur—Rs. 14/50—14/56—14/31—14/50—(15/25).
Telojan—Rs. 22/00—22/06—22/00—22/06—(27/75).

DEBENTURES

4 1/2 % Burrakur Coal—Rs. 82/50—82/50—82/50—82/50.
5 1/2 % Burmah Shell—Rs. 93/25—93/25—93/25—93/25—(87/00).
5 1/2 % Indian Cable—Rs. 94/25—94/25—94/25—94/25.
4 1/2 % Indian Aluminium—Rs. 97/75—97/75—97/75—97/75.

London

GALLUP POLL RESULTS HELP SENTIMENT

EQUITIES IMPROVE ON INDUSTRIAL NEWS

London, 11th March.

ALTHOUGH the volume of business continued on a rather disappointing scale, the stock market maintained a satisfactory tone over the past week. Political uncertainties again restrained buyers, and there was some small selling at the end of the account which coincided with a warning from the Chancellor of Exchequer that it would be necessary to raise considerable sums from the taxpayer. Helping sentiment was good news from industry and the trend in the political opinion polls which favoured the Government. Gilt-edged securities made a satisfactory showing, although the market was quieter.

Dollar stocks usually reflected the trend on Wall Street where the industrials average stood at its highest ever. Good company news helped numerous equities, but business was selective and interest was largely confined to the lesser known issues. F. and O. were a dull market after the chairman's remarks about current earnings. Gold shares were active and quite strong with buying stimulated at one time by Press comment concerning the gold price. Coppers were quiet and tins were dull on most days. The big event in the oil share market was the preliminary statement from the Royal Dutch Shell group. After the announcement both the shares were subdued. B.P., however, continued a strong market in front of their results which are due next month. Burma were also well favoured. Rubbers and teas moved narrowly.

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General Manager

CHECKING THE GROWTH OF UNACCOUNTED MONEY

(BY A SPECIAL CORRESPONDENT)

In his latest Budget, the Central Finance Minister has proposed a number of measures to check the growth of unaccounted money. But, for a permanent solution, more effective ways to sterilise currency hoards may have to be found.

UNACCOUNTED money circulates in an economy whenever controls are imposed due to the scarcity of goods. In several European countries and Russia, during the postwar period such currency was withdrawn from circulation by exchanging the old currency for "new" units. In India, soon after the second World War, the war-time hoarded currency was supposed to be unearthed by the Demonetisation Ordinance. The continuous inflationary conditions created by shortages in vital-sectors, high taxation, "black" payments, transactions in real estate, etcetera, increased the volume of unaccounted money circulating in the economy. Its existence was felt but it was not

given explicit official recognition until a few months ago. It goes to the credit of Mr. T. T. Krishnamachari, Central Finance Minister, to draw attention to the existence of unaccounted money. He frankly admitted that the monetary policy had been ineffective in checking it. At the Bhubaneswar session of the Congress Party, Mr. Krishnamachari said that it was one of the most difficult and biggest problems requiring urgent solution. After the Bhubaneswar session, attention has been drawn to "unaccounted money" by politicians and economists. In the Budget for 1964-65, Mr. Krishnamachari has outlined several measures to check tax evasion.

Although no reliable estimates are available, it is widely held that "unaccounted money" amounts to about Rs. 1,000 crores or almost 50 percent of the total currency, and it is continuously increasing.

Illicit Channels

"Unaccounted money" is in quest of illicit channels and quick profits. It is either employed in the unorganised sector where concealment is easy and profits are high or in unproductive, low priority lines. It has been responsible for the ineffectiveness of the Reserve Bank's policies to check inflation and the consequent deterioration of the economic condition of the fixed income groups. How did unaccounted money grow to such proportions? The injection of fresh money year after year through deficit financing, unaccompanied by a matching rise in the right type of goods and services, which could have checked inflationary conditions, is responsible for the accumulation of unaccounted money. It is converted into open income through various devices. For instance, it is employed extensively in *poorja* of indigenous bankers who receive a consideration for converting the money into a legal earning. Furthermore, real estate transactions, such as the purchase and sale of land and flats in big cities, offer a convenient cover to bring "black" money into the open. Until recently, gold was another favourite form for accumulating illicit gains. The Government machinery has so far been unable to do anything worth while to curb the activities of holders of unaccounted money. But the measures proposed by the Finance Minister in his recent Budget to check tax evasion may not bring to light much of the illicit fortunes.

Checking Tax Evasion

One of the proposals made in the 1964-65 Budget to check tax evasion is to amend the existing provision in the Income Tax Act concerning the levy of penalty for the concealment of income. In the new provision, where the income returned by a person is less than 90 percent of his assessed income, the assessee will be deemed to have concealed his income unless he proves his *bona fides*. The burden of proving innocence is thus thrown on the assessee. Secondly, the Government proposes to take extensive powers to search for evaded wealth. But what shape this will take has not yet been outlined by the Finance Minister.

Thirdly, the secrecy provision in the Income Tax Act will be done away with. Fourthly, every tax return will carry an affirmation about its correctness. The tax due, according to the return, has to be deposited within one month of the submission of the return, failing which the assessee will be liable to a substantial penalty. Nearly 40 percent of total tax collections remain to be collected or are outstanding, so the

provision is expected to ensure quicker collection.

Main Solution

The main solution to the problem of unaccounted money is to raise the production of goods and services which are in short supply. The Government should, however, keep down deficit financing to the minimum if it is altogether unavoidable. The Finance Minister has kept deficit financing to the minimum in his Budget consistent with the increase in expenditure on defence and development.

This apart, it seems essential that the Government should seek ways and means to sterilise the idle hoards of currency. It could perhaps retire the existing currency and substitute it by fresh currency, just as several European countries once did. But the trouble now is that money is being hoarded in smaller denominations after the experience of demonetisation of high denomination notes.

THE CALCUTTA MONEY MARKET MODERATE INCREASE IN ADVANCES

Wednesday, 11th March.

THE aggregate level of advances has increased moderately in the Calcutta money market during the past week. The main contribution to the increase has been made by the iron, steel and engineering industries. The requirements of the cotton, jute and sugar mills are also slightly higher, but the credit given for the storage of foodgrains and seeds is unchanged. In the interbank market, conditions are slightly tighter and the call rate is quoted at 6½ percent.

The exchange market has been fairly active, with a large supply of gunny bills but fewer tea bills. The demand for remittances is poor. In the London market, sterling has not maintained the firmness it showed after the U.K. Bank rate increase, and has suffered losses in relation to all the major currencies except the Canadian and Italian.

SILVER WAS QUIET IN CALCUTTA during the past week. The price declined from the previous week's level of Rs. 263.50 to Rs. 258.50 a kilogram, quoted today. The London and New York prices stood at 11½d and 129.3 cents.

In sympathy with silver, gold was quiet and the price of 14 carat dropped from Rs. 68.25 to Rs. 67.75.

DURING THE WEEK ENDED 6TH MARCH, Government of India Treasury bills for Rs. 1,95,00,000 were sold in favour of the Reserve Bank.

TENDERS FOR Rs. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 10th March. The total amount offered was Rs. 2,12,00,000. Tenders at Rs. 99.410 percent were allotted 94 percent. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 2.360 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 16th March.

IT IS STATED THAT 91-DAY INTERMEDIATE Treasury bills will be sold from 11th March to 14th March at Rs. 99.426 percent. Sales can be stopped at any time without notice if the Government thinks it necessary. These bills sold from 4th March to 7th March amounted to Rs. 1,32,75,000.

RISES OF Rs. 42.41 CRORES IN ACTIVE notes and of Rs. 31.35 crores in the total note issue marked the statement

of the Reserve Bank of India for the week ended 6th March, 1964. The currency expansion was covered by increasing foreign securities by Rs. 10 crores to Rs. 112.46 crores and rupee securities by Rs. 25 crores to Rs. 2,144.69 crores in the Issue Department. These changes were made by contra transfers from the Banking Department in which balances held abroad dropped by Rs. 7.93 crores to Rs. 13.17 crores and investments by Rs. 24.77 crores to Rs. 188.66 crores. Deposits of the Government of India rose by Rs. 30.50 crores to Rs. 106.17 crores while those of State Governments declined by Rs. 4.04 crores to Rs. 5.03 crores. Balances of scheduled banks at Rs. 82.47 crores showed a drop of Rs. 3.38 crores. Their loans from the Reserve Bank rose from Rs. 67.54 crores to Rs. 106.94 crores, of which advances against usance bills amounted to Rs. 46.64 crores (Rs. 33.24 crores). Ways and means advances stood at Rs. 45.21 crores, against Rs. 40.41 crores.

THE RETURN OF THE STATE BANK OF India for the week ended 28th February, 1964, shows a rise of Rs. 3.34 crores to Rs. 603.39 crores in total deposits. Investments in Government securities are up by Rs. 4.94 crores to Rs. 240.18 crores, while other authorised investments remain unchanged at Rs. 9.44 crores. Advances, including loans, cash credits, overdrafts and bills discounted and purchased have risen by Rs. 28 lakhs to Rs. 339.63 crores. Cash and balances are, in consequence, shown at Rs. 26.22 crores or Rs. 2.41 crores higher.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 28th February, 1964, shows Demand and Time liabilities at Rs. 1,198.48 crores (Rs. 29.28 crores on account of borrowings from banks) and Rs. 1,288.42 crores (Rs. 14.84 crores), compared with Rs. 1,187.99 crores (Rs. 33.67 crores) and Rs. 1,299.09 crores (Rs. 15.14 crores), respectively, in the previous week. Cash has declined by Rs. 73 lakhs to Rs. 60.03 crores, by Rs. 73 lakhs to Rs. 60.03 crores, while balances with the Reserve Bank has increased by Rs. 4.24 crores to Rs. 80.98 crores. There is a rise of Rs. 4.90 crores to Rs. 651.23 crores in investments. Advances and bills discounted at Rs. 1,771.70 crores show counted at Rs. 11.27 crores. The an increase of Rs. 11.27 crores. The ratios to total liabilities of cash and balances, and of advances and disbursements, are, in consequence, shown at 5.7 percent and 71.2 percent, against 5.5 percent and 70.8 percent.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 13-3-64.

Issue Date	Maturity Date	Amount (000's Rs.)	Average Acceptance Rate
13-3-64	16-6-64	2,00,00	Rs. 2.380%
6-3-64	9-6-64	2,00,00	Rs. 2.360%
28-2-64	31-5-64	2,00,00	Rs. 2.350%
21-2-64	24-5-64	2,00,00	Rs. 2.340%
14-2-64	17-5-64	2,00,00	Rs. 2.340%
7-2-64	10-5-64	2,00,00	Rs. 2.325%
31-1-64	3-5-64	2,00,00	Rs. 2.325%
24-1-64	27-4-64	2,00,00	Rs. 2.325%
17-1-64	20-4-64	2,00,00	Rs. 2.315%
10-1-64	13-4-64	2,00,00	Rs. 2.315%
27-12-63	30-3-64	2,00,00	Rs. 2.310%
20-12-63	23-3-64	2,00,00	Rs. 2.315%
13-12-63	16-3-64	2,00,00	Rs. 2.315%

(Monthly Maturities (000's omitted))	
March, 1964	4,00,00
April, 1964	6,00,00
May, 1964	10,00,00
June, 1964	6,00,00
Total	26,00,00

CLEARING HOUSE RETURNS

Week	Calcutta	Bombay
6-3-64	1,23.96	1,50.39
20-2-64	1,15.26	1,15.29
21-2-64	82.71.02	1,13.98
14-2-64	96.82.86	1,18.82

AT THE ANNUAL GENERAL MEETING OF stockholders of The Chartered Bank due to be held on 1st April, the directors will recommend a final dividend of 7½ percent actual less income tax. The consolidated profit for 1963 has amounted to £1,069,378 (against £1,076,748 for 1962). After deducting a transfer of £450,000 to reserve funds (against £450,000) and paying dividends of £606,375 (against £606,375), the carry-forward is increased by £13,003 to £574,024. They propose to make a rights issue to stockholders on register at the close

of business on 22nd February in the proportion of one £1 share for every £6 stock held at 40s. a share.

THE DIRECTORS OF AMERICAN EXPRESS Company have declared a quarterly dividend of 35 cents a share on its \$5 common stock payable on 1st April. In making the announcement, President Howard L. Clark said that this is the same quarterly dividend as was paid in each quarter of 1963. It is the 95th consecutive year in which American Express will have paid dividends.

RESERVE BANK

ISSUE DEPARTMENT (In 00's of Rupees)		6-3-64	28-2-64	6-3-63
Liabilities—				
Notes in Banking Dept.	...	16,19.17	27,26.72	12,41.81
Notes in Circulation	...	24,65.57.33	24,23.15.75	22,35.66.17
Total Notes issued	...	24,81,76.53	24,50,42.28	22,48,28.01
Assets—				
A. Gold Coin and Bullion	...	1,17,76.10	1,17,76.10	1,17,76.10
Foreign Securities	...	1,12,45.69	1,02,45.69	1,00,08.43
Total of A	...	2,30,21.79	2,20,21.79	2,17,84.53
B. Rupee Coin	...	1,06,85.80	1,10,51.55	1,14,01.33
Rupee Securities	...	21,44,68.94	21,19,68.54	19,16,42.15
Total	...	24,81,76.53	24,50,42.28	22,48,28.01

BANKING DEPARTMENT

Liabilities—				
Capital Paid-up	...	5,00.00	5,00.00	5,00.00
Reserve Fund	...	80,00.00	80,00.00	80,00.00
National Agricultural Credit (Long Term Operations) Fund	...	72,00.00	73,00.00	61,00.00
National Agricultural Credit (Stabilisation) Fund	...	8,00.00	8,00.00	7,00.00
Deposits—				
(a) 1. Central Govt.	...	1,06,77.20	76,27.45	1,23,93.33
2. State Govts.	...	5,02.92	9,08.75	16,43.37
(b) 1. Scheduled Banks	...	82,47.02	85,85.02	69,74.61
(ii) State Co-operative Banks	...	2,13.80	2,24.00	2,09.47
(iii) Other Banks	...	1.99	6.30	5.11
(c) Others	...	1,63,38.72	1,63,38.72	1,67,98.63
Bills Payable	...	38,56.43	46,15.41	31,49.08
Other Liabilities	...	62,41.82	62,01.41	60,98.33
Total	...	6,27,27.60	6,10,96.05	6,28,71.90
Assets—				
Notes	...	16,19.17	27,26.72	12,41.81
Rupee Coin	...	3.17	8.10	2.62
Small Coin	...	2.44	2.50	2.17
National Agricultural Credit (Long Term Operations) Fund				
(a) Loans and Advances to—	...			
(i) State Govts.	...	23,44.41	26,44.34	23,54.34
(ii) State Co-operative Banks	...	8,17.57	8,33.26	10,12.56
(iii) Central Land Mortgage Banks	...	...	...	...
(b) Investment in Central Land Mortgage Bank	...	3,39.36	3,39.36	2,81.88
National Agricultural Credit (Stabilisation) Fund				
Loans and Advances to State Co-operative Banks	...	...	...	...
Bills Purchased and Discounted—				
(a) Internal	...	...	...	...
(b) External	...	...	...	...
(c) Govt. Treasury Bills	...	58,02.29	42,17.81	87,73.63
Balances Held abroad	...	13,16.64	21,08.81	12,11.73
Loans and Advances to Govt.	...	45,21.22	40,13.64	35,91.95
Loans and Advances to—	...			
(i) Scheduled Banks	...	1,06,94.45	67,54.46	83,39.62
(ii) State Co-operative Banks	...	1,29,01.74	1,29,24.77	1,30,67.28
(iii) Others	...	1,92.62	1,85.24	1,55.57
Investments	...	1,86,65.04	2,13,41.00	1,93,48.78
Other Assets	...	29,83.08	29,78.94	24,84.63
Total	...	6,27,27.60	6,10,96.05	6,28,71.90

SCHEDULED BANKS

(In 000's of Rupees)		Week Ended		
(i) Demand Liabilities—		28-2-64	21-2-64	1-3-63
(a) Demand Deposits:	...			
(1) From Banks	...	61,32.96	58,77.25	46,50.88
(2) From others	...	10,42,01.32	10,30,94.77	8,17,35.28
(b) Borrowing from Banks	...	29,28.36	33,67.44	18,11.56
(c) Others	...	65,83.24	64,59.11	60,15.09
(ii) Time Liabilities—				
(a) Time Deposits:	...			
(1) From Banks	...	21,08.34	21,46.28	21,16.49
(2) From others	...	12,40,87.49	12,50,06.20	12,09,16.14
(b) Borrowing from Banks	...	14,84.01	15,14.26	19,30.50
(c) Others	...	11,62.63	11,87.85	11,59.03
(iii) Borrowing from State Bank—				
(a) Demand Liabilities	...	12,24.16	12,22.80	11,53.36
(b) Time Liabilities	...	10,67.00	9,11.09	9,14.00
(iv) Borrowing from Reserve Bank	...	67,19.50	52,11.05	56,73.94
(v) Cash	...	60,02.93	60,76.15	54,34.78
(vi) Balances with the Reserve Bank	...	80,97.67	76,73.63	69,81.74
(vii) Money at call and short notice	...	24,79.98	24,67.49	18,70.40
(viii) Investments in Central and State Govt. Securities	...	38,59.90	40,84.71	35,12.77
(ix) Loans, Cash Credits and Overdrafts	...	6,51,22.76	6,46,32.36	6,12,14.83
(x) Inland Bills purchased and discounted	...	14,61,64.62	14,55,24.23	12,71,00.54
(xi) Inland Bills purchased and discounted	...	12,96.69	12,90.41	15,79.34
(xii) Foreign Bills purchased and discounted	...	2,34,56.14	2,31,88.20	2,13,71.19
(xiii) Total of X, XI and XII	...	62,52.87	60,50.42	51,68.74
(xiv) Total of X, XI and XII	...	17,71,70.32	17,60,43.26	15,52,40.81

Products of —
SHARAT ELECTRICAL INDUSTRIES LTD.
19, R. N. Mukherjee Road, Calcutta-1.
Agents—
THE ORIENTAL MERCANTILE CO. LTD.
Calcutta, Bombay, Rangoon, Dacca, Madras.



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JENSON & NICHOLSON (INDIA) LIMITED

UNITED BANK OF INDIA LIMITED

Regd. Office : United Bank Buildings, 4, Clive Ghat Street, Calcutta-1.

Annual Report

To be placed before the shareholders at the Annual General Meeting to be held at the hall of the Academy of Fine Arts at Cathedral Road, Calcutta 14, on Monday the 30th March, 1964 at 11 A.M.

ANNUAL REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31st DECEMBER, 1963.

The Directors beg to submit to the shareholders the Audited Balance Sheet of the Company as at 31st December, 1963 and Profit and Loss Account for the year ended 31st December, 1963, together with the Auditors' Report thereon.

The Profit for the year after making provision for taxation and including the balance of Rs. 3,26,06,24 brought forward from the previous year's account amounts to

Rs. 29,65,814.66

Out of this amount the following appropriations have been made: To Reserve Fund under Section 17 of the Banking Companies Act Rs. 5,20,000.00 Leaving an available balance of

Rs. 24,35,814.66

Out of the above, the Directors recommend the payment of a Dividend to the shareholders @ 7½% per annum, subject to deduction of tax at the prescribed rates in accordance with the provisions of the Income Tax Act absorbing

Rs. 20,20,000.00

Balance to be carried forward to next year's account

Rs. 4,15,814.66

The Bank's business during the year made satisfactory progress.

During the year under report, 7 branches were opened of which 4 were in Calcutta and its suburbs, namely—Jadavpur, New Alipour, B. E. College (Shibpur) and Bhatpara, Assam and one at Nizamuddin in New Delhi.

The Bank during the year under report, purchased 57 Cottahs of land on Old Court House Street, Calcutta to build a multi-storied building to house the Head Office of the Bank.

Dr. N. N. Law, Dr. S. B. Dutt, Nawab Sir K. G. M. Faruqui and Sri S. N. Ray retire by rotation and being eligible offer themselves for re-election.

The shareholders are requested to appoint Auditors for the ensuing year and to fix their remuneration.

Sri M. J. Vaidya, being out of India, could not sign the Report and Accounts.

K. G. M. FARUQUI
S. N. RAY
K. C. DAS
S. GUPTA
B. N. CHATURVEDI
T. S. SANTHANAM
C. B. MEHTA
S. B. DUTT

Directors.

N. N. LAW
Chairman.

B. K. DATTA
Managing Director.

Dated, Calcutta,
The 21st February, 1964.

BALANCE SHEET AS AT 31st DECEMBER, 1963.

Previous year Rupees	CAPITAL AND LIABILITIES	Rs. nP.	Rs. nP.	Previous year Rupees	PROPERTY AND ASSETS	Rs. nP.	Rs. nP.
1,00,00,000	I. CAPITAL—			4,93,52,925	1. Cash :		6,02,13,706 89
3,00,00,000	Authorised Capital :				In hand and with Reserve Bank and State Bank (including Foreign Currency Notes) ...		
4,00,00,000	20,00,000 Shares of Rs. 20/- each	1,00,00,000 00			2. Balances with other Banks :		53,89,426 78
	20,00,000 Shares of Rs. 10/- each	3,00,00,000 00			In Current Accounts—		
		4,00,00,000 00			(i) In India ...	2,66,646 95	
58,97,000	Issued Capital :				(ii) Outside India ...	51,22,779 81	
2,26,03,000	1,90,000 Shares of Rs. 20/- each	98,97,000 00			3. Money at Call & at Short Notice		4,29,00,000 00
3,25,00,000	22,60,300 Shares of Rs. 10/- each	2,26,03,000 00					
		3,25,00,000 00			4. Investments : at or below Market value—		
98,00,240	Subscribed Capital :				(i) Securities of the Central and State Governments and other Trustee Securities including Treasury Bills of the Central and State Governments		
2,19,84,250	1,90,000 Shares of Rs. 20/- each	98,97,000 00			(ii) (a) Fully paid Preference Shares Rs. 19,60,001.37	13,67,99,979 30	
3,17,84,490	21,98,425 Shares of Rs. 10/- each	2,19,84,250 00			(b) Fully paid Ordinary Shares Rs. 16,16,435.10		
		3,17,84,490 00			(c) Partly paid Ordinary Shares Rs. 3,86,001.00	39,82,437 47	
49,00,120	Called & Paid-up Capital :				(iii) Debentures or Bonds ...	9,56,436 08	
2,19,84,250	4,90,012 Shares of Rs. 20/- each called at Rs. 10/- per share	49,00,120 00			(iv) Other Investments :		
2,68,84,370	21,98,425 Shares of Rs. 10/- each called at Rs. 10/- per share	2,19,84,250 00			(a) Pakistan Central and Provincial Government Securities	1,18,50,501 75	
16,309		2,68,84,370 00			(b) Foreign Securities	47,500 00	
2,68,07,461	Less : Calls unpaid	12,383 00	2,68,71,947 00		(c) Capital Redemption Policy	1,15,295 00	
					(d) Gold ...	Nil	20,37,02,139 58
95,00,000	Reserve Liability of Shareholders				5. Advances :		
19,80,91,740	Rs. 49,00,120/-	95,00,000 00			(Other than bad and doubtful debts for which provision has been made to the satisfaction of the Auditors)		
9,42,430	2. Reserve Fund and other Reserves		1,00,30,000 00		(i) Loans, Cash Credits, Overdrafts, etc.		
23,31,01,099	Fixed Deposits and Cash Certificates	19,84,40,764 81			(i) In India	37,12,83,407	
21,39,77,664	Staff Security Deposits	10,15,773 08			(Includes an amount of Rs. 1,46,04,665.08 borrowed from the Refinance Corporation for Industry Ltd.)	1,29,85,007	
64,70,12,933	Savings Bank Deposits	26,84,53,737 31			(ii) Outside India	1,54,51,250	
	Current Accounts, Contingency Accounts etc.	25,80,79,568 22	72,59,97,823 42			38,67,34,697	
1,16,01,539	3. Deposits and other Accounts :				6. Bills Discounted and Purchased (excluding Treasury Bills of the Central and State Governments)		
(1,03,00,192)	(i) Secured :				(i) Payable in India	4,31,11,915	
55,00,000	(a) By part of the Bank's Investment Scheme	16,11,063.45			(ii) Payable outside India	91,97,772	
1,71,01,539	(b) Under Refinance (Vide 5(i)(f) as per contra)	Rs. 1,46,04,665.08				5,23,09,697	
	(ii) Unsecured	Nil			(Particulars required by Act X of 1949 as per separate schedule annexed and forming part of this Balance Sheet).	43,90,44,364	
(68,01,947)	5. Bills Payable		1,07,93,752 38		7. Bills Receivable being Bills for Collection as per contra :		
(1,03,00,192)	(i) Secured :				(i) Payable in India	5,79,86,718	
(Nil)	(a) By part of the Bank's Investment Scheme	Rs. 1,46,04,665.08			(ii) Payable outside India	1,40,79,713	9,37,15,269 50
95,58,608	(b) Under Refinance (Vide 5(i)(f) as per contra)	Rs. 1,46,04,665.08				7,20,66,431	
5,79,86,718	(ii) Unsecured	Nil			8. Constituents' Liabilities for Acceptances, Endorsements & other obligations per contra		3,29,68,266 53
1,40,79,713	6. Bills for Collection being Bills Receivable as per contra :						
7,20,66,431	(i) Payable in India	7,82,31,286 92	9,37,15,269 50		9. Premises less Depreciation :		
	(ii) Payable outside India	1,54,84,062 58			At cost as per last Balance Sheet	36,96,843	
1,19,39,019	7. Other Liabilities :				Add : Additions during the year	26,96,843 27	
6,01,614	Branch Adjustments	93,07,816 95			Less : Sales or deductions made during the year	78,16,184 79	
1,50,006	Unclaimed and unpaid Dividends	7,11,695 07			Total cost to date	41,19,341 52	
1,57,725	Staff Gratuity Fund	1,50,000 00			Less : Depreciation written off to date	78,16,184 79	70,68,490 61
15,65,872	Capital Redemption Fund	1,15,285 00					
1,44,14,230	Sundry Liabilities for Expenses and others	12,43,532 24	1,16,28,329 26		10. Furniture & Fixtures less Depreciation :		
3,56,39,763	8. Acceptances, Endorsements and other obligations per contra		3,29,68,266 53		At cost as per last Balance Sheet	62,30,737	
					Add : Additions during the year	6,63,878	
18,46,654	9. Profit and Loss :				Less : Sales or deductions made during the year	74,19,396 19	
16,07,000	Balance of Profit & Loss Account as per last Balance Sheet	19,24,006 24			Total cost to date	2,25,803 00	
2,39,694	Less : Appropriation for Dividend	16,08,000 00			Less : Depreciation written off to date	71,93,593 19	36,62,774 77
	Add : Profit for the year brought from the Profit & Loss Account after providing for Taxation	3,26,006 24					
21,20,312		26,39,808 42					
23,60,006	Less : Appropriations—	29,65,814 66					
	Transfer to Reserve Fund under Section 17 of the Banking Companies Act	5,20,000 00	24,35,814 66				
4,26,000							
19,34,006							
83,40,95,031	Carried over		93,06,58,031 28				92,12,03,292 47

UNITED BANK OF INDIA LIMITED—Cont'd.

BALANCE SHEET AS AT 31st DECEMBER, 1963—Cont'd.

Previous year Rupees	CAPITAL AND LIABILITIES	Rs. nP.	Rs. nP.	Previous year Rupees	PROPERTY AND ASSETS	Rs. nP.	Rs. nP.
83,40,95,031	Brought forward		93,06,58,031 28	82,43,39,797	Brought forward		92,12,03,292 47
	10. Contingent Liabilities :				10. Other Assets including Silver :		
	(i) Claims against the Banking Company not acknowledged as debts	Rs. 7,04,324.73		21,68,308	Interest accrued on Investments	22,07,592 95	
(50,91,937)	(ii) Money for which the Banking Company is contingently liable			11,12,377	Tax deposited and paid in advance or deducted at source less provision	Nil	
	(a) Liability for partly paid up shares held by the Bank in Investment Account	Rs. 16,25,150.00		7,93,996	Stores, Stationery and Printed materials	5,82,664 47	
(16,40,150)	(b) Guarantee given on behalf of Directors of Officers	Rs. 5,550.00		2,08,465	Land & Buildings not used as Bank's Premises less depreciation	2,07,987 60	
(5,550)	(c) Guarantee on behalf of others	Rs. 5,43,29,430.26		2,68,189	Premises under Construction	5,69,718 59	
(6,62,15,485)	(iii) Liability on Bills of Exchange re-discounted	Nil		47,68,144	Sundries (Temporary Advances, Suspense Security Deposits, Outstanding Rents, Stock of Stamps, Adjusting Accounts, Collection Assets, etc.)	54,44,490 00	91,22,453 61
(Nil)	(iv) Liability on court of outstanding forward Exchange Contracts	Rs. 6,22,69,082.06		93,20,480			
(7,02,61,433)	Notes : (i) Provision to the full extent for future gratuity to the staff has not been made—liability for which has not been ascertained.			4,34,751	11. Non-Banking Assets acquired in satisfaction of Claims		3,32,285 20
	(ii) The above Balance Sheet has been drawn up in accordance with the provision of section 25 of the Banking Companies Act 1949.				(At Book value)		
83,40,95,031			93,06,58,031 28	83,40,95,031			93,06,58,031 28

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st DECEMBER, 1963.

Previous year Rupees	EXPENDITURE	Rs. nP.	Previous year Rupees	INCOME (Less provision made during the year for bad and doubtful debts and other usual or necessary provisions)	Rs. nP.
1,13,06,969	1. Interest paid on Deposits, Borrowings, etc.	1,25,44,487 28	2,89,90,305	1. Interest and Discounts	3,31,55,449 55
1,07,54,113	2. Salaries and Allowances and Provision Fund (of which Bonus paid to staff Rs. 10,23,233.88)	1,91,50,150 04	1,91,50,150 04	2. Commission, Exchange and Brokerage	55,02,948 91
(8,76,175)	3. Directors' and Local Committee Members' fees and allowances	44,460 00	2,93,710	3. Rents	2,85,486 54
16,13,268	4. Rent, Taxes, Insurance, Lighting, etc.	17,81,121 86		4. Net Profit on sale of Investments, gold and silver, land, premises and other assets (not credited to Reserve or any particular Fund or Account)	60 17
93,797	5. Law Charges	7,19,515 30	Nil	5. Net Profit on revaluation of Investments, gold and silver, land, premises and other assets (not credited to Reserve or any particular Fund or Account)	Nil
6,77,174	6. Postage, Telegrams, Telephones and Stamps	44,630 00		6. Income from non-banking assets and profit from sale of or dealing with such assets	457 39
37,350	7. Depreciation on and repairs to the Banking Company's property	10,48,966 76	448	7. Other Receipts	13,16,751 73
8,74,634	8. Stationery Printing, Advertisement, etc.	14,00,515 46	12,10,592		
11,31,991	9. Loss from sale of or dealing with non-banking assets	257 48			
2,156	10. Other Expenditure	8,61,741 85			
8,85,723	11. Balance of Profit	26,39,808 42			
21,20,312	Notes : (i) Payment to Managing Director				
	(ii) Salary	Rs. 54,000.00			
	(iii) Allowances	Nil			
	(iv) Bonus	Nil			
	(v) Provident Fund	Rs. 4,500.00			
	(vi) Sitting fees	Nil			
	(vii) Perquisites (calculated in accordance with Income Tax Rules)	Rs. 600.00			
	(viii) Gratuities, etc.	Rs. 59,100.00			
	(c) The above accounts have been drawn up in accordance with the provision of Section 29 of the Banking Companies Act, 1949.				
3,55,43,839	TOTAL	4,03,51,165 19	3,55,43,839	TOTAL	4,03,51,165 19

N. N. LAW
Chairman.
B. K. DATTA
Managing Director.

K. G. M. FARUQUI
S. N. RAY
K. C. DAS

Directors.

S. GUPTA
B. N. CHATURVEDI
T. S. SANTHANAM

Directors.

C. B. MEHTA
J. M. DUTT
S. B. DUTT

Directors.

R. K. DATTA
Chief Accountant.
M. SEN SARMA
Chief Manager.

N.B.—Sri M. J. Vaidya, being out of India, could not sign the Accounts.

AUDITORS' REPORT

We have audited the annexed Balance Sheet of United Bank of India Ltd. as at 31st December, 1963 and also the annexed Profit & Loss Account of the Bank for the year ended upon that date in which the returns from the Branches audited by other Auditors are incorporated. The reports on the accounts of the branches audited by other Auditors have been dealt with in preparing our report in the manner considered necessary by us.

In accordance with the provisions of section 29 of the Banking Companies Act, 1949 read with the provisions to sub-sections (1) and (2) of section 211 and sub-section (5) of section 211 and section 227(5) of the Companies Act, 1956, the Balance Sheet and Profit & Loss Account are not required to be and are not drawn up in accordance with the Sixth Schedule to the Companies Act, 1956. The Accounts are therefore drawn up in conformity with Forms A & B of the Third Schedule to the Banking Companies Act, 1949.

We report that :

(a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit and have found them to be satisfactory.

(b) The transactions of the bank which have come to our notice have been within the powers of the Bank.

(c) In our opinion, proper books of account as required by law have been kept by the Bank so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the branches of the Bank.

(d) The Bank's Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account and the returns.

(e) In our opinion and to the best of our information and according to the explanation given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required for banking companies and on such basis the said Balance Sheet gives a true and fair view of the state of the affairs of the Bank as at 31st December, 1963, and the Profit & Loss Account gives a true and fair view of the Profit for the year ended upon that date.

Dated, Calcutta,
The 21st February, 1964.

RAY & RAY,
Chartered Accountants

Schedule of particulars required under the Banking Companies Act, 1949, attached to and forming part of the Balance Sheet as at 31st December, 1963.

Previous year Rupees	PARTICULARS OF ADVANCES	Rs. nP.
40,62,13,275	(i) Debts considered good in respect of which the Banking Company is fully secured	43,02,51,863 77
2,39,74,031	(ii) Debts considered good for which the Banking Company holds no other security than the debtors' personal security	3,01,40,080 93
	(iii) Debts considered good, secured by the personal liability of one or more parties in addition to the personal security of the debtors	1,11,90,153 20
88,57,078	(iv) Debts considered doubtful or bad not provided for	Nil
43,90,44,384	(v) Debts due by Directors or Officers of the Banking Company or any of them either severally or jointly with any other persons	2,86,879 73
2,22,280	(vi) Debts due by Companies or Firms in which the Directors of the Banking Company are interested as Directors, Partners or Managing Agents or in case of Private Companies as Members	4,65,38,109 93
3,41,34,385	(vii) Maximum total amount of advances including temporary advances made at any time during the year to Directors or Managers or Officers of the Banking Company or any of them either severally or jointly with any other persons	2,97,169 83
2,25,621	(viii) Maximum total amount of advances including temporary advances granted during the year to the Companies or Firms in which the Directors of the Banking Company are interested as Directors, Partners or Managing Agents or in the case of Private Companies as Members	5,28,58,148 40
1,62,82,651	(ix) Due from Banking Companies	1,62,256 67
2,08,994		

ANNOUNCEMENT REGARDING THE PROPOSED ISSUE OF CAPITAL BY BHASKAR TEXTILE MILLS LTD. A COPY OF THE PROSPECTUS TOGETHER WITH THE DOCUMENTS AS REQUIRED BY SECTION 60 OF THE COMPANIES ACT, 1956 HAS BEEN DELIVERED TO THE REGISTRAR OF COMPANIES, WEST BENGAL FOR REGISTRATION.

BHASKAR TEXTILE MILLS LIMITED

Incorporated on 4th August, 1962.

Registered Office: 2, BRABOURNE ROAD, CALCUTTA 1.

EXISTING AND PROPOSED ACTIVITIES:

The Company was incorporated with the object of carrying on all or any of the businesses namely spinners, yarn merchants, cloth manufacturers, etc. The Government of India have granted a licence bearing No. L/23/1/243/Tex/62 dated 4-4-62, subsequently amended by letter No. 10/629/62-Tex(B) dated 5-9-62 for manufacture of cotton yarn for this undertaking with an installed capacity of 25,000 spindles. The present project is to set up a spinning plant of 15,000 spindles. The Company has been allotted approximately 126.05 acres of land by Government of Orissa at Jharsuguda. Adequate supply of power has also been assured. Licenses to import major items of machinery from abroad have since been obtained and orders for plant and machinery have already been placed with the manufacturers. It is expected that the plant will go into production by June/September, 1964.

LOCATION OF THE INDUSTRY.

Jharsuguda in the State of Orissa.

BOARD OF DIRECTORS:

Sri Surajmal Mohta, 2, Brabourne Road, Calcutta.	Sri Rasiklal Maneklal, Vasant Vilas, Babulnath Road, Bombay-7.
" P. D. Himatsingka, 6, Old Post Office Street, Calcutta.	" Beni Prasad Maheshwari, 9, Brabourne Road, Calcutta.
" Baijnath Tapuriah, 9, Brabourne Road, Calcutta.	" B. D. Kothari, P-10, Debendra Dutt Lane, Calcutta.
	" M. K. Mohta, 2, Brabourne Road, Calcutta.

	No. of Shares	Nominal value of each share	Amount
Authorised Capital:			
Equity Shares ...	5,00,000	Rs. 10/-	Rs. 50,00,000/-
Preference Shares ...	50,000	Rs. 100/-	Rs. 50,00,000/-
			Rs. 1,00,00,000/-
Subscribed Capital:			
Equity Shares ...	1,40,000	Rs. 10/-	Rs. 14,00,000/-
Proposed issue:			
Equity Shares ...	1,40,000	Rs. 10/-	Rs. 14,00,000/-
Preference shares ...	7,000	Rs. 100/-	Rs. 7,00,000/-
			Rs. 21,00,000/-
(9.5% Tax free Cumulative redeemable Preference shares).			
Terms of Payment:—	Per Equity Share.	Per Preference Share.	
On Application ...	Rs. 2-50 nP.	Rs. 25/-	
On Allotment ...	Rs. 2-50 nP.	Nil.	

APPLICATIONS FOR SHARES.

Applications for Shares must be for 10 or multiples of 10.

Applications for Preference Shares must be for 5 or multiples of 5.

The entire issue of Equity and Preference Shares will be offered to the Public for subscription in cash at par. Subscription of the amount is assured by the reason of the whole issue having been underwritten.

DATE OF OPENING AND CLOSING OF THE SUBSCRIPTION LIST

The subscription list will open at the commencement of Banking hours on 23rd March, 1964 and will close at the close of the Banking hours on 4th April, 1964 or earlier at the discretion of the Board of Directors but not before the close of the Banking hours on 30th March, 1964.

Application forms along with copies of the Prospectus can be had from the registered Office of the Company or from the underwriters, Bankers or Brokers, whose names and addresses are given below:

UNDERWRITERS
Orissa State Financial Corporation, Killa Maidan, Cuttack-1.
Industrial Finance Corporation of India, Reserve Bank Building, Parliament Street, New Delhi-1.
G. Padia & Co., India Exchange, Calcutta-1.
The United Commercial Bank Ltd., 2, India Exchange Place, Calcutta-1.
BANKERS
The United Commercial Bank Ltd., 2, India Exchange Place, Calcutta-1, or any of their Branches in India.
The Bank of Baroda Ltd., India Exchange, Calcutta-1, or any of their Branches in India.

The American Express Co. Inc.,
21, Old Court House Street, Calcutta or any of their Branches in India.

BROKERS
Basiklal Maneklal & Co., Stock Exchange Old Building, Bombay.
G. Padia & Co., India Exchange, Calcutta-1.
Murarka Brothers, 7, Lyons Range, Calcutta-1.
Harbans Singh Mehta & Co., 33, Regal Building, Parliament Street, New Delhi.

Rajpal Chadha & Co.,
Delite Cinema Building, Asaf Ali Road, New Delhi.

AUDITORS
Messrs S. S. Kothari & Co., Chartered Accountants, 21, Old Court House St., Calcutta.
Messrs, Jhunjhunwala & Co., Chartered Accountants, 6, Commercial Buildings, Calcutta.

CAPITAL OUTLAY
The total cost of the present project, including the working capital, will be Rs. 1,09,00,000/- estimated as follows:—
Land ... 1,25,000/-
Buildings ... 19,75,000/-
Machinery ... 69,50,000/-
Miscellaneous assets ... 4,50,000/-
Preliminary and Miscellaneous expenses of this issue ... 1,75,000/-
Working Capital ... 12,25,000/-
1,09,00,000/-

It is proposed to meet the capital outlay as follows:

FINANCIAL RESOURCES
Equity Shares ... 28,00,000/-
Preference Shares ... 7,00,000/-
Deferred payment facilities ... 29,00,000/-
Secured loan from the Bank of Baroda Ltd. 45,00,000/-
1,09,00,000/-

Rights of Preference Shares
The Preference shareholders are entitled to a Cumulative Preferential dividend of 9.5% p.a. free of Company's tax. The shares are redeemable immediately after 12 years from the date of issue on 3 months notice.

(PRESSMAN)

INDIAN MINING ASSOCIATION

HIGHER PRODUCTIVITY, MECHANISATION AND BETTER MANAGEMENT TECHNIQUES ESSENTIAL

MR. PRAN PRASHAD'S SUGGESTIONS TO GOVERNMENT AND PRODUCERS

The following speech was delivered by Mr. Pran Prashad, Chairman of the Indian Mining Association at the Annual General Meeting of the Association held in Calcutta on 7th March, 1964 at the Bengal Chamber of Commerce and Industry.

Gentlemen,

It is customary for the Chairman of this Association at its Annual General Meeting to review the main events of the past year, but on this occasion, as I shall be vacating the Chair at the end of this meeting I propose to address myself rather more to the future than to the past. The Committee's Report indicates the problems that confronted the Industry since we last met and the steps taken by the Association to overcome them. Many of these are only too well known to require reiteration, and I shall deal today with only those which have a direct bearing on our future. I have a feeling that a dynamic approach, requiring in some cases bold and possibly unconventional decisions, is called for in meeting some of the challenges that face the Industry.

Never before has this Industry seen so much investment put into it in so short a space of time. Much of the investment, made possible by the foreign exchange loan granted by the International Bank for Reconstruction and Development to the Government of India specifically for the expansion of private sector coal, has been made by the larger and better organised units of the Industry, which have thus acquired an important stake in the future. Obviously, this investment will lay the foundations for the further advance which the private sector must make to play its part in the Fourth, Fifth and subsequent Plans.

Excessive Production

Before the investment has been fully deployed, a curious difficulty has arisen due to excessive production of lower grade coals outside the Plan from smaller collieries. These units are unfortunately incapable of undertaking the long-term preparations needed for a permanent expansion in their output. The spurt in production from these smaller units is thus a purely temporary phase and cannot be maintained. Should this unplanned increase in output of grades not required under the present pattern of demand continue unchecked, the long-term coal production programmes cannot but suffer a setback. Advances in current mining technology have left these smaller units untouched and they continue to be run on cottage industry lines using quaint but not very engaging methods of production. These units plead on the one hand their inability to conform to the many rules, regulations and other statutory obligations that govern the Industry, but keep on demanding on the other that their cases warrant special consideration.

This Association, representing in the main the larger units of the Industry, bears the smaller units no ill-will, but I feel the time has come when responsible coal producers must start to consider the total picture. No other country in the world today is obliged to keep 850 and odd coal mines in production to produce merely 66 million tonnes of coal per annum. The production of fuels at the lowest possible cost can in modern conditions be achieved only by units capable of ultimately producing upwards of half-a-million tonnes of coal per annum. For the Indian Coal Industry which is now well-set on the road to expansion, there is a splendid opportunity to leap to the age of full mechanisation, obviating the long and tedious crawl through intervening stages of advance. Can we afford to let this significant opportunity slip through our fingers?

I realise that it is no easy task to make this leap; there are several requirements to be fulfilled if we are not to fail. Action on four fronts is urgently called for: first and foremost, better and advanced management techniques are essential to ensure available production facilities are utilised to the maximum extent. Like all developing countries, we also, to a substantial degree, face a severe shortage of adequately trained and, more important, experienced managerial personnel. Partly as a result of the expansion of training facilities, a much to my regret, by some lowering of standards, there is at the moment no dearth of men, but certainly experience and ability to utilise production potential to maximum advantage is sorely lacking. Remedial action must at once be taken to safeguard the future, since it is from the ranks of the young Mining Engineers of today that the future expertise must emerge. We are, indeed, grateful to Lord Robens, the Chairman of the British National Coal Board, who during his brief visit to us in October last year offered not only to train some of our promising recruits. In addition, he agreed to send out a team of experienced engineers and specialists to India to extend modern management techniques to Mining Engineers here, who, because of their key positions, cannot be spared to undergo a long course of training overseas. This is undoubtedly the right way to proceed and I do hope that managements will not fail to take advantage of this opportunity.

Technical Equipment

The second front on which action is needed is the technical equipment of mines. We tended to rely in the past on labour-intensive methods of operation, largely because man-power was cheap. This level of technology will not be adequate in future years in a basic industry like Coal. The expansion of production at the rate needed to sustain the economy's long-term plans cannot be achieved except by large-scale installation of mechanical equipment. There are clear technical limits beyond which underground mining not only becomes ineffective without fuller mechanisation but also impossible. There is also the question of the cost at which coal is won, which has a direct bearing on the entire economy. This calls for looking into the possibilities of reducing costs through improved technology on a much larger scale. These factors clearly show that a steadily rising trend in the future thus lies in the development of large mines whose output can absorb not only the higher overheads but also leave a surplus for re-investment on technological improvement and renewal of assets by opening up new areas. The Amalgamation Committee originally proposed that a mine producing 10,000 tons per month should be considered a minimum economic unit. This figure was later reduced to 7,000 tons per month, but in view of what I have said, amalgamation, if it is at all to take place, must be based on a much larger unit if the higher overheads on modern equipment are to be absorbed.

Thirdly, the effect of the progressive advance in technology on the employment potential in this industry needs to be considered. While I am fully conscious of the anxiety over the deteriorating employment situation, the fact has to be faced that the level of employment in coal will surely reach a plateau as has happened in other countries. The trend is already evident from the fact that we have been able to step up the annual output from 38 million tonnes at the start of the Second Plan to the present level of 66 million tonnes with an increase in the labour force of slightly over one hundred thousand persons. Efforts to increase employment opportunities in India must, therefore, be concentrated mainly in secondary industries which are sustained by the supply of basic fuels.

This brings me to the fourth aspect, namely, productivity. In the last five years the proportion of coal won by machines has increased by 70 per cent. The quantity of mechanically-loaded and conveyed coal has increased threefold. Nevertheless, the average output per man-shift in India at present is of the order of half-a-tonne, although considerably more than this average is being achieved in some of the larger and more mechanised units. On the other hand, it is disturbing to record that we have only now regained the level of output per man-year which was being obtained in 1935. The improvement in productivity must come largely through mechanisation effected with the willing co-operation of our labour unions which I hope and expect will be readily forthcoming. Besides, the natural hazards of mining can be reduced by mechanisation since the less people in the pits the smaller the number likely to be involved in unforeseen accidents.

Coal Target

Turning now to coal production, we were able, as you may recall my saying to you last year, to step up output by 8 million tonnes in 1962-63 over that attained in 1961-62. It did seem at the time that the private sector's Third Plan coal target was within its grasp. My predecessors and I have always held the view that the targets set for the private sector of the Industry were well within its ability. The performance of the Industry in the recent past has more than borne this out. The momentum gained during the period of the Chinese attack has continued and we have witnessed a remarkable change from shortage to surplus in coal supplies. I believe that coal production must always be slightly in excess of demand in an expanding economy. I am not, therefore, too worried about the surplus that we see today, although the situation has been needlessly aggravated by the unplanned increases of lower grade coal production to which I referred earlier.

Coal being at the core of our Plans and mining being a hazardous industry,

calculated risks must be taken by those responsible for its affairs. This Industry must be strong enough in the larger interests of the Nation to withstand temporary economic setbacks of the type we are witnessing today. Therefore, I cannot but agree with the views expressed by the workers' representatives in their depositions before the Coal Wage Board that marginal units which lack the resources and the strength to withstand such temporary crises should in the interests of all concerned close down and leave it to those stronger, more organised and responsible units of the Industry to meet the demands of the future.

The cry of over-production which has been repeatedly raised last year calls for a more searching enquiry. It is but human to be critical and to lay the blame for the present situation elsewhere, but can all the sections of the Coal Industry do this with a clear conscience? When the draft outline of the Third Five Year Plan was published, it was made clear that the Private Sector was required to step up its output of only the better grades of coal which had all along been in short supply. Its target, made up of programmes submitted by individual units, was accepted only after searching enquiries by three separate committees in respect of each project. The over-production has, therefore, to be analysed in this background. I venture to suggest that if the current production and stock figures of those units with approved expansion plans in the Bengal and Bihar fields are examined, it will be found that except in cases where downgrading has taken place the problem by and large has not arisen. In fact, as far as production of the selected grades of both coking and non-coking coals are concerned, we have hitherto been able to keep pace with demands only because industrial expansion has not proceeded at the rate envisaged in the Plan. The Planning Commission's Third Plan mid-Term Appraisal recognises this and specifically mentions that the situation calls for organising production of better quality coals from deeper levels and virgin areas.

Great stress was also laid on the rapid expansion of output from the Central India Coalfields to meet the needs of consumers in Western India. Many units in this area made arrangements at considerable expense to cope with the likely demand which unfortunately has not materialised. As a result, production cuts have had to be adopted, with some mines being obliged to adopt a 5-day working week until their stocks were reduced. Such situations cannot but affect seriously the viability of these producers and their future long-term development.

Demand under Fourth Plan

Looking ahead to the end of the Fourth Five Year Plan, it is essential that a more realistic estimate of future demand is made, and while detailed planning will not be possible till this is done, it is, in my view, extremely important that the instruments of planning are used with greater precision. This is all the more so having regard to the very great increase in coal production that is essential if a substantial national growth potential is to be achieved.

Quite apart from the industrial demand for energy from coal, which in any event must increase, there is yet a very large potential for consumption in the countryside, for the development of which no serious attempts appear to have been made hitherto. The National Council of Applied Economic Research in a recent survey on Domestic Fuel Consumption in the rural sector drew pointed attention to the fact that consumption of secondary fuels comprising of firewood, animal dung and vegetable wastes aggregated 160 million tonnes in the rural sector alone. This could be equated to ap-

proximately 80 million tonnes of coal equivalent of which soft coke and kerosene at present provide less than 6%. A reduction in the use of firewood and farm wastes from the energy consumption pattern in the rural sector is also essential for other sound economic reasons. The diversion of farm wastes for manuring purposes is essential to enhance farm production, and this is vital if we are to be self-sufficient in food.

I am cognisant of the fact that these secondary fuels are available to our villagers at little or no cost, whereas their replacement by primary fuel will involve substantial expenditure. However, the significant experimental work done by the Central Fuel Research Institute on low temperature carbonisation of coal to produce smokeless domestic fuel cannot be ignored. The long-term solution may be in the establishment of a string of these plants spread throughout the country. Furthermore, the desirability of subsidising the price of primary fuels supplied to the villages to discourage the use of farm wastes may need to be considered in order to improve farm productivity. The decision, I submit, should be guided by assessing where the balance of advantages—in making subsidised supply of domestic coal fuels to conserve manure or in large foreign exchange outlays on fertilizers. If the industrial sector in Southern and Western India is subsidised in the matter of freights on coastal shipments, is there any reason why the rural sector cannot also be subsidised even if initially it is introduced on a small scale? This should provide a potential market for the lower grade coal that is today surplus. In the context of demand I welcome the Hon. Minister's far-sighted decision to permit any consumer to draw any quantity of coal that he requires subject only to Railway availability. This should give the industry an admirable opportunity to display its salesmanship, develop fresh demand and explore new markets.

Energy Potential

Although India has a large energy potential in her many rivers and hydro-electric schemes admittedly have attractive operating economics, there are areas in the country where coal-based thermal generating capacity will serve better for a number of reasons. First, a hydro-electric scheme cannot be successfully devised without detailed information about water flows and the like, the compilation of which is time-consuming. Moreover the urgency of power requirements may, therefore, make thermal generation imperative. Secondly, the distances between possible sites and load centres create serious handicaps. Finally, the necessity to beneficiate our coals makes it imperative to find an outlet for the very large tonnages of middlings which will be produced. We, therefore, welcome the decision to instal thermal power stations in the coal and lignite bearing regions. We also welcome the formation of the Regional Electricity authorities, the purpose of which is to co-ordinate the efforts of the States and improve overall operational efficiency.

As against the future demand for domestic fuel and for power generation, it could be contended that the present situation of over-production is aggravated, firstly, by the conversion to use of oil by major consumers in Western India, and, secondly, the recent increase in the Railway freights which would tend to increase the cost of coal by up to Rs. 3/- per tonne to consumers in this area. Conversion to oil which at the present has replaced coal to the extent of about 4 million tonnes has in the past been directly and indirectly encouraged by Government for a variety of reasons. While the problem has not yet affected the Coal industry to any great extent, I submit that the situation now warrants serious re-examination. Oil consumption, des-

pite the discoveries of new deposits, in the foreseeable future must depend on imports. With our current difficulties over balance of payments, any indiscriminate conversion from coal to oil should be avoided. It was, therefore, a source of satisfaction to coal producers to learn that Government was seriously reconsidering the matter and I do hope all factors will now be re-examined.

I now come to the subject of grading. After much discussion with Government we were only recently informed that the recommendations of the Experts Committee will be implemented in stages. This will to a large extent eliminate the numerous complaints by both producers and consumers as regards quality. Quite naturally, in view of the considerable period which has elapsed since these matters were first considered, both producers and consumers await with some impatience the early implementation of the new grading and pricing based on calorific values.

Linked to the subject of grading is the vital question of prices. Despite the current quantitative surplus, qualitatively we can hardly manage to keep pace with demand. We would indeed be faced with serious shortages if expansion in steel and other important sectors had proceeded at the rate originally envisaged. Our price structure is controlled on an ill-conceived "cost plus" basis which is unsatisfactory to us, to our customers and to the economy. The low rate of profitability in coal is well known and I warmly welcome its inclusion in the short list of industries which will be entitled under the budget proposals of last week to tax rebates. Together with the higher development rebate given earlier, the Government has indeed come a long way to meet the Industry's viewpoint but I am disappointed that the need for a depletion allowance is still to receive recognition. Let me say here and now that we ask for nothing more than a price structure which, while ensuring a fair and reasonable return to attract much-needed capital for development, will not give rise to a chain reaction of price increases in the coal-based industries.

Neutralising Enhanced Costs

Our numerous representations resulted in Government agreeing to examine the merit of the claim for neutralising enhanced costs in terms of the recommendations of the Coal Prices Revision Committee. In the subsequent discussions which ensued between our representatives and the Government Cost Accountants, we believe that we were able to establish beyond doubt that representative units of the Industry were not earning even the meagre profit margin of Rs. 1.75 nP, per tonne allowed by the Coal Prices Revision Committee in its 1959 price award.

We welcome the increases in the prices of the better grades of coking coal and the Selected grades of non-coking coal which were announced by the Hon'ble Minister last Wednesday. In this connection, I am happy to report that the majority of our members producing coking coals had, prior to this announcement, communicated individually to Government, their agreement to joint analyses at Steel Plants based on an equitable formula fair to both buyer and seller. While the prices announced largely neutralise the increase in costs of these grades since the last review of 1962, the exclusion of Raniganj Grade I and Grades I and II coals produced in the outlying fields is, in my view, injudicious. It is well known that the approved expansion projects for non-coking coals in the current Plan were mainly in these grades. I can only say, therefore, that the viability of those producers who are modernising and expanding their production of such coals at considerable expense will be seriously

affected. I trust that Government will concede this legitimate claim for neutralisation since their production is not only essential but within the approved Plan Target.

While the impact of cost neutralisation on our financial resources is significant, it is dwarfed by the importance of attracting and servicing capital to sustain expansion. But even maintenance of output might not be possible without fresh capital. As one area in a mine gets exhausted, other areas have to be opened up; in mining, planning and with it capital expenditure thus become a continuing process, more so because historical depreciation alone as a source of capital is quite inadequate under present-day conditions. With the steep rise in the investment rate per tonne of coal produced, which in some cases is now well over Rs. 200/- per tonne, is it possible or fair to insist that the Coal Industry must continue to be satisfied with a notional gross profit of Rs. 1.75 per tonne of production? It is necessary to recall what Shri Asoka Mehta, Deputy Chairman, Planning Commission, recently said:

"...prices that have concealed subsidy in them distort the priorities of end-uses; for instance, if the price of steel or cement is kept artificially low, not only will the expansion of production suffer, but also its use will not be economical. Profit, in a developing economy, is a *growth point and not a dirty word*. But only that profit acts as the trigger of growth, which is ploughed back; what is withdrawn for consumption, particularly ostentatious and conspicuous, is wasteful, counter-productive. Without profits, there will be little assets-building and only earnings that are turned into assets can claim to enrich the community."

Producing Better Coal

Unless the Industry is placed in a position to step up its production of better coals, particularly of the coking variety, the country may again find itself held back by shortages, specially in relation to new Steel capacity. The price differentials between the lower and higher grade coals today are unrealistically low, more so when considered in terms of delivered prices. A wise policy for conservation calls for opening out the spectrum still further. This should encourage those users whose quality needs are not essential, to switch to lower grades. It becomes a national imperative to widen the differentials not only because the higher cost of winning quality coals should be adequately compensated but also to give an impetus to use these efficiently. Is it sound economics that beneficiated coking coals having an ash content of 17% should fetch a price of about Rs. 50/- per tonne while raw coal of similar quality should be sold at only half this price?

It has been urged by some people that a policy of encouragement to higher grade coals runs counter to the need to conserve this so-called scarce resource. This view is short-sighted and perverse. One should note that the existing proved reserves of high grade coal, are sufficient to last for more than a hundred years. In any case, the conservationist argument needs to be re-examined and I say this not because of this Association's stakes in better coals but because of the larger national issues involved. Are we right in discounting the ability of science and technology to provide for tomorrow? Conservation is one thing but hoarding quite another: the first duty we owe to the future generations is to build a strong and self-reliant economy as speedily as possible using the resources available to us today. We shall stand condemned by history if we yield to irrational fears and thereby slow down the pace of economic advance. Thus it is all the more

essential for the prices of better coals to project their proper values today.

I turn now to the allied subject of stowing and the subsidies paid for this purpose which form the cornerstone of our conservation policies. The purpose behind the stowing subsidy scheme is to encourage stowing by meeting the entire cost. I appreciate the necessity for imposing ceilings in the rates of assistance but I submit that the extension of this principle to each and every item of "admissible costs" is not in keeping with the spirit of the Coal Prices Revision Committee's recommendation. This proposed that the full costs of stowing should be subsidised, subject to overall limits in rates of assistance. The result of such a policy is that apart from a proliferation of paper work arising from the numerous instructions in the Coal Board's Manual, the stowing costs at those units which have mechanical sand-gathering arrangements remain unneutralised to as much as Rs. 1.50 nP, per tonne. May I ask if it is reasonable for the Board to agree to disburse a subsidy of as much as Rs. 10/- per tonne of sand when transported by lorry while limiting the assistance to Rs. 3.50 per tonne when carried by ropeway over the same distance? This amounts to penalising the more efficient and forward looking forms of transportation in favour of one which has a high recurring foreign exchange cost. Besides the present system also involves delays in the actual payment of the subsidies to the collieries, which have to deploy larger sums by way of working capital, the quantum of which must keep on increasing due to rising coal stocks and the ever-increasing wage bill. I do hope the Coal Board who are examining the issue will adopt a more liberal, realistic and simplified procedure without delay.

Subsidies for working under adverse conditions have indeed materially assisted the Industry. Although the scales of assistance were revised in 1962, no account has been taken of the changing circumstances. The pattern of mining is altering rapidly and any scheme which may have been adequate on the basis of past hypotheses is now wholly unrealistic. The problem here is to ensure some degree of flexibility to provide for new factors encountered as mining progresses. This matter also is under examination and urgent decisions are now imperative.

Transport Facilities

Coming now to the question of transport, it is with pleasure that I am able to strike an unfamiliar note this year in the customary reference to the Railways. The average daily loadings in 1962-63 in all coalfields recorded a rise of 11.2% from 5999 wagons to 6669 wagons per day, and for the first nine months of the year to 7047 wagons per day. The Railways currently are able to move all coal offered for rail transport and it is gratifying to note from the Railway Minister's recent budget speech in Parliament that the Railways are now fully geared to keep carrying capacity ahead of demand. One cannot but agree that our Railways have served the Nation well despite the limitations under which they operate. I do, however, feel that some credit may also be legitimately claimed by the largest Railway user, the Coal Industry, which has regularly subordinated its convenience to that of the Railways.

While the Industry as a whole has not agreed to bear the cost of strengthening of sidings or the installation of mechanical loading arrangements, several of the more progressive managements affiliated to this Association have done so. Personally, I favour the installation of such equipment more widely. As bulk movement and 5 hour loading will be the pattern of the future, it will be necessary to extend mechanical loading arrangements

throughout the Industry by arranging for smaller units to club together. Ultimately it is a question of time, the economic cost and the benefits accruing from the installation of such equipment. The immediate beneficiaries are the public of India who not only consume the coal but also own the Railways. It is, therefore, but fair and proper that the Exchequer should facilitate the installation of such equipment through grants and loans to collieries. One way in which this may be done is through the creation of a fund by the levy of a cess on despatches, but the responsibility for providing assistance should more legitimately be taken by the Railways whose financial resources are now in far better shape. In this context I should like to refer to the interim report submitted by the World Bank Study Team on Coal Transport. The Team has not only recognised the desirability of extending mechanical loading arrangements at collieries, but has also taken note of the fact that the capital required is sorely lacking. It has, therefore, recommended that Government should consider ways of providing the necessary finance. I hope that this suggestion will merit early and sympathetic consideration.

The interim report also urges that the Railways should operate as a service organisation capable of meeting the reasonable demands of shippers and consignees. The report confirms that collieries have a right to expect the regular supply of empties and withdrawal of loaded wagons in accordance with the requirements of production. We are told that there is today a surplus of wagons, and their stabling is a source of embarrassment to the Railways. I am sure that the larger units would welcome an arrangement for stabling at colliery yards and loading them when needed, subject to suitable adjustments in loading time. I do hope that our Railways will take due note of this. At this stage it would be appropriate to record the Industry's sincere appreciation of the very valuable service rendered by Shri R. Maulik, a former Chairman of your Association, who was deputed to assist the Team in its time-taking and complex task.

World Bank Loan

Much publicity has been given in the Press to the Coal Industry's failure to utilise in full the World Bank loan of 35 million Dollars. The main difficulty has been the shortage of Rupee resources. While there were numerous problems over co-obligation guarantees and the legal wrangles with State Governments over the assigning of mining rights, the larger and better managed units were able to make use of the facilities provided. Not surprisingly, even they find themselves subject to great financial strain. The solution, as I have said earlier, lies in allowing an increased rate of profitability to the Industry.

Our periodic meetings with the Chief Inspector of Mines have, as usual, proved useful to both the producers and the Mines Inspectorate. I am happy to record that the Department has been understanding, and constructive in its approach. Numerous directives have from time to time been issued by the Chief Inspector in the interests of a greater measure of safety. The Industry has no quarrel whatsoever with the implementation of these directives. The fact remains, however, that almost all the measures proposed by the Chief Inspector involve collieries in considerable expenditure. For instance, the construction of stone-dust barriers in gassy mines and the isolation of old areas by construction of explosion-proof stoppings involve the Industry in an expenditure of anything up to Re. 1.00 per tonne in the affected mines. This additional expenditure reduces still further their profit margin.

We are also concerned to note that further amendments to the Mines Act

to increase the penal provisions and to impose some more restrictions on mine managements are to be considered shortly. While no one disputes that the changing pattern in mining conditions calls for constant review of safety legislation, I submit that this is already being done in the form of the many directives that are issued by the Chief Inspector to which I have just referred. The proposed amendments introduce a provision for inspection of the workmen by or on behalf of the workmen. Our workings at present are already subject to inspection by the Mines Inspectorate, the Coal Board, the State Governments and by other agencies. The practice of workmen's inspectors inspecting workings is already in force in other countries and it is but right that our workmen, too, should have the same right of inspecting the workings from the point of view of safety. However, as in other countries we hope the rules will provide that such inspections are carried out only by qualified mining engineers representing the workers.

I regret to record that there has not been any substantial progress in the settlement of our dispute with the West Bengal Government over the question of royalties. We were hopeful of an amicable settlement fair to the producers as also to the State but while discussions have continued, the demand made by the Government for immediate payment of disputed royalties is, if I may say so, not particularly conducive to an agreed settlement which the industry hopes will still be possible. As regards Bihar collieries, an advance copy of the Bill to amend the Land Reforms Act was sent to the Association for its comment. In the opinion of this Association, the proposed amendment would not be intra vires of the State legislature. Discussions have, therefore, been held with the Bihar Government which has agreed to reconsider the matter. On the subject of Royalty I might mention that the basis of calculation as a percentage of the f.o.r. price of coal leads to numerous complications and arguments with the State Governments. The Central Government has already accepted this principle and has notified that royalty on iron ore, manganese, limestone and dolomite should be paid on fixed tonnage rates, rather than ad valorem. I submit that Government should seriously consider extending this to coal, since this would eliminate disputes.

Labour Relations

Our relations with Labour have generally been satisfactory. There is no doubt that the Industrial Truce Resolution of November 1962 has had its effect in ensuring closer co-operation between managements and their workmen. It is also gratifying to note that the Code of Discipline has continued to stabilise labour-management relations. The concept of voluntary arbitration, which was first introduced in the Coal Industry with the Das Gupta Award, has been further advanced through the Industrial Truce Resolution. At a Seminar on Voluntary Arbitration organised by the Em-tary Arbitration Organisation of India and the All-India Organisation of Industrial Employers at Delhi, it was recognised that arbitration had worked satisfactorily in the Coal Industry. There is no doubt that voluntary arbitration provides a means for expeditious settlement of minor disputes which might otherwise assume larger proportions. I do, however, hope that the suggestions made at the Delhi Seminar for a forum of appeal against perverse awards by arbitrators will be acceptable to Government. Moreover, we believe that recourse to voluntary arbitration would be encouraged greatly if Government were to draw up a special panel of arbitrators who are familiar with the working of the Mining Industry and permit the appointment of assessors by managements and

unions to assist in making expeditious and satisfactory awards.

By far our greatest pre-occupation in the field of labour relations has been the preparation and submission of replies to the exhaustive questionnaire issued by the Wage Board for the Coal Mining Industry. The Board commenced its public sittings in the month of July last, and after listening to the general submissions of the unions gave us an opportunity to appear before it in September. I appeared on behalf of the Employers and submitted that I was sympathetic towards the workers' natural aspiration for a better way of life. I, however, stressed that the Board should not be carried away by sentiment or prejudice but that it should view the whole problem of wage fixation in as objective a manner as possible.

The Bonus Commission's Report was tabled in Parliament only the other day. This report is not unanimous and the Dy. Labour Minister has stated that because of the numerous important issues raised, Government has not yet taken any decision. The majority view is that despite the statutory bonus which is said to be a part of the wage structure, workers in coal mines should also be allowed to participate in the prosperity of the Industry. The Commission, however, has recognised that payment of profit-sharing bonus will mostly be at the minimum level and even this will necessitate an increase in price, thus establishing the low level of prosperity in the Industry. I hope the Coal Wage Board will take due note of these factors.

A legislative matter which is presently under consideration and which greatly concerns us is the proposed amendment to the Industrial Disputes Act. This seeks to provide for payment of full retrenchment compensation in cases of closure of mines due to expiry of leases or exhaustion of reserves. This proposal, if enacted in its present form, would result in serious difficulties. Our approach to this matter is simple. Where the reserves of a mine are exhausted, we agree that it is the duty of the Industry to provide full retrenchment compensation. On the other hand, where the management of a mine is obliged to cease its management due to the untimely termination of a lease which was not originally under the contemplation of the owners, it is but right that the previous limit of three months' wages as compensation should continue to apply. I make this point more particularly as the termination of a lease under these circumstances does not imply the closure of the mine but merely a change in its management. I hope that Government will take note of this suggestion.

Relations with Government

I would be failing in my duty if I did not record that our relations with Government and in particular the Coal Controller, the Coal Board and their organisations have as always been excellent. Mr. Bose has now been with

us for some time and while we have on occasions agreed to differ, we have continued, nevertheless, to receive every consideration from him and his staff.

As for the Mineral Industry other than Coal, the performance on the whole during the year under review was satisfactory in spite of a number of adverse factors. The production of iron ore recorded a significant rise over the previous year and in addition to meeting the increasing demand of the growing Steel Industry within the country, it was possible to achieve a rise in the exports despite keen competition in the International Market. Iron ore is now emerging as one of the major foreign exchange earners and it is envisaged that the export capacity of 16 million tonnes, including 6 million tonnes from Goa, will be achieved by the end of the Third Plan. According to official estimates an export potential of 25 to 30 million tonnes is likely to be developed by 1970 and it is understood that the Government is taking action to provide the necessary transport and port facilities in this connection. I feel I ought to mention here that there is a rising trend in the costs of production due to various reasons and unless this trend is arrested and costs are stabilised at an economic level, it will not naturally be possible to achieve the export targets in view. In this context it is heartening to note that the Calcutta Port Authorities in their recent budget have announced a relief of Rs. 2/- per tonne from 1st April, 1964, and I am sure this will provide a great filling to exports from this Port.

The production of limestone and dolomite kept pace with the increasing demand of the Steel Industry. Concerning Manganese ore exports, the position during 1963 continued to be disappointing and I regret to say that as things are future prospects are not very encouraging. The main unfavourable factors in this respect are the emergence of new and cheaper sources of supplies and lesser dependence on manganese ore in steel production on account of technological advances in steel making. As a result, the available supplies of manganese ore are far in excess of the demand and the world prices continue to record a progressive decline. It is reckoned that at the present time the Indian prices are out of line with the International prices by about \$ 4 to \$ 5 and most of the present business is therefore only possible through barter transactions.

The Iron Ore Mines Welfare Cess Act, 1961, was enforced with effect from 1st October, 1963, at the rate of 25 nP, per tonne on production. In this connection representations have already been made to the Government that it would be equitable if the basis of imposition of this cess is changed from "production" to "despatches" as is the case with royalty. Two Wage Boards for Iron Ore and Limestone-cum-Dolomite Mining Industries were set up during the year. While I am happy to say that the Association has

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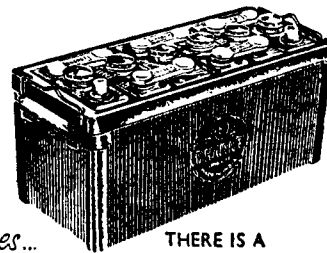
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E. I. D.-PARRY LIMITED

ADDRESS BY MR. H. V. R. IENGAR, CHAIRMAN, TO SHAREHOLDERS

The following statement has been circulated to Shareholders of E.I.D.-Parry Limited by the Chairman, Mr. H. V. R. Iengar. Sixty-sixth Annual General Meeting to be held on 30th March, 1964.

been given representation on the Wage Board for Limestone and Dolomite, I regret that this representation has been denied in the case of the Wage Board for Iron Ore although the constituent members of the Association produced approximately 42% of the country's total production in 1962. They also employed 22,000 workers out of the total of 55,000 workers in the Industry. Both these Wage Boards recommended interim wage increases with effect from 1st January, 1964, and these recommendations have been accepted by the Government of India.

My Association has for a considerable period been alive to the need for research in all branches connected with the Mining Industry such as mining technique, safety, beneficiation of products, adaptation of metallurgical processes and the like. We have also felt for some time that it is the duty of an enlightened Organisation such as ours to reward worthy thinking and ingenuity. I am pleased to announce that my Committee has agreed that with effect from 1st April next we will put aside a sum of Rs. 20,000/- a year for the next five years from that date for the purpose of providing scholarships, prizes and the like to deserving people, whether they are engaged in the Public Sector, the Private Sector, the Universities, National Institutes or in Government service. The exact details are now being finalised.

Gentlemen, I ask your indulgence to touch upon one more point before I close. Controls are necessary in a shortage-ridden economy but the extent of control and the points at which they are applied require further consideration. No industry today is subject to the degree of control that producers of coal have to contend with.

Three Organisations

It is known that there are three separate organisations dealing with the main features of this Industry, namely, production, distribution, conservation and safety. Two of them, namely the Coal Controller's Organisation and the Coal Board, deal with the first three subjects and are under the Ministry of Mines, while the fourth subject is looked after by the Chief Inspector of Mines under the Ministry of Labour. Here I am treading on dangerous ground but I consider it appropriate that Government should now take a good hard look at this situation. I feel that the original hypotheses have now changed and require re-examination. There is much duplication in the first two organisations and while they are intended to be complementary in character I feel that their objectives and methods need to be redefined. In this context while one can appreciate the need in earlier years for the Inspectorate of Mines to be under the Ministry of Labour, it is my conviction that in considering safety one has to consider also the needs of the Nation and a close correlation between safety and production is now essential. I believe that this can be more properly achieved if all these functions are within the same Ministry although quite naturally the watch dog functions of the Inspectorate of Mines must be separated from the production and conservation branches. It is my feeling that Government should consider the appointment of a small high-powered committee to go into this whole question urgently and decide what changes are needed.

I have been frankly forthright and, I hope, clinical in my approach. I have felt this to be no more than my plain duty. I trust that the suggestions I have made will receive the attention of the authorities concerned and I can assure them of the whole-hearted and continued support of my Association in dealing with the formidable challenges which face us in the future. We are confident that we will not be found wanting.

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

In the speech which I delivered last year I made some observations on the general subject of British investment in India, of Indo-British co-operation and of the part that could be played by organisations such as this Company in promoting such co-operation. I would have greatly wished to have devoted the major part of my speech this year to some other subject of general importance, for I think this practice, which the Chairmen of some Companies have adopted, of discoursing at some length on a topic of general economic importance is a good practice. Unfortunately, however, I have so much to tell you about the domestic problems of our own Company that it would not be possible for me to travel beyond that without making the speech unduly long.

You will remember that in the speech last year I said, referring to the Ennore Fertiliser Factory, that although there had been delay in its commissioning, I thought that the major problems had been overcome, that the factory was at the time in full production and that it would make a substantial contribution to the earnings of the group during the year 1963. I much regret to have to tell the shareholders that my anticipations have not proved correct and that although the factory was in production at the time I prepared last year's speech, it was so only for a very brief period and that, since then, we have been dogged by a series of misfortunes for none of which the Company is responsible.

The Superphosphate Factory

Although we were equipped within our organisation to put up a superphosphate factory and successfully commissioned, by purely departmental effort, the superphosphate factory of our wholly-owned subsidiary, Andhra Fertilisers Private Limited, at Tadepalle, we felt that for putting up a complex factory such as the one that has been attempted at Ennore it would be desirable to give what is commonly known as a turn-key contract to a firm with an established reputation. We accordingly gave such a contract to Messrs. Simon-Carves Limited of the U.K. in the confident expectation that the factory will be completed and put into commission to our satisfaction in time. The Directors were aware that in a works of the complexity of the Ennore Factory, teething troubles are to be expected, but events at Ennore have gone far beyond what can be regarded as normal in this context. I attach a statement to this speech setting out the major incidents that have taken place at Ennore. These indicate that on the part of the Contractors and some of their sub-contractors there have been lapses which we had not anticipated and which we had no reason to anticipate. This has been to us a bitter disappointment. The consequence has been that against a possible total of 56,000 tons, up-to-date only 11,500 tons have been produced. At the date of this speech the works have been re-started, but in view of past performances, I hesitate to make any categorical statement as to when we will have a trouble-free run. In the meanwhile the Works have not yet been taken over by us. Shareholders will naturally

want to be assured that everything is being done to get the Works functioning on a satisfactory basis as quickly as possible and that their interests in the matter of damages will be adequately protected. On both points I can give the fullest assurances to the shareholders. No one could be more distressed than your Directors that this project on which such high hopes had been built should have been subjected to so many frustrations and they have been giving the highest priority to ensuring that it is properly put on its feet. Naturally they are taking the best possible legal advice.

The financial significance of the difficulties that we have encountered at Ennore is that in the year 1962-63, we suffered a very heavy direct loss even without taking into account the dividend that we paid on the additional capital that was raised expressly for the Ennore Factory. But it says much for the inherent strength and resilience of the group that it has been able to absorb this serious loss and to show reasonable profits. Apart from demonstrating the inherent vitality of the group, our experience of last year also demonstrates the great advantages of the diversification of the group's activities.

Before dealing with the accounts, may I recapitulate a point that not all of our shareholders always remember? This meeting is a meeting of the shareholders of E.I.D.-Parry. This Company owns one hundred per cent of the equity in Parry & Co. but none of the Preference capital in that Company. E.I.D.-Parry also owns the entire capital of Andhra Fertilisers and Parry, Murray & Co. whilst Parry & Co. owns the entire share capital of the Mofussil Warehouse and Trading Co. The existence of these subsidiaries is due to historical reasons which it is not necessary to elaborate at this stage. The accounts that are presented of E.I.D.-Parry have been prepared in accordance with the requirements of the English Companies Act and are the Group accounts, that is to say, they show the profits of E.I.D.-Parry, of Parry & Co. and of the other subsidiaries all put together, and you will notice that the interests of outside shareholders, namely, the Preference shareholders of Parry & Co. have been shown separately and deducted from the total Group profits. Apart from statutory requirements, I think there is justification, in common sense, for this arrangement because, in fact, Parry & Co. (with the exception of the interest of the Preference shareholders) and the other subsidiaries are the property of the shareholders of E.I.D.-Parry. But you will appreciate that although Group profits as shown in the accounts pertain in the broad sense to the shareholders of E.I.D.-Parry a dividend to them can be paid only out of the profits of the main holding company, namely, E.I.D.-Parry.

Group Profits

The Group profits after taxation of the year under review together with the Group profits in previous years are shown below:

1959	£386,058
1960	£378,483
1961	£351,392
1962	£252,287
1963	£360,047

You will find that the figures for 1963 are substantially higher than the figures

for 1962 in spite of the deplorable performance of Ennore. There are two main reasons for this. The first is that we have done well in our other activities such as sugar, pottery, and sales of fertilisers as well as general sales. In this connection, shareholders may be interested in the following figures. The sales of goods manufactured within the Group rose from £6.8 million in 1962 to £8.0 million in 1963. The sales of goods manufactured outside the Group and purchased by us outright rose likewise from £6.3 million to £8.2 million. Sales on Consignment account rose from £5.0 million to £5.8 million. Shareholders may recall that in my speech at the last annual meeting, I pointed out that while the growing emphasis on manufacturing activities was undoubtedly correct, I attached great importance to the continuance of our trading activities—a view which gains point from our experience of last year. The second reason for the higher profits is that the taxation for 1963 is very much reduced, being only £189,509 against nearly £381,561 in the previous year. The reason for the reduced taxation is, of course, that we have become eligible for a heavy development rebate in respect of the Ennore Factory amounting in the year under review to as much as £217,350.

Dividend

The Directors have given a great deal of attention to the problem of the dividend that should be declared for the year 1963. There are arguments to support the proposition that it would be justifiable to repeat the same dividend as for last year, namely, a total of 21 3/7%. The main argument for this would be that the profits of the Group for 1963 after tax are substantially higher than in 1962 and are, indeed, at the same level as the average for the years 1959, 1960 and 1961 and that it is legitimate for the shareholders to claim that the dividend should be based on the Group profits after taxation. There are, however, equally weighty arguments which suggest that the dividend should be reduced. In particular, I would mention that if we want to claim Development Rebate as indeed we must, we must by law appropriate £165,300 to the Development Rebate Reserve—this in effect largely represents the tax "wind-fall" given to new concerns to strengthen their reserve. After this appropriation the sum available for dividend from the net profit of E.I.D.-Parry is only £120,192—as compared with £259,650 that we will need for dividends including the Ordinary Dividends of 21-3/7%. This sum of £120,192 could, of course, be supplemented by recourse to the reserves. Shareholders will remember that in the year 1959 a Dividend Equalisation Reserve was created amounting to £150,000. If a dividend at the same rate as last year is to be declared, almost the whole of this reserve would have to be withdrawn leaving only a nominal sum in the reserve. Whether this would be appropriate would depend on whether we are satisfied that we would be able to repeat the same dividend for the year 1964 and subsequent years.

That depends to a large extent on Ennore, more particularly during the current year. We are satisfied that our other activities will show a sustained improvement but, unfortunately, we are not in a position at the moment to make any forthright prognostications about Ennore. In any event, it is clear that the year 1964 would also see a loss on Ennore and that the E.I.D.-Parry profits

for that year, by themselves, may not justify a dividend of 21 3/7%. To do this we would have to withdraw from the General Reserve.

Here again arguments could be made on both sides. It could be pointed out in justification for maintaining a dividend at last year's level, that although we may be withdrawing almost the whole of the Dividend Equalisation Reserve of £150,000 we would be putting into other reserves a sum of £262,800. In other words, the use of almost the entire Dividend Equalisation Reserve would not leave the total Reserve position any weaker. In fact, the net Reserve position would actually be stronger. But it must not be forgotten that the Development Rebate Reserve arises in reality from a tax concession and any prudent Company would wish to use such a concession to strengthen the reserve position. After the most careful consideration of the arguments on both sides, the Directors consider that it would be wise to make use of only part of the Dividend Equalisation Reserve in 1963 and leave the other part for use in 1964, if necessary. They have, accordingly, decided to recommend that a sum of £104,000 be taken out of the Dividend Equalisation Reserve for the year 1963 and that a total dividend of 18% be paid to the shareholders.

Sugar

Historically the manufacture of sugar has formed a big part of our activities though with increasing diversification its place in our total Group effort is getting gradually reduced. Nevertheless it remains important enough for me to refer to it. I am afraid the problems of the Sugar Industry continue to multiply. In 1963 we saw again an acute shortage of sugar throughout the country, and the re-introduction of control. It is ironical to recall that only a year ago Government restricted production by 10% because they feared a crisis of surplus. Because of this cut in production the area planted with sugarcane was reduced as farmers had no indication from Government whether they would permit factories to crush all the available cane. At the same time attractive prices were offered for Gur, which in addition to its normal use in the Indian household, is also one of the basic raw materials for illicit distillation, and consequently cane for the legitimate sugar manufacturing industry was in short supply, especially in the North, and only 21.5 lakhs tonnes were produced throughout the country in 1962-63 against 27.2 lakhs tonnes in the previous year. With a rapidly increasing population and a rising demand for sugar, this was a serious set back. In spite of the lower production Government exported 4½ lakhs tonnes, primarily at a loss, although international sugar prices started to rise before all the contracts were completed.

In the South the fall in production was not more pronounced than in the North, and the States of Madras, Mysore, Andhra, Kerala and Pondicherry produced 4.33 lakhs tonnes against their previous year's production of 4.58 lakhs tonnes. At Nellikuppam 3,17,757 tonnes of cane were crushed against 3,83,455 tonnes in the previous year, to make 29,542 tonnes of sugar against 35,395 tonnes in 1962.

It will be recalled that the Government of India, with the declared intention of paying for cane on the basis of quality, instituted a sliding scale for cane payments in 1962-63. In reality, however, the price paid continued to be much higher than the real value of the sugar in the cane, and farmers who grew cane of low quality were compensated almost to the extent of those whose cane was superior.

In order to boost production, Government offered an incentive by way of a rebate in excise duty of 50% on the

additional sugar produced over the previous year's figure in the period 1st July to 31st October. It will be observed that within 18 months the Government's policy changed from restriction in production to inducement for increased output. At Nellikuppam, for the first time, a special season was introduced in the months of September and October 1963. Although the experiment was not entirely satisfactory, and the recovery of sugar was lower than we expected, we had hoped that the excise duty rebate would, to some extent, compensate for the poor results. Unfortunately the Government of India ruled that factories who had not in any previous year produced sugar during the period 1st July to 31st October would not be eligible for the rebate and Nellikuppam fell under this category. Representations have been made against this decision and it is hoped that they will be successful.

There are more uncertainties for the sugar industry in 1964. The Government have progressively increased the ment have progressively increased the price of cane and the latest increase of 7 nP. per maund was without any compensatory rise in the sugar price in South India. We will naturally do our best, but the degree of control exercised by Government and the constant shifts of policy are discouraging. As the years go by, I fear that sugar manufacture will become of less and less importance in the totality of our activities.

Ceramics

Shareholders may remember the announcement made by Mr. Noel-Tod at the annual general meeting two years ago, of our agreement with Messrs. Doulton & Co. Ltd., U.K., in the matter of sanitaryware production. I am happy to say that our relationship with this Company continues to be most satisfactory and, with their assistance, we have

completed a substantial expansion of the sanitaryware works at Ranipet, that the third kiln has now been commissioned and, in fact, will be officially inaugurated in the beginning of April. A new range of patterns has been developed and introduced on the market, standards and quality are improving progressively, and we are looking ahead to further interesting developments arising from our fruitful association with Messrs. Doulton & Co. Ltd.

Visakhapatnam Fertiliser Project

In my speech last year and in those of my predecessors for the previous two years, reference was made to our association with California Chemical Company and International Minerals & Chemical Corporation in the Rs. 33 crore Fertiliser Factory at Visakhapatnam.

I am glad to inform you that arrangements for the integration of this Project are now nearing completion and it is anticipated that an offer of shares will be made to the public in March/April 1964.

Your Company will hold approximately Rs. 55 lakhs of the equity share capital of the new company, which will operate the Visakhapatnam Fertiliser Project, of which approximately Rs. 49 lakhs will be subscribed for in cash.

Your Company's contribution to the success of this Project, is not, however, limited merely to financial participation. We are assisting the new Company in the implementation of its seeding programme to familiarize the farming community with the advantages that will accrue from the use of complex fertilisers similar to that which will be produced by the Company and when the new Company's factory at Visakhapatnam goes into production, this Company will, in its capacity as Princi-

pal Selling Agents, be mainly responsible for the marketing of the factory's production.

We are proud to be associated with the American Collaborators in this venture, which is one of the major projects included in the Third Five Year Plan. The Fertiliser Factory at Visakhapatnam will have an annual production capacity of about 365,000 tonnes of Ammonium Phosphate and 16,500 tonnes of Urea which will not only make an important contribution to the much needed increase in food production in the country but will also result in a foreign exchange saving of the order of Rs. 10 crores per annum.

Staff Relations

I am happy to state that our relations with all categories of employees have been satisfactory and I would like to take this opportunity of thanking them for the part they have played in the development of Group activities. I would in particular mention our staff at Ennore. They have had an exceedingly difficult and what must often have been a frustrating time but their cheerfulness and willingness to put in hard work have been most praiseworthy.

Changes in Management

Mr. M. J. Edwards, the Managing Director, is retiring with effect from the 1st April after 35 years of service. I am sure shareholders will want to convey to him all their good wishes for his future. Mr. John K. John will be Joint Managing Director and Mr. Bowen, Deputy Managing Director from the same date. Having worked with them I can assure you that they will form a strong and coherent team.

The above statement is not a report of the proceedings of the Annual General Meeting, which will be held on 30th March, 1964.



THE MARK OF QUALITY

We have pleasure in announcing that we have started commercial production of Mild Steel Tubes to I.S. 1239/58 at our Works at Vatva. All enquiries for booking of orders, etc. may please be made to our Sole Distributors:

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THE INDUSTRIAL CREDIT AND INVESTMENT CORPORATION OF INDIA LIMITED

CHAIRMAN, MR. G. L. MEHTA'S STATEMENT

The Annual General Meeting of the Shareholders of the Corporation will be held at the Registered Office of the Corporation, 163 Backbay Reclamation, Bombay 1, on Thursday, 9th April, 1964, at 4 p.m. The following is the Statement by the Chairman, Shri G. L. Mehta, circulated to the Shareholders with the Directors' Report and Accounts for the year ended 31st December, 1963.

I have great pleasure in welcoming you and placing before you the Ninth Annual Report of the Board of Directors of the Corporation for the year ended 31st December, 1963.

The Chinese aggression came towards the end of 1962, and its impact on the economy was felt during most of 1963. First came a budget which, in its call on the nation's resources, was unprecedented. Secondly, and more importantly, during most of the year, the economy seemed to show signs of faltering. I would like to state that this was not a new phenomenon but a confirmation and accentuation of a trend that had set in some time in the middle of 1962.

One consequence of the emergency was a realisation of more careful assessment and husbanding of our resources and of the need to seek their allocation according to priorities which necessarily had to be defence oriented. This, no doubt, was an operation whose object was to change the trend of the economy, and I shall not concern myself with it. But the Chinese action also seemed to have had a cathartic impact on the economy, including a considerable amount of rethinking on what I would like to call the efficiency of the economy and the factors influencing it. This being a matter vital to a development bank like ICICI, I shall briefly dwell on it.

Partly as a legacy of the last world war and to some extent in consonance with the philosophy of planning, we have now a vast mechanism of controls and regulation. Of these, those that concern us most are industrial licensing, capital issues control, import (and consequent exchange) control, and price fixation policy. All these policies affect the efficiency of industry and their justification must be sought in a balance between social benefits and economic cost.

Long-term Criteria

In a planned economy, the channels into which investment flows have necessarily to be determined on a priori long-term criteria. Moreover, we are far from an era of vast resources when we can afford to let them be used without regard to objectives. Consequently, we have priorities and a mechanism to ensure that resources are used according to these priorities. While there may be differences on specific points, I believe that broadly, the priorities we have set before ourselves are appropriate to our conditions and needs.

However, the essence of planning lies not only in laying down the right order of priorities but in setting up a mechanism to ensure the effective utilisation of resources. In the sphere of industry, for example, as regards the utilisation of foreign currency resources made available by international

and foreign agencies or of the industrial capacity set up with such help, or in the synchronising of industrial capacity and the infra-structure (power, transport, communications and so on), our administration has admittedly fallen short of the goals largely because of the magnitude, complexity and novelty of the tasks.

I have no doubts about the necessity for the regulatory function of the State in an economy like ours. In an economy where priorities have to be determined, industrial licensing is essential to ensure their observance in regard to industries. In an economy where capital is short, control on resort to the capital market is unavoidable. An economy which derives almost the whole of the foreign currency resources required for capital development from foreign assistance needs to ensure careful and prudent use of such resources not only to satisfy foreign lenders but also for its own benefit. And for all these reasons—development according to priorities, scarcity of indigenous and foreign currency resources—because the normal forces of competition do not operate to ensure a fair deal to the consumer, it may in some cases be necessary to impose limits on the prices an enterprise may charge to the consumer.

State Intervention

Granted the need for all these, the areas in which State intervention should take place need to be determined on grounds of social utility of such intervention or, as I said earlier, on a balance of social and economic considerations. While necessarily the demands on the State would be diverse and compelling, the State might be tempted to do too many things all at the same time.

A welcome result of the Chinese incursion and the subsequent stagnation of the economy has been to set off inquiries into the functioning of our economic system. As a first measure, the Government has already announced increased exemption limits for industrial licensing and capital issues control and removed price control on sixteen commodities; a Committee headed by Shri T. Swaminathan (Secretary of the Ministry of Heavy Engineering) is examining the impact of control on industrial production and has already issued an interim report suggesting revised licensing procedures; another Committee headed by Dr. V. K. R. V. Rao, member of the Planning Commission, is at present considering import licensing procedures and machinery so as to recommend measures for accelerating the use of foreign currency resources. Measures for decontrol of steel prices are also under active consideration.

Gradually, as the year has passed by, economic conditions have stabilised. Our exports have increased easing somewhat the strain on foreign exchange resources. Money market conditions have been easy, and in the capital market conditions have to some extent improved; buyers have become selective, and the market for preference shares and debentures has tended to revive.

The Finance Minister has announced various steps to accelerate the tempo

of activity in the economy. Besides relaxation in the Reserve Bank's lending policy, a Unit Trust is being set up to enable the middle classes to participate in investment in industrial securities. There is also a proposal to set up another development bank which would help to strengthen the institutional arrangements for providing industrial finance and particularly in bridging the gap in respect of large issues. The Finance Minister has also under consideration the giving of fiscal incentives for reviving confidence in the capital market.

Productive Capacity

This is a beginning well made. But along with a search into procedures and machinery, it is also necessary to take stock of our productive capacity and to ensure the maximum output from it. While more and more factories and plants are being set up and are increasing our manufacturing capacity, we appear to have taken it for granted that once capacity is set up, it automatically gets fully utilised. In fact, for various reasons such as scarcity of foreign currency resources for maintenance imports, want of power and other ancillary facilities in some places, lack of adequate supervisory and skilled workers and inadequate selling effort, we are not using our resources to the maximum. This is a waste of capital resources which a poor economy like ours can hardly afford. Unglamorous as the task may appear, it is necessary that we make an inventory of our production facilities unit by unit and take up steps to obtain the maximum output from them.

Such an inventory will also reveal many gaps in our industrial structure—in the form of lack of complementary production facilities for goods which, at present imported or import-restricted, can be produced internally. To relieve the immediate pressure on our foreign trade account and even to set free foreign currency resources for newer industries and further development, it is necessary to set up a priority programme for setting up these industries. It is time we tried to consolidate our gains in recent years, determine the gaps in our industrial structure and accordingly, devise priorities for the next phase of economic advance.

The hesitation shown by the economy during 1963 should thus be used to round the economic structure and to lay the basis for further advance on the course set for the economy. Economic development is a continuous task and there is no respite from it. But in its nature, development is a dynamic process, and men's minds and thinking often fail to keep up with the dynamism of the economy. The year 1963 is important in focussing the need for such adjustment.

Development Bank

The role of a development bank such as ICICI in the prevailing conditions needs to be clearly understood. I had stated in my last year's Statement that we considered the long-term prospects of industry in this country to be good and that we would be willing to stand by industry in the immediately difficult situation faced by it in the capital market. As the capital market

CAPITAL, 12th March, 1964.

seemed to dry up, industry increasingly turned to ICICI and other financial institutions for finance to implement projects which had been worked out, some of them even in the pre-emergency period. Often enough, financial plans had to be changed and entrepreneurs who would have issued rights shares turned to financial institutions for loans, and those who, in more normal times, would have approached the market directly turned to us for underwriting their issues to ensure their success. As a measure of our response to this demand, I may mention that in a year when investment seemed to falter and entrepreneurs tended to postpone undertaking further projects, ICICI's net assistance, as you will notice from the Directors' Report placed before you, has been a record maximum at Rs. 23.05 crores. In 1963, ICICI gave underwriting sanction for Rs. 3.68 crores for 18 operations. Of 11 issues (total ICICI underwriting being Rs. 177.5 lacs) which came to the market, 3 operations for Rs. 65 lacs were over-subscribed; in the case of the other 8 operations for Rs. 112.5 lacs, we had to take up Rs. 83.25 lacs. Clearly, apprehensions regarding the state of the capital market were not unfounded.

Moreover, a development bank like ICICI has a long-term contribution to make in an economy like ours. While planners must necessarily conceive and project in terms of national strategy and comprehensive policy, their plans have to be worked out in the form of individual projects, and the proper financing, management and economics of the projects ensured. This requires careful scrutiny of the details of individual projects, advice to entrepreneurs on the various means of strengthening the viability of the projects by adequate safeguards in collaboration arrangements, and a close watch on the progress of the projects to ensure their timely completion and efficient working. If planning is found necessary at the national level, it is also indispensable at the project level. The role of a development bank is to ensure such planning at the project level.

The process of industrialisation consists in drawing into the vortex of industry persons from outside it. ICICI has, as a matter of general policy, tried to contribute to this development. Many projects financed by ICICI have been started by entrepreneurs for whom these projects were the first step in the industrial field. ICICI's new entrepreneurs have come from a variety of fields—trading, management, engineering and other professions. Promotion and management of industry requires qualities which the new entrepreneurs do not always possess from their earlier background. While to the established entrepreneur, a development bank like ICICI might appear only as a source of funds, I should mention that an institution of this character plays and should play an important part in providing various ancillary services to new entrepreneurs. We advise them on the various formalities to be fulfilled in setting up a manufacturing unit, on a suitable capital structure for the project and the need for (and, if so, the terms of) foreign collaboration arrangements.

Underwriting by I.C.I.C.I.

I would also like to reiterate two other points which I had made in my last year's Statement: the role of ICICI in the underwriting field and the role of ICICI in financing non-traditional industries. Confidence is a tender plant and those who, carried away by the large over-subscription to new share issues during 1960-1962, were inclined to under-rate the role of underwriters, would have been disillusioned by the lack of public response even to good issues in 1962-1963. The readiness of institutions like ICICI to come

12th March, 1964.

forward with support and assistance has prevented a decline in the level of investment which this public apathy would otherwise have brought about. Moreover, since its inception ICICI has invested funds in non-traditional industries—particularly metal-based and chemical industries. This has involved taking greater risks; however, in keeping with the planning effort in the country, we have considered it desirable to mould our investment according to the requirements of the economy.

Working Results

In these multifarious ways, ICICI as a development bank seeks to foster investment on healthy lines: in times of sluggishness in the capital market, it provides funds to enable the flow of investment to continue; in normal times, it carries out scrutiny of projects, guides entrepreneurs about their projects. ICICI itself has made special efforts to assist new entrepreneurs, to take up riskier forms of financing like underwriting and to invest in non-traditional industries. To carry out this task, ICICI has developed a cadre of competent professional staff and evolved procedures to ensure sound judgement. In the final analysis, the quality of work depends upon the competence and integrity and co-operative spirit of the staff, and our energies are continuously devoted to build up such staff and ensure the efficient working and development of the Corporation.

The efficiency of an economy depends upon having a machinery for decentralised decision-taking and administration of such decisions. Even as governmental administration and industry become more complex, it is necessary all the time to review the division of functions and the nature of such functions. In such a set-up, an independent development bank acts as a mechanism for ensuring planning at the project level. It is in this spirit that we carry on our work, and, I am sure, given confidence and resources, we shall be able to make this institution increasingly useful to the national economy.

Financial Assistance

The net financial assistance sanctioned by the Corporation during 1963 amounted to Rs. 23.05 crores. Of this, the amount sanctioned for new projects was Rs. 18.07 crores (including Rs. 7.36 crores in foreign exchange) in respect of 52 projects. The total cost of these projects (including working capital of Rs. 31.13 crores) would amount to Rs. 123.37 crores of which Rs. 36.91 crores would be required in foreign exchange for fixed assets. The total cost would be financed by share capital of Rs. 36.95 crores (Rs. 34.98 crores ordinary and Rs. 1.97 crores preference), long-term loans of Rs. 62.68 crores and bank borrowings and cash accruals of Rs. 33.74 crores. When in normal production, the total turnover of these projects would be about Rs. 68.10 crores. The net foreign exchange saving as a result of output from these projects would be nearly Rs. 46 crores.

As the operations of the Corporation have increased, it has been found necessary to augment its resources, in respect of both foreign currency and rupee resources. Earlier in 1963, after a visit by a joint mission from the International Bank for Reconstruction and Development (World Bank) and International Finance Corporation (IFC) I went to the United States and had negotiations with the World Bank which resulted in the Bank sanctioning a loan of U.S. \$30 million to ICICI, the largest single loan obtained by ICICI so far. Subsequent to this, the Government of India have sanctioned to ICICI a rupee loan of Rs. 10 crores out of PL 480 funds. Towards the end of 1963, the loan of DM 20 million from Kreditanstalt für Wiederaufbau, re-

ferred to by me in my last year's Statement, was made effective. I take this opportunity to express our gratitude to the Government of India, the World Bank and the Kreditanstalt für Wiederaufbau, for their loans and to the Government of India also for the guarantee on the World Bank loan. We value highly the co-operation and confidence of the Government and these institutions.

Available for Dividend. The Directors recommend a dividend of 7 per cent.

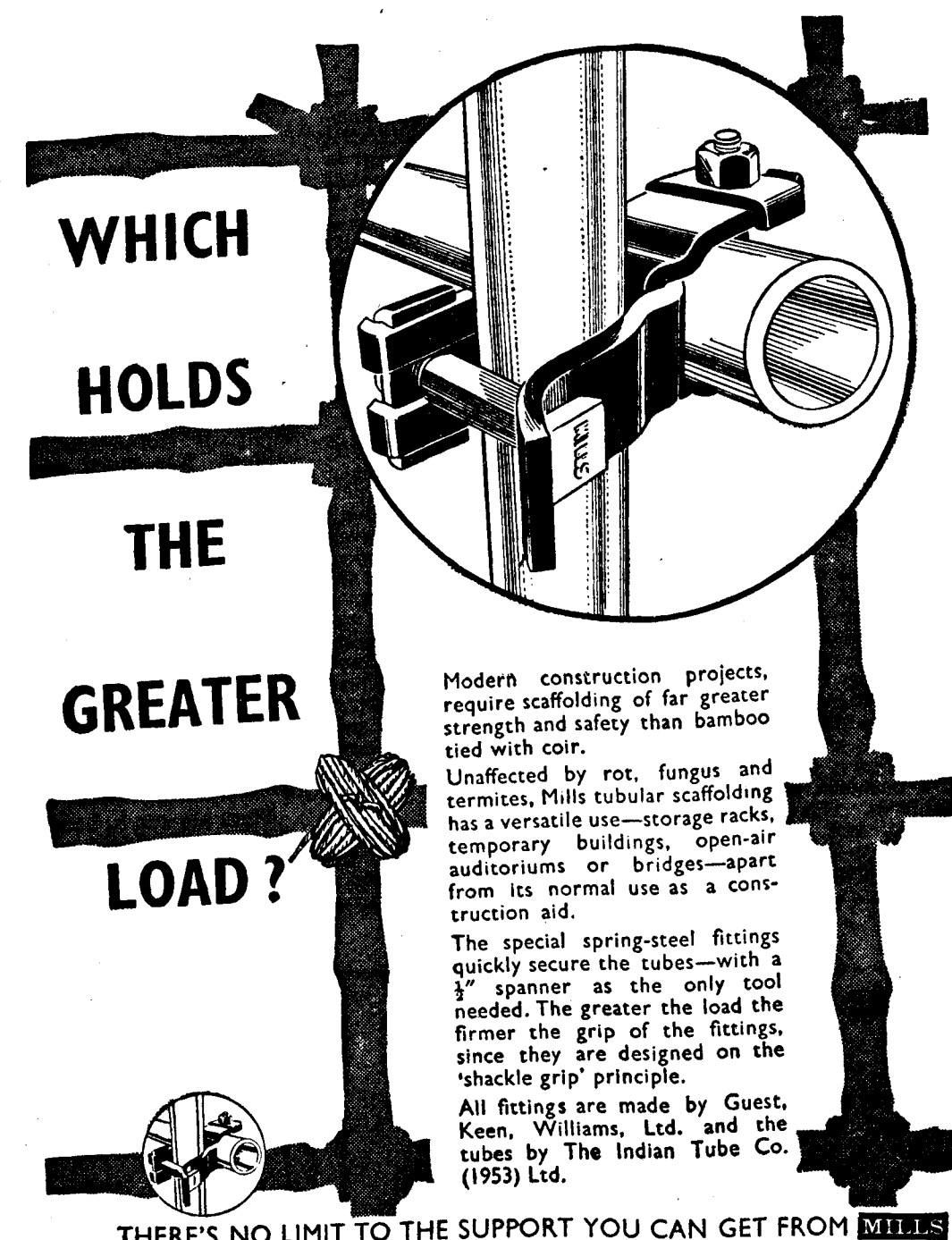
We have been able to extend and strengthen our relations with sister development banks outside India. Mr. Robert Michel Titus of the Agricultural and Industrial Credit Corporation, Liberia, visited ICICI for a period of four weeks under a UN-TAO programme. Mr. Tat Pang Cheam of the Malayan Industrial Development Finance Ltd., Malaya, and Mr. Cham-long Tohtong of the Industrial Finance Corporation of Thailand, were with ICICI for a period of two weeks each. In addition, Shri R. N. Sahoo, Managing Director of the Orissa State Financial Corporation, Dr. G. Varade Gowda, Assistant Director of Industries, State Government of Mysore and Shri M. R. C. Warriar, Development Commissioner of the Kerala State Industrial Development Corporation, were with us for short periods to study procedures and working. We welcomed the opportunity of making contacts and rendering some service to similar institutions in the country and abroad.

Shri J. S. Raj, our Deputy General Manager, visited Tehran to attend a

Conference on Stock Exchanges; later, he also went to Afghanistan on the IFC (Washington) mission to examine the problem of providing industrial finance there. In October 1963, Shri H. T. Parekh, our General Manager, attended the Second Regional Conference of Development Banks in Asia, convened by the Industrial and Mining Development Bank of Iran. I am also glad to state that at the request of the World Bank and IFC (Washington), we have lent the services of Shri J. S. Raj, for a period to head a new development bank being set up in Nigeria. In all these ways we are co-operating with other institutions to provide a basis for friendly relations.

Finally, I would like to state that the present position of ICICI is due to the competence, devotion and team work of the ICICI staff. I take this opportunity to express my sincere appreciation of their work.

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



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ITC/SL-73

THE ALKALI & CHEMICAL CORPORATION OF INDIA, LIMITED

CHAIRMAN, MR. A. R. FOSTER'S SPEECH

Speech delivered by the Chairman, Mr. A. R. Foster, at the Twenty-seventh Annual General Meeting held at Calcutta on Wednesday, 4th March, 1964.

Gentlemen,

The audited Accounts and the Directors' Report have been in your hands for some time and with your permission I shall take them as read.

You will have noted that the Profit before Tax at Rs. 111 lacs showed a substantial increase over the previous year's figure. After Tax Provision for the year of Rs. 33.5 lacs and the statutory transfer to Development Rebate Reserve of Rs. 25 lacs the amount available for distribution is, after taking into account the balance brought forward from the previous year, Rs. 53.6 lacs.

Comments on the Budget

You will appreciate that there has been very little time since the Finance Minister's Budget speech and his presentation to the Lok Sabha of the 1964 Finance Bill, for us to come to any final conclusions on the effect on your company of Mr. Krishnamachari's proposals. Let me say straightaway, however, that he has made a number of proposals which we welcome. He has made a number of moves in the right direction, and if he has not been able to go as far as we would have liked, it is perhaps understandable in present circumstances.

Abolition of S.P.T.

We particularly welcome the abolition of the super profits tax. It is to be replaced by a surtax on companies' profits, which appears to be more realistic in that the statutory deduction is now 10% and the capital base is being widened. The full implications of this change in tax, however, have yet to be calculated. The Finance Minister's concessions to some sectors of industry whose development he wishes to encourage will doubtless be appreciated by them, although your company is not a beneficiary.

The withdrawal of super tax on inter-company dividends is also a move in the right direction which we welcome, but it does not in any way benefit your company as we do not hold any shares in other companies. Nor does it benefit your company's principal shareholders, Imperial Chemical Industries Ltd., London, as your company is what used to be known as a 56A company and has all along enjoyed the remission of the 5% super tax on dividends. This piece of legislation, therefore, will merely bring other companies into line with such companies, and will offer no new

inducement to the potential foreign investor.

We are most concerned by the proposal to charge an extra tax on the paying company of 7½% on dividends paid on equity shares. This would entail your company having to bear additional tax of Rs. 3.5 lacs in respect of dividends declared at the current year's rate of Rs. 1.50 per Rs. 10 ordinary share, although in fact the Budget proposals bring no relief in corporate taxation to your company. Whilst we appreciate and share the Finance Minister's views that companies should retain an adequate portion of their profits available after tax, we are of the opinion that a better means of achieving this objective in an expanding economy would be by way of tax rebates in respect of amounts transferred to reserves, rather than by the imposition of a penal tax on companies in respect of the amounts distributed as dividends. This measure, I feel, will be a deterrent to potential investment, and further thought will need to be given on how to achieve the objective the Finance Minister has in mind with the least damage to progressive industry.

Development Rebate

Another measure which will cause potential investors concern is the Minister's reference to the likely withdrawal of development rebates from certain industries by 1966. This will cause unease in their minds until more is known about what categories of industry will be allowed to enjoy this benefit in future. It is to be hoped that all projects so far licensed will qualify, even if they are unable to commence production before 1966, as the investor will have made his commitment in expectation of receiving this concession. Without it the attraction to invest in India will be seriously lessened.

To summarise, the abolition of S.P.T. is most welcome, but the implications of its replacement by a surtax on profits have yet to be worked out. Some companies may benefit. Many, however, may be little better off, and some worse off, particularly when the impact of the dividend tax is taken into account. I feel a fresh look at the dividend tax will be necessary if we are to create the climate for investment which is so desirable at the present time. There are other aspects of the Budget which will attract criticism, but I do not propose to comment on them on this occasion.

Production

Total production over the year showed a substantial increase over the figures for the previous year and I

would like to say a few words about some of our production units.

Paints production was maintained at a high level in spite of raw material difficulties. Extensive research has continued aimed at the substitution of imported raw materials by indigenous ones without departing from the high standards of quality on which the range of products has been established.

A record production of polythene was achieved during the past year and I am glad to announce that the new plant for production of intermediate density polymer was recently commissioned. Unfortunately, an acute shortage of alcohol has seriously hampered production during the current year. The plant is at present shut-down and unless substantial allocations of alcohol are made immediately the new unit will remain idle and production from the plants will be lower than last year. Vigorous representations have been made on the matter to the Central and State Governments.

Production of rubber chemicals from the new Plant is proceeding satisfactorily. The output from this plant is sufficient to meet most of the rubber industry's present requirements of accelerators, antioxidants and retarders.

Sales

Sales at Rs. 8.13 crores were the highest ever and I would like to express our appreciation of the selling and technical service efforts of our selling agents, Imperial Chemical Industries (India) Private Limited, in achieving this figure notwithstanding considerable competition.

It has been necessary in previous years to point to the unremunerative prices obtained for Caustic Soda, Liquid Chlorine and Hydrochloric Acid as a result of Government-imposed price ceilings. The recent removal of this price control has therefore been welcomed by your Company and by the industry as a whole. Your Company is mindful, however, of the cost structure of the industries to which these products are supplied and has limited the price increases introduced recently to the minimum required to cover costs and a modest margin of profit.

Expansion Schemes

Our plans to increase production of paints are making satisfactory progress and it is hoped that the new units will go on stream within the next year or so.

Plans are also in hand for increasing the range of polymers available for the plastics industry and for a marginal extension of the rubber chemicals plant

CAPITAL, 12th March, 1964.

to include non-staining antioxidants and improved accelerators.

As in previous years, I would like to thank our associates in the U.K., Imperial Chemical Industries Limited, for the technical assistance they have given us in all our development projects.

Staff and Workers

Our policy in imparting on-the-job training and improving skills through training courses is continuing to yield positive results and I am happy to say that a number of graduate apprentices have been absorbed as process foremen in our plants after completion of their training. Foreign instructors are no longer necessary for training mechanical trades, though we will need to rely on assistance from abroad in respect of instrument technicians and electrical trades. In this connection, I wish to thank Imperial Chemical Industries Limited, U.K., for the loan of the services of one of their Craft Training Instructors from their Wilton Works.

I referred in my speech last year to our activities in the field of productivity and work study and I have spoken elsewhere on the importance of this subject to Indian industry as a whole. I am glad to report that your Company's experience with work study and work reward schemes continues to be satisfactory, and we expect the number of workers participating in these schemes to rise progressively.

Directors

The Directors' Report contains details of recent changes in the constitution of your Board. I would only like to add that Mr. S. C. Bhandari and Mr. E. F. F. Davis were appointed Directors with effect from 1st February 1964 and I welcome them both to the Board.

Mr. G. J. F. Mackay, Mr. A. G. Pollard and I retire by rotation and will be seeking reappointment in the usual way.

Auditors

Messrs Lovelock & Lewes, the Company's Auditors, retire and have expressed their willingness to continue in office. Their present fee is Rs. 15,000/- plus out-of-pocket expenses and they have asked for it to be raised to Rs. 22,000/- plus out-of-pocket expenses. Their request has been examined and there is no doubt that the substantial increase in the volume of the Company's business, which is a continuing trend, has meant that considerably more time has to be spent by the auditors on their audit of the Company's accounts. I am satisfied that the increase sought by the auditors is justified and would recommend its acceptance.

New Chairman

I would like to end on a personal note. This will be the last occasion on which I shall be addressing you as Chairman as I shall be leaving India shortly prior to retirement. During the 3 years that I have occupied the Chair I have been sustained in all my endeavours by my colleagues on the Board and by the efforts of the staff and workers of the Company. To all of them I offer my very sincere thanks. I would also like to take this opportunity of informing you of your Board's intention to appoint Mr. C. A. Pitts as Chairman from 1st April 1964. As you know, Mr. Pitts has been a Director of the Company for several years, and for 2 years, from 1960 to 1962, he also served as Managing Director. I have no doubt that the affairs of the Company will prosper under his guidance and I wish him success in all he does in the challenging years ahead.

And now, before I invite you to ask questions, which I shall do my best to answer, I want to thank all of you for finding the time to be present here today.

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

CAPITAL, 12th March, 1964.

New Delhi

F.I.C.C.I. BLAMES FISCAL POLICY FOR SLOW ECONOMIC GROWTH

(FROM OUR NEW DELHI CORRESPONDENT)

THE two-day annual session of the Federation of Indian Chambers of Commerce and Industry was inaugurated here last week by the Central Home Minister, Mr. Gulzarilal Nanda. The Prime Minister, who had been inaugurating the sessions since 1947, was unable to do so this year. The session had five resolutions on the order paper, including one on democratic socialism and another on "trust the trading community."

In its resolution on "democracy, economic welfare and fiscal policy," the F.I.C.C.I. regretted that "certain sections of political opinion are assiduously propagating the adoption of means which will not result in economic welfare or in promoting the democratic way of life, and, worse still, are commending the pursuit of these means as if they were ends in themselves. This confusion between ends and means seems to be the prime reason for the advocacy of nationalisation of industry, trade, finance and other economic activity. Of serious concern in this matter is the demand in certain quarters for nationalising that, along with the State Bank and its subsidiaries, the entire field of banking may become a Government monopoly."

Nationalisation of Banks

According to the Federation, nationalisation of joint-stock banks will not only eliminate competition, resulting in the lowering of standards of service to depositors, but also supplant the present flexibility of the banking system by a bureaucratic rigidity, and open up avenues for political interference, leading to slowing down of growth in the large-scale as well as small-scale industry and trade, in which free enterprise predominates. This will retard the rate of economic growth and the realisation of the ultimate end of economic welfare.

The Federation also cautions the public against indiscriminate extension of the co-operative form of organisation in such fields as agriculture, small-scale and processing industries and wholesale and retail trade. The country's experience so far does not indicate the advisability of an extension of the co-operative sector without considering the effects on overall production and productivity.

The Federation thinks that the doctrinaire approach in the Government's fiscal policy, pursued over a period of years now, is chiefly responsible for the fall in the rate of economic growth. The savings of the public are not only diverted to the executive—not all of which are productive—and the types of taxes levied have also substantially reduced the capacity of the people to save and invest.

The Federation expressed concern over the powers assumed by the executive in excess of their requirements, thereby placing honest assesses in a vulnerable position without the protection of law against avoidable harassment. The Federation urges the authorities "to take immediate steps to reshape the fiscal policy, as also the administrative procedures, so as to encourage savings, reward effort, stimulate investment, protect honest tax-payers, and create a climate of

confidence in Government policy as well as its implementation."

Trusting the Traders

The second resolution on "trust the trading community" says that "there have been incursions by the State and State-supported co-operative societies into the field of normal trade channels. On account of import restrictions flowing from the paucity of foreign exchange, those in the import trade have also been affected. "It is distressing to find that the traders covering the entire gamut of wholesale and semi-wholesale distribution and retail trade are subjected to unfair criticism and chastised for situations over which they have no direct control. A Damocles sword virtually hangs over the heads of the trading community, and every now and then it is threatened with extinction. The record of newer agencies like the State and co-operative societies—most of which indeed are not genuine ones in terms of their counterparts in other democratic countries—has been far from favourable, judging from their services to consumers and fair commercial practices. In the circumstances, it is a matter not only of surprise but also disappointment that faith should be reposed in these newer agencies and the view propagated that their multiplication and expansion are in the interests of the country."

"The Federation appeals to the authorities and the public to take a dispassionate view of the important rôle of the trading community in the national life. As indispensable links between producers and consumers, traders have to discharge vital economic, financial and social functions. Belonging as most of them do to the middle class, they constitute the very backbone of democracy. At the same time, the Federation would like to call upon the trading community to undertake their difficult functions with keener zest by way of acquiring technical skills and know-how to handle new products and with a greater sense of discipline, so that their part can be better appreciated by the authorities and the public. Organised industry should help the traders to the fullest extent possible, not only by refraining from directly entering the trade, but also in guiding and organising the trade to fulfil its new rôle effectively. Any attempt at disturbing the regular and uninterrupted functioning of the normal trade channels cannot but have deleterious consequences on the economy of the country in general."

One view which is gaining ground here is that the Government should adopt the policy of "responsive co-operation," that is, co-operating with those sections of the community which are readily co-operating with it. It will be for the Federation to prove how much it is supporting the Government in putting down the un-social activities of some of its members. There would be no penal laws if there were no crimes.

The U.N. Conference

The F.I.C.C.I.'s third important resolution on the U.N. conference on trade and development, says: "It is necessary for the advanced countries to accept the principle of preferential treatment as also the removal of restrictions on both agricultural

Policy Resolution? The deal, it will be recalled, was put through by Mr. K. D. Malaviya himself.

TAX CONCESSIONS

Possibility Ruled Out

The Central Finance Minister, Mr. T. T. Krishnamachari, is understood to have ruled out the possibility of any tax concessions at the general body meeting of the Congress Parliamentary Party. He is reported to have pointed out that reliefs in excise duty on such consumer goods as cloth, sugar and kerosene, would be meaningless without proper control over distribution. As for direct taxes, neither the corporate sector nor individual taxpayers could expect further concessions.

Rejecting the demand for the nationalisation of banks, the Finance Minister explained the details about their working and their relation to the private sector. The use of funds at the disposal of banks, he said, depends largely on the ability of users to pay the price and to get the needed security. Bank credit could be further popularised even with the existing powers of the Government. Mr. Krishnamachari said that as long as this position obtained, mere nationalisation of banks could not solve monetary problems.

The Finance Minister pointed out that through nationalisation the Rs. 1,400-crore worth of deposits would not automatically come into the Government's coffers because the credit needs of the private sector also had to be met. The banking industry as a whole, does not make a profit much in excess of 7 percent on capital and reserves. This cannot be regarded as excessive.

Mr. Krishnamachari explained why the Monopoly Commission would take the form of a commission of enquiry for the time being. He is said to have pointed out that it would not be compulsory to seek repayment of the annuity deposits within the stipulated period.

POWER ALCOHOL

Shortfall in Production

The Central Minister for Petroleum and Chemicals, Professor Humayun Kabir, held a conference of Excise Commissioners here last week to discuss the shortfall in the production of power alcohol, following the fall in sugarcane production. The meeting allocated alcohol and molasses from surplus to deficit States. It will be difficult to meet the existing commitments for molasses, it is learnt.

DEVELOPMENT BANK

Clarification from T.T.K.

The Central Finance Minister, it is expected, will soon clarify the point that the Government does not intend to withdraw the provision for development rebate. What is intended is to withdraw its general applicability and make it selective.

CONTRACEPTIVES

New Units in Public Sector

Two public-sector units will soon be set up to manufacture 200 million pieces of contraceptives a year. In this connection, a member of the Planning Commission, Dr. V. K. R. V. Rao, has been holding discussion with the State Governments to start literacy and family planning campaigns in one selected district of every State, in order to cover the entire State within a foreseeable period.

Against the estimated demand of 500 million male rubber contracep-

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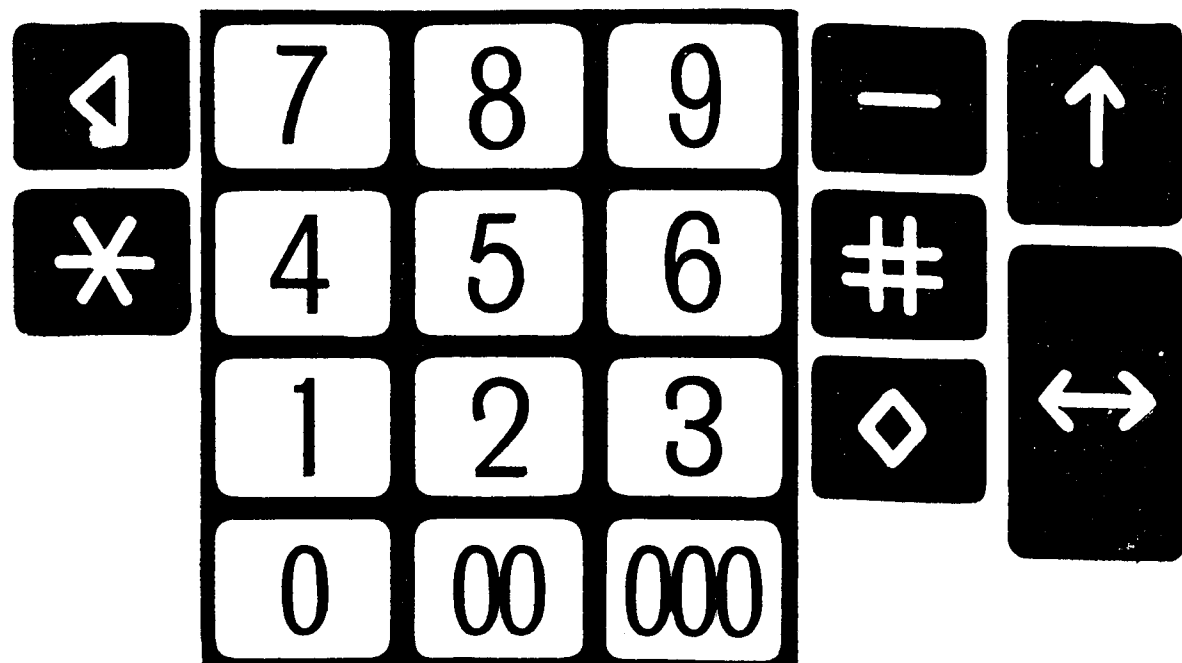
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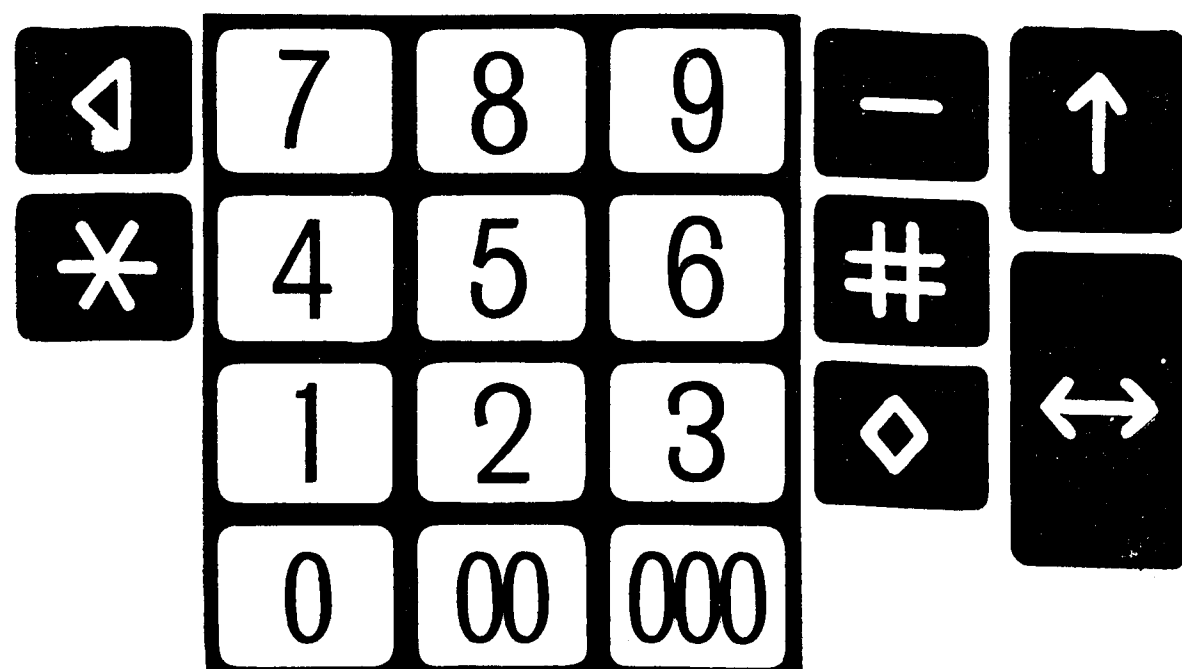
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to conduct the planning of a large F.A.O. scheme of making an inventory of India's forest resources. The planning alone is estimated to cost around Rs. 150 crores. The project is the first major effort to establish a balance in agricultural and forest development in India. The inventory will be made by means of serial photogrammetry and the results obtained will be processed in data machines.

Mr. Freden, who arrived in India in December last after having spent some time at the F.A.O. headquarters in Rome, will also be responsible for planning reafforestation and other measures designed to improve sylviculture in India.

TELEPHONE

Expansion Schemes

The progress report on telephone schemes should be read with some

interest: telecommunication cable project: The railways have been progressively changing over to A.C. high voltage traction in different sections of the railways and, as a consequence, cabling of the open wire telecommunication circuits coming within the hazardous influence of the electric traction system along these routes has become inescapable. The project has been included in the core of the third plan and work is in progress in various sections to keep well within the targets set by the railways.

Out of the total of 2,800 kilometres scheduled for cabling in the second and third plans 243 kilometres were completed in the second plan. Work in the Rajkharwan-Dungapossi, Asansol-Sini, Asansol-Gaya, Asansol-Durgapur, Gaya-Moghalsarai, Tata-nagar-Rourkela, Tatanagar-Kharagpur, Sealdah-Krishnagar City, Sealdah-Bongaon, Ranaghat-Santipur, Damodar-Radhanagar, Chowrashi-Ramkanali sections, totalling 1,101

kilometres, have been completed. Work is in progress in Sealdah South, Madras-Villupuram, Rourkela-Birmirapur and Adra-Jamadoba sections and would be completed by March 1964, adding further 412 kilometres. Work in the Mughalsarai-Allahabad and Durgapur-Howrah Dock sections has also commenced.

The total expenditure on the scheme in the third plan is expected to be Rs. 14.2 crores. A total expenditure of Rs. 7.39 crores is expected to be incurred by the end of March 1964, out of which Rs. 2.1 crores has been incurred during the third plan. A provision of Rs. 3.20 crores has been made in the Budget estimates for 1964-65.

Calcutta auto project: For the replacement of the manual telephone system of Calcutta, 55,000 automatic lines were sanctioned in January 1949 at a net cost of Rs. 12.35 lakhs. The revised cost of the project is now estimated at Rs. 13.20 lakhs. The work on the project has been completed

CAPITAL, 12th March, 1964.

except for certain minor items. All the 15 exchanges covered by the scheme have been cut into service at different stages—the last one in January 1958. A provision of Rs. 51,000 has been made in the Budget estimates for 1964-65, mainly for the clearance of pending adjustments, etcetera.

Coaxial Routes

Bombay-Calcutta coaxial expansion scheme: The project provides for equipping the coaxial routes between Bombay-Delhi and Calcutta to the full extent required for introducing subscriber trunk dialling between all the major cities connected by the route. A cable route directly linking Delhi and Jaipur via Alwar is also proposed. This constitutes the second phase of development in the Bombay-Delhi-Calcutta sections. It has been approved for execution during 1964-65 and onwards at an estimated cost of Rs. 195 lakhs. A provision of Rs. 2.2

CAPITAL, 12th March, 1964.

lakhs has been made for expenditure during 1964-65.

Calcutta-north Bengal-Assam-micro-wave scheme: The project envisages the linking of Calcutta with Asansol, Darjeeling, Siliguri, Cooch Behar, Gauhati, Shillong, Dibrugarh and Tinsukia by a high grade microwave telephone circuit capable of giving adequate number of circuits required in the near future. It is the first time that such a scheme of communication is being introduced in India. The Calcutta-Asansol link will be a wide band system with 1,200 channels. The rest will be a narrow band link with an ultimate capacity of 240 channels on the main routes. It is being introduced in the above regions as it is suitable to the mountainous terrain of these areas. The project has been sanctioned at an estimated cost of Rs. 1.65 crores and the work on it is expected to commence during 1963-64, for which a provision of Rs. 1.51 lakhs has been made. A provision of Rs. 1.25 crores has been made for the scheme in the Budget estimates for 1964-65.

Long-term expansion of the Bombay telephone system: To meet the growing demand for telephone service in Bombay, a scheme for the expansion of the Bombay telephone system has been prepared. But as this is expected to take considerable time, a project to provide for some interim relief was sanctioned at a total cost of Rs. 3.13 crores. The project envisaged the installation of 18,000 lines of new equipment in existing exchanges, recovery of 1,600 lines of old equipment and rearrangement of 3,375 lines of old equipment. The work on the project has been completed. A provision of Rs. 1,000 only has been made in the Budget estimates for 1964-65 for some pending adjustments.

The detailed scheme for long-term expansion of the Bombay telephone system was sanctioned in July 1956. The project provides for the expansion of capacity of the telephone system to 79,700 lines by the installation of 51,000 lines of new equipment in 13 new exchange buildings to be constructed and the recovery of 13,460 lines of old equipment. So far 11 sites out of the 12 required for new buildings have been acquired. Buildings for new exchanges in Mandvi, Matunga, Chembur, Pawai, and Borivli have been completed and those at Andheri, Khar and Shivaji Park have also been practically completed. The telephone exchange at Andheri has been put into service on 9th November, 1963 with 2,200 lines. Building works in Malad, Fort, Gamdevi and Thana exchanges are in progress. By the end of November 1963, 27,000 lines have been put into service in stages. This includes 3,650 lines of equipment temporarily installed in Bandra, Kandivili and Ghatkoper, which have also been put into service. Other installation works and cable laying are in various stages of progress.

Cross-bar Type Equipment

Bombay central west: Replacement of 7,250-7,500 lines equipment by 1,000 lines equipment. The project has been sanctioned at a cost of Rs. 1.98 crores in August 1963. It envisages the installation of a new 10,000 lines cross-bar-type equipment in the Wandri Road exchange building in replacement of the existing 7,250 lines at the Central West Wing exchange. Imported new equipment will be installed there. Work on the project has not commenced. It will cater for the demand for new connections in that area. The expenditure expected to be incurred up to 31st March, 1964, is Rs. 46,000.

Bombay-Gamdevi-Extension of Exchange I and II by 8,500 lines: The project provides for the installation of additional 8,500 lines at the Gamdevi exchange to meet the growing demand for telephone connections in

that area and has been approved at an estimated cost of Rs. 1.23 crores for execution during 1964-65. A sum of Rs. 75,000 has been provided for the project for 1964-65.

Bombay-Madras coaxial cable scheme: The scheme constitutes an extension of coaxial cable already under execution in the Calcutta-Delhi-Bombay sections and will connect Bombay with Belgaum, Bangalore and Madras. There are provisions for extending groups of circuits to Trichy and Coimbatore. The project has been sanctioned at a total cost of Rs. 4.31 crores. A provision of Rs. 3.06 crores has been made in the Budget estimates for 1964-65. The anticipated expenditure during 1963-64 is expected to be nominal (Rs. 10,000 only).

Bombay-Nagpur coaxial cable scheme: The project provides for laying two tube coaxial cables between Bombay and Nagpur with a spur from Dhulia to Indore-Jalgaon; Manmad and Akola will be dropping stations en route. The estimated cost will be Rs. 4.52 crores, of which Rs. 9.5 lakhs has been budgeted for 1964-65.

Expansion of the Madras Central Exchange by 8,000-12,000 lines: A project for the expansion of the capacity of the Madras central exchange

to 8,000-12,000 lines was sanctioned in August 1954, at a cost of Rs. 1.27 crores and revised in August 1963 to Rs. 1.30 lakhs. It provides for the installation of 8,000 lines of auto exchange in replacement of the existing 3,500 lines of worn-out equipment. The work on the project was commenced in December 1956 and the exchange was cut over in September 1961. The total number of connections given upto 30th September, 1963, is 1,640. Cable laying work and certain other minor items such as the installation of stand by engine alternator and time speaking clock are in progress.

Madras-Ernakulam coaxial cable scheme: The project envisages the laying of two tube coaxial cable in the Madras-Trichy-Colombatore-Ernakulam sections. Terminal equipment will be installed in Trichy and Coimbatore and dropping equipment in Villupuram en route. The estimated cost will be Rs. 2.77 crores, of which Rs. 79 lakhs has been budgeted for expenditure in 1964-65.

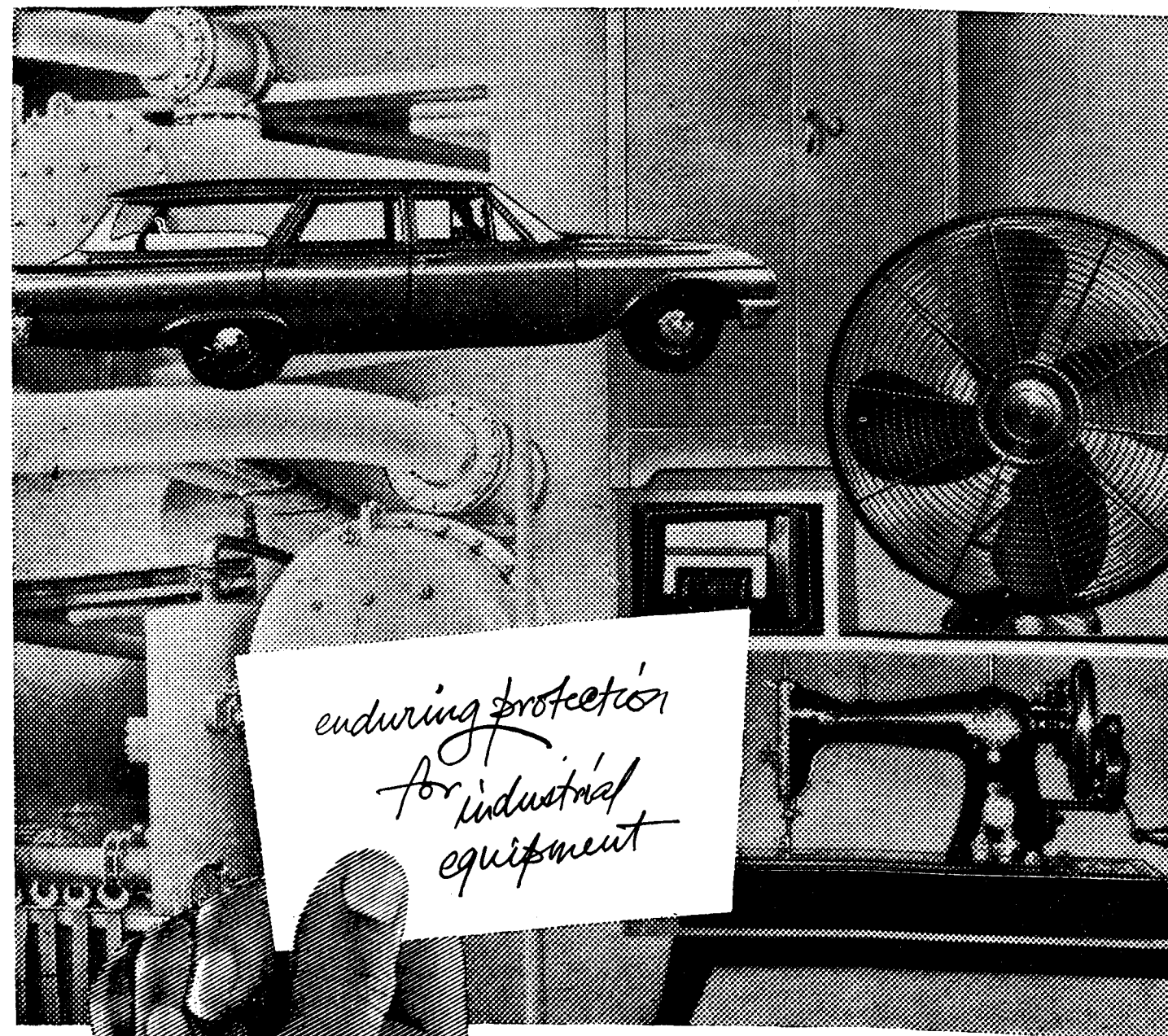
Coaxial Trunk Cables

Laying underground coaxial trunk cables between Delhi-Bombay-Calcutta: The project provides for the laying of coaxial trunk cables connecting Delhi, Bombay and Calcutta

and linking cities en route. The project was sanctioned in August 1956 at a total cost of Rs. 7.95 crores and aims at a quicker and more reliable telephone service between the cities served by this trunk cable. Work on all sections between Delhi and Asansol, including Kanpur and Varanasi, has already been completed and equipment commissioned into service. The work is in progress in the Agra-Ahmedabad section. The total cost of the project is now expected to be changed to Rs. 9.66 crores.

The expenditure on the project up to the end of 1963-64 is expected to be Rs. 7.97 crores and a provision of Rs. 94.7 lakhs has been made for 1964-65.

Delhi-Jullundur coaxial cable scheme: The project which will connect Delhi with Meerut, Muzaffarnagar, Ambala, Ludhiana and Jullundur will constitute a link between the existing Bombay-Delhi-coaxial project and microwave schemes for Ambala-Chandigarh-Simla which have also been sanctioned. The project has been sanctioned at an estimated cost of Rs. 2.01 crores. A sum of Rs. 10,000 is provided for 1963-64 as the project is expected to be taken up for execution. For 1964-65, a provision of Rs. 84 lakhs has been made.



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NAS-PS-948

SETTING NEW STANDARDS FOR STOCKBROKERS

(FROM OUR LONDON CORRESPONDENT)

STOCKBROKERS will in future have to serve a three year "apprenticeship" and pass a written examination before they are admitted to membership of a Stock Exchange: if draft proposals for the co-ordination of all British stock exchanges are accepted. The scheme is aimed at creating a Federation of Stock Exchanges and to apply common standards and rules all over the country. "One-man firms" are given five years to amalgamate or close down. The object of the examination will be to ensure that the candidate has a knowledge of stock exchange rules and procedure, company law, accountancy and taxation. Each candidate will also have to produce two sponsors, who must themselves be members of a federated exchange.

No one will be allowed to act as broker and jobber at the same time. Every member firm will have to submit an annual report by an accountant on its balance-sheet and to maintain at all times a free capital fund equal to £5,000 for each partner. Draft proposals for setting up the Federation and bringing the new rules into force, have now been sent to members of all British stock exchanges by a co-ordinating committee which has been at work for several years. Mr. R. F. M. Wilkinson, deputy chairman of the London Stock Exchange, anticipates that if all goes well, the Federated Stock Exchanges

of Great Britain might start life early in 1965.

It is an unanimous report, but the members of the committee have signed it in their personal capacities and not as representatives of their various bodies. Comments and criticisms are bound to pour in and amendments may still be made. But members of the committee said that they hoped to have the full draft prospectus ready by the end of June and to complete the remaining work by the end of the year so that the Federation could start early in 1965.

It has been no easy task to reach a workable compromise between the views of brokers and jobbers, large and small firms, London and provincial members. A good deal of doubt and suspicion has had to be overcome. Important personal interests are involved and the acceptance of the new standards is bound to create hardship. Much reorganisation is proposed for the smaller bodies. After five years each constituent exchange will be required to have at least 25 individual members, and after ten years 50 members. Candidates for membership will, in future, have to undergo a three-year period of training with a member firm and will then have to pass a written federal examination in such subjects as stock exchange rules and procedure, company law, accountancy and taxation.

There are to be common rules and requirements for the granting of

quotations. A central "new issues panel" will judge each application for quotation by the requirements now made in London. Only if the panel decides that these requirements have been met will any local council or committee be entitled to grant a quotation. Among other proposed changes, the Federation will require that no member may, without the consent of his committee, be engaged in any business other than that of broker or jobber "as a principal or employee." This does not apply to ordinary directorships. Firms at present carrying on an additional business must dispose of it within ten years. In the same period, the business of brokers and jobbers is to be separated so that no one will be allowed to act in a dual capacity.

Another reform is the creation of a large compensation fund and the linking of compensation resources of all the federated exchanges. Each exchange is to form a fund calculated on the basis of £200 for each member and this is expected to make rather more than £800,000 immediately available. If these funds should be exhausted by default, each federated exchange would be liable to contribute a further amount equal to £1,000 a member, which would provide an additional sum of over £4 million.

Satisfaction of claims from the public arising from default or negligence or improper acts of a member or firms will remain at the discretion of the Federal committee. However, the new arrangement will give much greater assurance to the investing public than the present separate compensation funds which add up to about £7,000. As a further assurance to the public, all member firms will be required to maintain insurance policies against forged transfers and frauds committed by employees.

Retail Price Maintenance

The Government is determined to go on with its proposals to legislate against retail price maintenance, despite the controversial nature of the measure and strong opposition from its own backbenchers. The Resale Prices Bill, just published, is intended to stop manufacturers and other suppliers from fixing minimum retail prices and from enforcing them by withholding supplies. The Bill does not affect the existing right of a supplier to maintain and enforce maximum prices, or to limit the distribution of his goods to selected retailers. The Bill will give the supplier a remedy against a retailer who offers "loss leaders"—goods at or below the price he paid for them—to lure customers into his shop.

The Restrictive Practices Court, to which three more judges may be appointed (with an extra judge to the Court of Session in Scotland), will have the power to exempt particular classes of goods. It will have to be satisfied that "the injury to the public inherent in maintained prices is outweighed, in the case of those goods, by other specified disadvantages"—"specified," that is, to the court and not in the text of the Bill.

Provisions relating to the court and to the appointment of more judges will operate from the date of the enactment of the Bill. The exemption provisions will apply one month

CAPITAL, 12th March, 1964.

later, and the general prohibitions in the Bill will apply "not earlier than" four months after enactment. The Board of Trade will fix the date. If the Bill were passed by the end of May, the court might start examining applications for exemption by October. Price fixing may continue until the court has decided an application.

Mr. Heath has not attempted to state in the Bill detailed criteria, on the French and Swedish patterns, by which a price arrangement may be held to be in the public interest, but has laid down three general tests by which the court may decide that the abandonment of a price arrangement would be to the detriment of the public as consumers or users of goods:

(1) The quality of varieties of goods for sale would be substantially reduced; or

(2) The number of retail shops would be substantially reduced; or

(3) Any necessary services provided with or after the sale of goods would be stopped or substantially reduced.

The court would have to be satisfied not only that one of these tests was passed by an applicant, but also that the maintenance of fixed prices would cause less harm to the public than its abolition in such a case.

In general, the Bill will make minimum price fixing a civil, not a criminal offence, and any part of a contract fixing minimum prices (but only that part of a contract) will become void. Anyone who suffers from a breach of the Bill's provisions, but not a third party, will have a remedy against a supplier for breach of statutory duty. The Crown will also have power to bring civil proceedings for an injunction or other appropriate relief.

"Loss leading" is to be stopped by a clause which permits a supplier to withhold goods from a dealer who has, in the past six months, been selling goods "otherwise than at seasonal or clearance sales," at or below the sum which he paid for those goods. The Bill does not define "seasonal or clearance sales."

Review of Decisions

The Bill provides for the review of decisions reached by the court—two years after the decision has been reached. The registrar of the court, or any supplier, may apply for a review. Suppliers will be allowed to recommend the prices at which their goods may be sold, and may issue price lists or advertisements giving their recommendations. Suppliers may not be withheld from a retailer who sells below the recommended price. The Bill makes no exemption for suppliers who have already submitted applications to the Restrictive Practices Court for authority to continue price fixing agreements and have already been allowed to do so. The Government assumes, however, that this court—like other courts—will take account of its own past decisions, and that, in the case of the book trade and the cigarette manufacturers, there should not be a long hearing before the court as a result of this Bill.

The Labour opposition has decided not to oppose the second reading of the Bill when it comes up. Although not satisfied with the measure, a majority of the Parliamentary party felt that it would be unwise to lay itself open to the charge of voting against a measure designed to benefit the consumer. Instead, on several major points the Opposition will seek amendments at the committee stage. Meantime, efforts continue to be made behind the scenes to overcome the objections of the dissenting Conservative backbenchers.

CAPITAL, 12th March, 1964.

Jute

NEED TO REDUCE THE MINIMUM PRICE OF FIBRE

MANY people in the trade and industry are worried over the hint reportedly given by the Jute Commissioner at his Press conference earlier this month that the Government might fix the floor price of raw jute at Rs. 30 a maund, basis Assam Bottoms, f.o.r., ready, Calcutta, for the 1964-65 season. The Jute Commissioner stated that the price which was fixed during the 1962-63 season was considered fair and would offer sufficient incentive to farmers to grow enough jute. Spokesmen of the industry have repeatedly drawn the Government's attention to the serious competition Indian gunnies are facing from Pakistani goods in overseas markets. Pakistani producers have three specific advantages: their fibre is of better quality, its price is lower, they enjoy an export subsidy. The Indian Government has recognised the basic soundness of the industry's arguments. Even the Shrivastava Committee admitted this fact reluctantly.

It is surprising that the Government has not realised that the floor price of Rs. 30 a maund, which might have been justifiable when hessian prices ruled around Rs. 49.60 a 100 Yards and B Twills around Rs. 115.50 a 100 bags, is no longer so. Now that the prices of these goods are hovering around Rs. 45.65 and Rs. 111.60, respectively, the price of fibre, which represents as much as 55 percent to 60 percent of the cost of production, should also be reduced. In order to cater to the fastidious demands of foreign consumers, mills have to use better-grade fibre which will cost them much more.

In view of the improvement in the quality of fibre, growers often get Rs. 36 to Rs. 48 a maund on a fairly substantial proportion of their output. It is felt that the floor price of fibre should be fixed on a more realistic basis from the 1964-65 season. The price should be related to the grades which are produced most in the country and not to the Bottom grade, which amounts to about 10 percent of the total output and is of little use to mills.

Expansion of Broad-loom Capacity

The most important single development in recent years is the phenomenal growth in the production of wide hessian cloth used in the manufacture of tufted carpets, says a note prepared by the Central Ministry of Industry. The note was placed before a meeting for the Informal Consultative Committee of Parliament last week by Mr. Nityanand Kanungo, Minister for Industry. In view of the steady rise in demand for wide hessian, particularly from the U.S.A., the note continues, the present production in India is almost double of what it was at this time last year. Such a rise in output has become possible due to the substantial expansion of broad-loom capacity. Against the end of June 1962, there are more than 2,600 looms at present, and most of them are working three shifts a day. Striking a note of caution, the note says that in addition to the established industries in Europe, Pakistan is coming up fast in this sphere. She will soon emerge as a serious competitor because of the availability of high-grade fibre at lower prices. Besides, the U.S.A. is carrying on vigorous research to find a suitable substitute for carpet-backing cloth.

Outlining the salient aspects of gunny exports during the past year,

the note says that in 1963 U.S. burlap consumption reached the highest level in three decades. Canada, Argentina, Chile, Australia, New Zealand, Belgium, West Germany, Denmark, Italy, the Netherlands, Sweden, Russia, Bulgaria, Czechoslovakia, the Philippines, Iraq and the Sudan imported more hessian from India. But the U.K., Hungary, Poland, Yugoslavia, Iran, Turkey and Egypt bought smaller quantities. In sacking, there was some increase in exports to Chile, the Dominican Republic, New Zealand, Britain, Italy, the Netherlands, Russia, Cambodia, Syria and Ghana. But the U.S.A., Cuba, Peru, Australia, Hungary, Poland, Rumania, Burma, Indonesia, Malaya, Thailand, Iraq, Turkey, Mali, Nigeria, Southern Rhodesia and Tanganyika took less of heavy goods. There was an appreciable increase in internal consumption; the total went up from 331,800 tonnes in 1961-62 to 371,000 tonnes in 1962-63. The note expresses the hope that by the end of the third plan period, internal consumption will be stepped up to 400,000 tonnes.

Mr. Kanungo revealed that the Government recently introduced a "self-

financing scheme" to accelerate the pace of modernisation and improve the competitive position of the industry. Under the scheme, jute mills can pay for imported machinery out of their export earnings within two years. The Government is also examining the question of allowing imports of 225,000 bales of long jute and 275,000 bales of jute cuttings from Pakistan to help the industry meet its requirements of such fibre during the next financial year.

Small Decline in Gunny Stocks

Mills reporting to the I.J.M.A. showed a small decline in their closing stocks of jute goods to 121,200 tonnes at the end of February, from 121,300 tonnes at the end of January. The decrease in sacking (by 2,000 tonnes to 46,500 tonnes) and in hessian (by 1,300 tonnes to 42,300 tonnes) was practically offset by the increase in miscellaneous goods (by 1,700 tonnes to 13,800 tonnes) and in carpet-backing cloth (by 1,500 tonnes to 18,600 tonnes). Circles close to shippers and mills say that there was a dislocation in gunny shipments due to the shortage of lighters. Besides,

draft restrictions prevented a large number of vessels from entering the jetties and also from taking a full load. As a result, there remained a heavy backlog of the previous month's shipments. At the end of February 1963, the mills had a closing stock of 82,200 tonnes, of which 44,000 tonnes were sacking, 24,400 tonnes hessian, 10,500 tonnes miscellaneous goods and 3,300 tonnes carpet-backing cloth.

Package Programme in Nadia

A package programme for stepping up jute production has been taken up in the Nadia district of West Bengal. There is a large concentration of East Pakistan refugees in this district. They are acquainted with the techniques of jute production. Two seed-multiplication farms, one in Krishnanagar and the other in Bhajanghat, are now working in the district, supplying improved types of jute seeds to farmers. Being a predominantly agricultural district, special steps have been taken by the authorities to ensure adequate irrigation facilities and supply improved seeds, chemical fertilisers and pesticides.

Last year, 112 deep tube-wells were sunk, bringing the total of such wells to 200. A scheme for sinking 200 more wells is soon to be implemented. As a result, 40,000 acres of land will be provided with irrigation facilities. Besides, 123 minor irrigation schemes, benefiting 9,000 acres of land, were executed during 1963-64 at a cost of Rs. 5,60,000. More than

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

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

Description	29th February, 1964		31st January, 1964		Increase over (+) or decrease over (-)		28th February, 1963	
	000 Metres (Lakh Yds.)	000 Tonnes (000 Tons)	000 Metres (Lakh Yds.)	000 Tonnes (000 Tons)	000 Metres (Lakh Yds.)	000 Tonnes (000 Tons)	000 Metres (Lakh Yds.)	000 Tonnes (000 Tons)
Hessian cloth and bag	13,46.29 (14.72)	42.3 (41.7)	14,16.89 (15.50)	43.6 (42.9)	-70.60 (-78)	-1.3 (-1.2)	8,08.87 (8.85)	24.4 (24.0)
Sacking cloth and bag	10,58.78 (11.58)	46.5 (45.7)	11,05.31 (12.09)	48.5 (47.7)	-46.55 (-51)	-2.0 (-2.0)	9,73.96 (10.65)	44.0 (43.3)
Carpet-backing	1,48.67 (1.53)	18.6 (18.3)	1,37.19 (1.50)	17.1 (16.8)	+11.48 (+13)	+1.5 (+1.5)	27.04 (27)	3.3 (3.3)
Others		13.8 (13.6)		12.1 (12.0)		+1.7 (+1.6)	10.5 (10.3)	
Grand Total (000 Tonnes/Tons)		1,21.2 (1,19.3)		1,21.3 (1,19.4)		-0.1 (-0.1)	82.2 (80.9)	

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

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JWT-BC, 1911

100 maunds of improved seeds were distributed, and 6,000 maunds were exchanged among progressive farmers during the previous season.

THE JUTE MARKETS

Manufactured Goods: Opening on a subdued note, the Calcutta gunny market picked up strength during the past week on reports of scattered hessian purchases by the U.S.A. and the Argentine. Brisk local covering in heavy goods, against the previous week's Government tender for ready and near positions, was another stimulant. But sentiment suffered a sharp setback on the publication of the I.J.M.A. gunny stock figures for February. Mills could not arrange for the clearance of all February-shipment cargo due to the shortage of lighters, and the chances of any improvement in the loading position were deemed remote. Draft restrictions prevented a large number of vessels from entering the berths and obliged most of them to take only a small load. Consignees were notified of these difficulties. Additional bearish factors were the limited activity in the New York bur-lap market (since most users and converters had adequate stocks for near-term requirements), and the reports of a decline in spot and float hessian prices from 11.55 cents to 11.50 cents a yard. On Tuesday, mills emerged as keen sellers for all positions and booked substantial business. The futures market moved in line with the general trend. Earlier in the week, vigorous bear

support helped prices firm up appreciably in sacking and to a smaller extent in hessian. But on Tuesday they slipped back—erasing a major portion of the week's gains—on persistent bull liquidation, combined with bear hammering. Turnover was fair and the undertone hesitant at the close.

Wednesday's quotations were as follows:

	Mar.	Apr.	July	Oct.
40in. 75oz.	34.75	34.35	34.35	34.25
40in. 80oz.	37.00	—	—	—
40in. 100oz.	45.70	46.10	46.15	46.05
E Twills	111.50	113.00	114.00	114.25
Corn sacks	116.00	115.75	116.00	116.25
Heavy Cees (Plain)	112.00	112.50	113.50	113.75
A Twills	136.00	135.00	135.50	136.50
Liverpool	127.75	127.75	127.75	127.75

Raw Jute: Steady conditions prevailed in the raw jute market during the past week, following scattered mill buying against the March purchase quota in the Calcutta and upcountry markets. In view of the shortage of better-grade fibre for which mills showed a particular preference, holders were reserved and obtained a higher price, helping the trend somewhat. A decline in arrivals in the agencies to around 40,000 maunds a day also helped sentiment. Holders of lower-grade jute and mesta were, however, nervous and were inclined to discount prices below the official floor levels. But mills declined to accept their offers. In the futures market, Upper Assam White Bottoms for March and June hardened on brisk covering by bears induced by the

forthcoming end-of-account adjustments against the former and the conversion of March contracts into June ones on payment of higher contango charges. Bulls continued to book profits and bears absorbed all offers at higher prices. A fair turnover was reported against both the contracts after wide fluctuations. The undertone was firm at the close.

Wednesday's quotations were as follows:

	Landed at Mills (Basis Bottoms)		T.S.D. Minimum Prices	
	Rs. A Ql.	Rs. A Md.	Rs. A Ql.	Rs. A Md.
Assam-Agartala				
Jute	81.72	30.50	80.38	30.66
Northern	80.38	30.00	79.04	29.50
Western Desal				
Jute	75.02	28.00	73.68	27.50
Selected				
Daissee	89.75	33.50	85.74	32.00
Assam-Agartala				
Tossa	85.74	32.00	83.03	31.07
Mesta:				
Assam-				
Northern	66.98	25.00	72.34	27.00
Local Daissee	66.98	25.00	72.34	27.00
Bihar Dist.	62.95	23.50	66.98	23.00

THE U.K. JUTE MARKETS

FIBRE PRICES FIRM

(FROM OUR DUNDEE CORRESPONDENT)

THE raw jute market was firmer in Pakistan last week and some sellers here raised their prices. Offers

CAPITAL, 12th March, 1964.

of white jute were not being quite so freely made as previously, but there were plenty of sellers of Tossa qualities. Although Continental spinners were buying fairly steadily, demand from Dundee was small and mainly for Outport Tossa-2/3.

The quantity of jute available ex warehouse Dundee is now small, and this will eventually bring out more buying interest for shipment parcels. Spinners are holding considerable stocks, but it is estimated that they will require to purchase at least another 150,000 bales from the present crop. Consumption of jute by Dundee mills is running at a high level and this is expected to continue for some time yet.

Offers were still irregular with the lowest rates at £148 for Mill Firsts, at £111 15s for Mill Lightnings, at £97 for Mill Hearts and at £82 10s for Grade Hearts, c.i.f. U.K., for March-April shipment. Grade Tossa-2/3 was named at £124 10s and Grade Tossa-4 at £108 5s. There were sellers of Outport Tossa-2/3 at £96 10s and of Outport Tossa-4 at £85 10s. Dacca Tossa-6 was at £110, March-April. Cuttings were scarce and prices were tending dearer. S.N.C. was at £61 10s and N.C. at £53. Mesta prices are firm at £85 15s for A, at £75 for B and at £70 for C, c.i.f. U.K., March-April. Little change took place in prices of Siam jute of late. Offers were not being freely made, but there were sellers at £84 for Super A, at £77 for grade A, at £69 for grade B and at £65 10s for grade C. delivered mill Dundee for March-April shipment. No buying interest was shown in this type of raw material by Dundee spinners as prices were considered too high.

THE PAKISTANI JUTE MARKETS

FIBRE ARRIVALS FALLING

(FROM OUR DACC A CORRESPONDENT)

ARRIVALS of loose jute are becoming smaller and smaller; perhaps not much is left with the growers now. What stocks are left, are with the middle men who have more holding power. It is reported that since rice is now very cheap growers are holding rice and selling jute. Despite this, however, arrivals are small, and loose jute prices have increased both in white and tossa. The quality, of course, as can be expected at this time of year, is poor.

In pucca bales, cuttings have maintained their high prices with a premium in the forward position due to a shortage of ready cuttings. Enquiries continue to come in from overseas, but prices have not risen further locally.

E.P.C. minima for all grades of mesta were raised at the end of last month and there are reports that those for cuttings may be raised again and that even those for Export Hearts may be raised because of the Jute Marketing Corporation's sales. The Corporation is reported to have sold cuttings at the big shippers' minima and is now offering £1 above. It has sold Export Hearts at the big shippers' minima and is now offering old crop Export Hearts at the small shippers' minima.

From overseas, reports indicate an inactive market or occasionally a steady undertone, but there is never an admission that buyers will pay higher prices. In fact, in view of the great variety of standards being kept by different balers, it is difficult to give an accurate assessment of the overseas market. Nevertheless, regular buying continues.

The biggest problem of this season continues to be shipping. Chittagong is congested due to excessive imports

CAPITAL, 12th March, 1964.

SOLVING U.K. HOUSING PROBLEM WITH FACTORY-MADE HOMES

By Hubert E. Wouters

HOUSING is a universal need, and the problem is not confined to any particular country. Populations everywhere are showing a tendency to increase and naturally must be housed. Traditional building methods have failed to keep pace with the demand, and in an effort to meet the shortfall by cutting down construction (and ultimately, it is hoped, the cost) industrialised building—prefabrication, in fact—is being more widely adopted. As far as Britain is concerned a great task lies before the construction industry—to provide the people with the buildings they need as quickly and economically as possible. Productivity must be increased in every branch from designers to the labourer on the site.

Looking at the problem recently, Mr. Geoffrey Rippon, U.K. Minister of Public Buildings and Works, divided it into four key needs. First, to try to get a reasonably steady demand for building; to even out some of the peaks and the troughs. To do this one must look as far ahead as one can, and try to organise the U.K.'s building requirements so that all concerned can see the task which they have to do well ahead. Secondly, to improve the country's technology. This is where industrialisation comes in. Thirdly, to get the relationship within the industry right so that the users of buildings, the designers and the contracting side of the industry, come together to tackle their problems jointly. Fourthly, to think clearly about research and the way in which information is disseminated and used, and the pattern of recruitment and training in the industry.

What does the "industrialisation" of building mean? It implies the application of more machinery to the process of building. It means making more horse-power available a man. The machinery may be used in factories, in temporary workshops near building sites, or in the erection process itself. Industrialisation does not mean standard buildings. What it does mean is that more of the parts of a building will be in their final form when they are erected; that more of them will be joined together by dry methods instead of with mortar and grout; that building will be more a process of assembly than of construction.

Rapid Building Methods

The U.K. Government is encouraging smaller local authorities to band together to place big, joint housing orders to be built by the prefabrication system. A director-general of research and development has recently been appointed in the Ministry of Public Buildings and Works with the special job of co-ordinating the development of new and rapid building methods. Mass-production, factory methods are beginning to be applied to building in Britain in several different ways. In some cases, part of the process is speeded up by taking factory equipment to the site itself. Concrete is poured into heated moulds on the site to form the crosswalls and ceilings of several rooms at a time. The concrete sets in a quarter of the usual time. Outside walls are of panels previously made in the main factory.

At present, about 5 percent of all building in Britain—including factories and schools—is carried out by non-traditional methods. The U.K. Minister of Housing stressed recently that there is no likelihood of this system of building ousting traditional

methods. But if the new techniques are developed as fast as the Government clearly hopes, they will raise problems for both small builders and building workers in general. Housing constructed from factory-built kit systems has to be planned beforehand to the last detail. Ceiling and window heights must be standardised before the moulds for wall sections are made. Ducts for plumbing, wiring and sometimes heating may have to be included in the prefabricated section.

At present, a kit of different parts is usually constructed specially for each large order. But eventually, it may be worth a big manufacturer's while to mass-produce a variety of parts in standard measurements, from which customers can choose and which they can combine to suit their own design. To encourage this, a Government working party is now busy on a programme of "dimensional co-ordination"—working out suggested standard measurements for building components. Although sections may be standardised, the design of homes that can be produced from kit systems is flexible. Because the weight is often carried on the internal cross-walls of the building, the outside walls are simply panels, which can be made of variety of materials—glass, wood, tiles, plastics.

New Plan for Building Industry

The Director-General of Research and Development at the Ministry of Works, Sir Donald Gibson, lost no time in drawing up a plan for radical changes in the organisation and methods of the building industry to speed up economies in Britain's housing programme. His first step was to send to Mr. Geoffrey Rippon, the Minister, a seven-point "charter" outlining the research projects and ideas he wished to examine. With the "charter" went a request for financial aid in assembling a team of architects, economists, efficiency experts, and engineers to staff a new department. Sir Donald said: "Once the team is appointed I feel that we can start to make some impression on the problems of the building industry within weeks."

Britain has taken a long time to rationalise house-building. She still builds them by some of the most diehard, outworn preposterous processes ever evolved. The most advanced of the Continental prefabricated housing systems are probably those operating in Sweden, which mainly derive from the Sundh system, whereby a crane hoists factory-made parts into position. Now the Alibetong system seems a favourite, a system which sharply reduces the labour force.

Under this system buildings containing 100 apartments are finished in nine months after the construction of the basement and by a total labour force of 75 men. More advanced is the Skarne system—a method of using heavy prefabricated elements of room size. The slabs are joined over the bearing walls and the joints are, therefore, invisible. All the concrete elements are produced in a field factory on the building site and all necessary ducts and electrical equipment are cast in. Everything except the foundation is generally prefabricated, but in a few places, the basement has been constructed in situ. Another method of using precast elements for building large blocks of flats is represented by the Goteborgsbostader sys-

tem. The basement is constructed in situ, but the superstructure is entirely precast.

When building small houses two methods using normal concrete or lightweight concrete may be mentioned, the "Corpus" system and the Erbest system. A Corpus house consists of a number of closed boxes, the interior of which are ready-made rooms, painted, glazed and with floor and wall covering complete. The kitchen and bathroom are ready for use at once. A house of 100 square meter is built in three days. On the first day, the boxes are assembled on the pre-constructed foundation. Adjustments are made by screws fastened in the concrete. Protruding water and heating pipes are welded together, the ready-made outside roof and the roof insulation are placed, joints are filled, and all covering made. The weight of the parts is up to 13 tons and a special crane truck is used. The selling price of this house is rather low considering the quality. The Erbest is a small-element system assembled on the building site. In the Erbest system the outside concrete walls, the concrete slabs, and the roof are built first. This assembly takes three men two or three days.

Although various attempts have been made in Britain to evolve new forms of factory-made small houses she does not seem to have achieved anything as advanced as the Camus system developed in France. The Reema system of housing from the factory has been used successfully on a variety of projects throughout Britain. Basically, the system consists of precast storey-height hollow concrete wall panels, which are delivered from the factory and erected on a prepared foundation. The recesses in the solid edges of the hollow panels from the shuttering for an "in situ" reinforced concrete "frame" which ties the whole building together and provides the waterproofing at the joints. As the emphasis both in manufacture and assembly on site is on simplicity, and repetition of straightforward operations, the requirements for craftsmen and skilled supervisors are much reduced compared with traditional building. With the high proportion of work done in the factories, and the quick erection and weatherproofing of the buildings, delays from inclement weather are greatly reduced.

Reema factories have varied from open-air casting yards with cover for the curing of the units only, to more highly mechanised and permanent manufacturing centres which can turn out 1,000-2,000 house units a year. The capital outlay for a simple Reema installation would be of the order of £150,000, including transport vehicles and erection plant, for 500 house-units a year. Factories abroad have been demountable, so that after year's casting they can be removed to another contract.

A Rationalised Approach

The Reema system, however, is more a rationalised approach to multi-storey construction, with an emphasis on precast concrete wall panels, than a plan for mass-production of all the elements needed. So, too, with the Bison Wall Frame system and Taylor Woodrow's Anglian system. The latter is to be employed for the London County Council's £2 million contract for Britain's first complete factory-made estates. Blocks of flats to be erected in Woolwich will arrive at the

site in room-size units complete with doors and windows and ready for immediate assembly. They will be made at the Norwich works of Taylor Woodrow-Anglian, an associate company of Taylor Woodrow. For the Woolwich contract production is to be geared to a rate of two dwellings a day, but to meet a big demand which is expected to follow a successful completion of the scheme, the works are being extended to cope with an output of six flats a day.

In the immediate post-war years, prefabs did provide basic dwelling for thousands of homeless families. The builders were well on the way to evolving a brand new machine-made house. Then, thanks to criticism by well-meaning social workers, these methods were abandoned in favour of a return to slower traditional methods and more permanent houses. A pity. By now Britain might well have been leading the world and sending highly civilised prefabs to Siberia, India and South America. In a world where population growth seems unstoppable (outside Europe), this could be one of the greatest and most valuable export markets of all time.

Factory production methods new in Britain are now in full swing in Heywood, Lancashire, in the construction of four 13-storey blocks of flats for Manchester overspill population. John Laing and Son, the builders, are making the first use in Britain of the Sectra system developed by a French engineer, one of the five they employ. The other four are Jespersen, Easton, Laingwall and Laingspan, each intended for the construction, by "factory-made" units of different types of structure.

The Heywood Scheme

The Heywood scheme, one of the first major efforts to show what can be achieved by the new ideas, already promises impressive results in fast construction. The builders say that work will be completed in about half the time taken by traditional building. Another advantage in an industry with a limited labour force is that the labour employed is less than half the normal number. Instead of the usual timber moulds, steel moulds are in use in Heywood. These, cleaned and oil-polished after each concreting operation, ensure accuracy, and the concrete is so smooth that walls and ceilings are not plastered and need only wallpaper or paint.

"Tracoba" is an industrialised system developed in France and first used in 1959. It is based on the use of a site factory in which the large precast concrete elements are manufactured without transport restrictions and with only limited capital outlay, largely offset by saving in transport costs. The structure consists essentially of internal load-bearing walls, arranged to give adequate transverse and longitudinal stiffness, which support the floor units. External walls are generally non-load-bearing and are hung from the cross walls. They may project or may be set back relative to the general building face to provide loggias or balconies.

The load-bearing walls are of solid reinforced concrete. The floors are either solid or may incorporate lightweight blocks. They are supported at the cross walls by projecting spurs, leaving freedom in between for the easy construction of the in situ connection between the wall and the floor units. In this way, continuity is effected and an uninterrupted passage is ensured for the transfer of vertical loads from the upper to the lower wall elements. This allows the safe construction of tall blocks, at the same time ensuring very substantial strength to resist horizontal forces on



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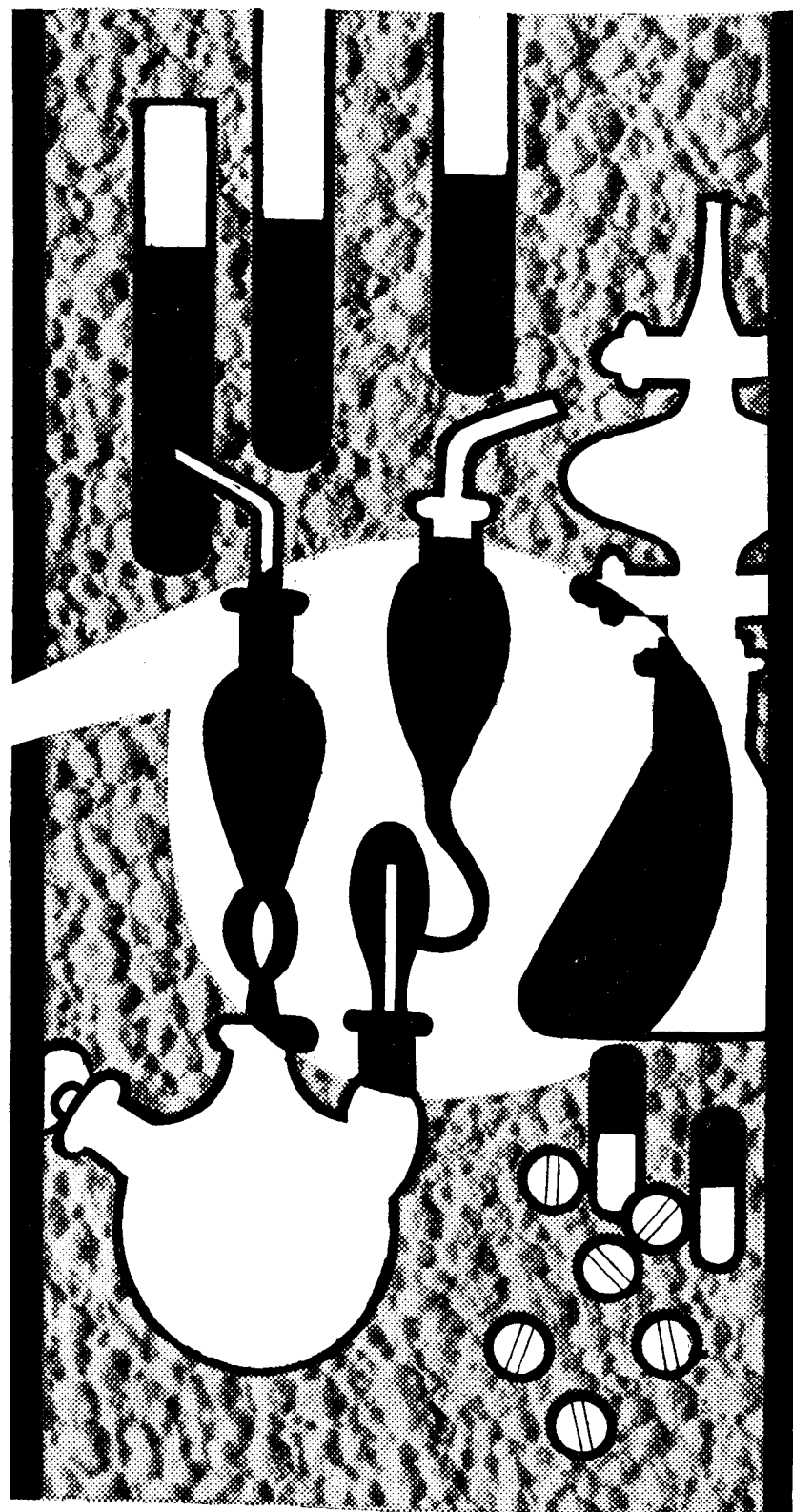
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The Truscon prefabricated system is designed for flats or maisonettes; lift wells, staircases and cantilevered access balconies are provided as structural precast concrete units. Varied elevational treatment can be achieved by using cladding panels of timber, fibre-glass or precast concrete on the boxes forming the external walls. The gable have an outer skin of precast concrete exposed aggregate panels which can be varied in colour and texture. The prefabricated structural boxes are transported to the site, lifted by crane onto the prepared foundations and grouted together. The services are connected floor by floor and the final finishes are applied. This process can be repeated for buildings up to 20 storeys in height. The amount of site work is basically: (1) preparation of foundations, drainage and services; (2) erection of the prefabricated structural boxes; (3) application of the final finishes; (4) landscaping the site. By using the Truscon prefabricated housing system it is possible to erect and to complete a block of 16 three-bedroom maisonettes four storeys high in approximately three weeks.

Plastics in House-building

It certainly looks as though the house of the future is going to be factory-built. So far the basic material of construction employed in the various systems is concrete. There are, however, other competitors in the field. Some of the ways in which plastics could revolutionise the building industry are on show in an experimental "Plastics Development House" at Welwyn Garden City. In all it contains about three tons of plastics, 60 times as much as in a typical modern house.

It has been built by the Plastics Division of I.C.I. partly as an exhibition and partly as a place to test new materials in real working conditions. Some of the components are already in use in the building industry, others are still at the prototype stage. At present the house is unoccupied, but later it may be lent to company employees with families to see how the various new materials stand up to the wear and tear of ordinary life.

The most advanced part of the house is the virtually all-plastic bathroom, which was built in the Plastics Division's development workshops, wheeled over to the house, and installed as a unit. Only the hot and cold water supplies, the soil pipes and the electricity had to be connected. All the plumbing in the house, inclu-

ding the hot water system and the tank, is plastic. There is even an experimental plastic hot water cylinder with an immersion heater.

Steel House

In the grounds of Sketty Hall, Swansea, the headquarters of the British Iron and Steel Research Association, stands a small, two-storey, steel structure which may mark a revolution in building techniques in this country. It was designed and produced by G. M. E. Cooke, of the mechanical working division at Sketty Hall, embodying many ideas which are fairly straightforward: but whereas most conventional forms of construction employ a framework which supports the floors and the wall which supports the frame-cladding, in this building the framework and the wall cladding are one.

The load-bearing qualities of steel—in this case sheet steel panels—are fully used. There are two basic steel elements—the panel and the connector piece. The panel consists of a tor piece. The panel consists of a box section of thin gauge with facing sheets riveted to it, with the space enclosed filled with rigid polyurethane foam. The connector piece has tubular prongs which clamp the panels together. Using this method, the factory-made elements, compact and light, are easily transportable and, it is claimed, capable of being assembled rapidly by unskilled labour, without the assistance of tower cranes and other heavy handling equipment. Magnets have been suggested as tools for lifting and positioning the panels.

The steel "sandwich," with its foam filling, is well insulated against heat loss, and its absorption of water is negligible. It has been calculated that the thermal insulation properties of an 11-inch cavity brick wall can be matched by those of a steel-foam panel only half an inch thick. The panel, however, requires modification if a high degree of sound deadening is wanted. When used in party walls it might have to have something heavier than foam inside, perhaps bringing the weight up to 90 lb a square foot. The B.I.S.R.A. is studying the employment of a thin sheet of lead suspended in the foam, giving the panel equivalent sound

insulation at one-third of the weight of traditional methods.

Fire resistance might be maintained either by adding a substance to the foam or by spraying one of the inside faces of the panel with asbestos before the foam is inserted. Distortions of the panel when in position are accommodated by flexible rubber seals which also safeguard unprotected surfaces of the steel from corrosion. The steel plates themselves are coated with a bonded plastic.

What of the future? It seems fairly clear that future building systems will be based almost entirely upon mass production in the factory. The building industry must move with the times, as other industries are doing. It is not only a question of the present shortage of housing in all countries, but also the fact that the population of the world will grow from 3,000 million to 7,000 million or more during the next 50 years, unless something untoward happens. But if Britain does not solve the housing problem (and of course provide enough food), nothing can prevent a disaster.



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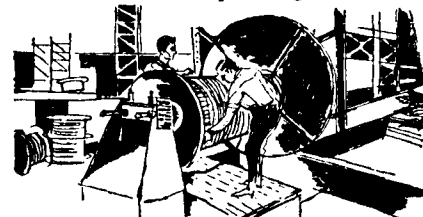
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Commodity Markets

NEW SUGAR MARKETING BOARD PROPOSED

(BY A SPECIAL CORRESPONDENT)

REPORTS are now current that the Central Government is considering a proposal to set up a Marketing Board for Sugar. Two advantages have been claimed for the latter, namely, stability in sugar prices in the interest of the consumer and protection to weaker units in the industry. But, it appears, the first advantage claimed is imaginary, since what the Marketing Board can at best do is to fix the ex-factory price of sugar. But this alone cannot ensure a fair and stable price to the consumer, since the price will continue to be determined by the forces of supply and demand at various consuming centres.

It will be pertinent to recall here the experience of sugar controls which are now in force. The factories are required to sell their entire output at fixed control rates to registered dealers against Government allotment orders. The distribution aspect is the responsibility of the State Governments who have taken various measures for the purpose. Some have introduced rationing, while others have resorted to distribution through fair price shops. This regulation of the ex-factory price and the distribution of sugar through State agencies, which is more or less the pattern which the Marketing Board is likely to adopt, has not checked the rise in prices at consuming centres and shortages are not an uncommon feature. So consumers not only face difficulties in procuring adequate quantities of sugar, but have also to pay much higher prices than those warranted by the ex-factory control rates fixed by the Government. If the present control measures introduced by the Government of India and State Governments have not been able to keep the prices in check, it is difficult to understand how the mere creation of a Marketing Board will improve the situation.

Removing Shortages

Except following the existing pattern of distribution, what other measures can the Board possibly take? It is unlikely to undertake the responsibility of retailing sugar throughout the country. This is neither practicable nor does it seem to be the intention of the authorities. Even the large-scale rationing of sugar introduced during the second World War period could not prevent prices from rising. It is common knowledge that consumers were compelled to pay much higher prices in the open market for meeting their requirements. The setting up of the Marketing Board by itself will not, therefore, remove the shortages such as the ones now being experienced.

Admittedly, the long-term stability in prices can be achieved only through the steadily rising production of sugar. The mere creation of a Marketing Board cannot achieve this basic objective. On the contrary, it is feared that it will retard production, leading to perpetual shortages and higher prices to consumers. So the very objective for which the Board is being created will be defeated. The Board will merely concentrate on the distribution of available supplies, while the production of sugar will suffer.

It is feared that the cost of sugar to the consumer is likely to go up in various ways. In the first place, the Marketing Board is bound to impose a heavy administrative charge

which will mean a permanent load on consumers. Secondly, the creation of a Marketing Board will perpetuate inefficiency in the industry, so consumers will suffer in the long run. The Board will destroy the initiative of producers to improve either efficiency or the quality of sugar.

Protecting Weaker Units

The second advantage claimed, namely, protection to weaker units in the industry, also appears to be illusory. Even when the Government exercised complete control over the industry, it failed to give any protection to weaker units. It has been the experience of the industry that during the period of control, uneconomic rates were fixed, regardless of the actual cost and its adverse effect on production. If the past is any guide to the future Government policy, it is clear that in the matter of price, the industry can never hope to get a fair deal at the hands of the authorities. With the creation of a Marketing Board, it is feared, the industry will be destined to bear an uneconomic price structure permanently. The hope that

the Marketing Board will protect the small and weaker units is thus rather far-fetched.

Furthermore, due to the imposition of an uneconomic price structure, the industry's interest are likely to suffer in other directions as well. For instance, producers of quality sugar will be adversely affected. So the quality will deteriorate in the long run. The main inducement to produce high quality sugar is the premium it commands in the open market. This enables the factories to install costly plant and machinery required for its production. If the premium is reduced in an arbitrary manner, as has been done during control periods, manufacturers will not find it economical to produce quality sugar. Furthermore, freight advantage enjoyed at present by certain factories will disappear. This is hardly fair, since in a free economy the advantage of location is an important factor. In some cases, the disappearance of the freight advantage will cause severe dislocation to the economy of the factories concerned.

The scheme for a Sugar Marketing Board is thus not desirable, especially because the Government can readily bring about stability in the prices by regulating releases. The same means can be profitably employed to protect the interests of the consumer as well.

Rising Demand

Another serious disadvantage from the creation of a Marketing Board

will be that it will sap the initiative in the industry for expansion and extension. This will hamper production in future years. The demand for sugar is continuously rising. According to the Planning Commission, it is expected to reach 3 million tons by the end of the third plan period. This steady increase is likely to continue over future plan periods. Moreover, India needs to export sugar with a view to earning the much-needed foreign exchange. The country has, therefore, to keep these aspects in view while considering the proposed Marketing Board. What is needed in the present context of the Indian economy is a continuous flow of capital into the industry to ensure a rising trend of production. Any step which will sap initiative to expand will cause a serious damage not only to the industry but also to the Indian economy at large.

The sugar delegation, which visited Australia and Indonesia in 1955, opposed the setting up of a central marketing organisation in its report, since it will lead to a setback to all expansion programmes of the industry. This holds good for the present also. The vast expansion programme undertaken by the industry requires ever increasing new investments. As the whole economy is now being geared up on an emergency basis and production in all sectors is being increased, no step should be taken which may affect production. In the context of this need to increase production it will not be

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advisable, to quote the words of the said delegation, to "produce rather incongruous results if the second largest industry in the country is selected for control measures which cannot be properly co-ordinated with changing conditions in the rest

of the economy". It is hoped that the Government will avoid any hasty decision on the creation of a Marketing Board for Sugar, since it will seriously undermine the interests of the industry, cane-growers and consumers.

NO FISCAL INCENTIVE TO PRODUCE QUALITY TEA

(BY A SPECIAL CORRESPONDENT.)

AT the annual meeting of the Indian Tea Association last week in Calcutta, Mr S. P. Sinha explained some of the industry's difficulties. He said the plainer types of tea found it difficult to obtain buyers in the world market in competition with Ceylon, East Africa and other countries. High quality teas still enjoyed a premium in the world market, and buyers looked to India to produce them. He suggested that there should be incentives to produce more and expressed his disappointment at the Central Budget which, he feared, was unlikely to assist the industry in expanding its production

and exports to the degree expected by the planners in Delhi.

With reference to the five year plans and the need to earn more foreign exchange, emphasis had been put more and more on the expansion of production and exports. India remains the greatest producer and exporter of tea in the world. "It would be wrong to imagine that we are in any way a back number in the export trade and with an earning of about Rs. 130 crores a year, we vie with jute in bringing in more foreign exchange than any other industry. Of great importance is the

fact that we also require a very much smaller proportion of import of foreign goods to keep our manufacture going than is the case, with other comparable export industries. But although our exports are steady and even increasing, we are not maintaining our percentage share of the world market and other producing countries, many of them new entrants, are adding more and more to the world's total supply of tea."

The industry faces difficulties in the way of obtaining food and other supplies for tea estates and other workers and he pleaded for their incentives to production. He said: "We were grateful for what we hoped was a final relief from export duty last year, but we regret that the already heavy burden of excise has been further increased to make up the Government's loss of revenue and that the previous practice of allowing some rebate of excise when tea is exported has been stopped. From no other commodity has this privilege been withdrawn, nor does the current Budget indicate any relief in this direction".

To increase the production of quality teas it is essential to encourage

CAPITAL, 12th March, 1964.

the producer to expand on virgin soil with modern methods of propagation and the best stock which scientists and planters can provide. Equally good results will not result from replanting old areas. "We hope that one day, the Government will allow the cost of planting tea as a revenue charge. We are disappointed that such a concession was not announced in the recent Budget. We trust that the Union Government may yet make this change by a notification or departmental instruction. If production is to be increased during the fourth plan an early decision on this matter is essential. At present, we are neither allowed any depreciation on our tea bushes nor are we allowed to deduct the cost of planting them against anything for taxed profits."

Expansion in former days was almost entirely financed out of ploughed back profits earned by the company itself. Now taxation as well as housing and labour costs are so heavy that the surplus was not there with which to provide the funds for expansion. Some easing of the industry's burdens would go a long way to promote expansion both in production and exports. It was difficult to determine what effect the new Budget was likely to have on the industry as a result of the rather complicated changes in the company tax structure. But at first sight, considering that the aggregate of income tax and super tax for non-resident companies had been increased from 63 percent to 65 percent and that they were not entitled to the 20 percent rebate on surtax, it seemed apparent that for sterling companies at least, no relief from the tax burden was to be granted. For the resident companies also, such reliefs as were indicated in the Finance Bill would be offset by the proposed 7½ percent tax on dividends distributed. The Budget was, therefore, unlikely to assist the industry in expanding its production and exports to the degree expected.

Much could be done by way of rationalisation of taxation. "As our agricultural income tax is assessed on the basis of the Central Government's assessment of company income it would be reasonable for agricultural income tax to be limited to the same rate as that of the Central tax. Duties such as the entry tax on tea brought to Calcutta for sale could well be abolished and the States in return allowed a grant from the Centre in proportion to the excise on the tea grown within their boundaries."

The Chairman drew attention to the need to expand the buyers market for Indian tea and stressed that a great opportunity to secure substantial business with the European Common Market was available. He also urged the Government to realise the importance of India's internal market. This could act as a buffer to cover production as well as an insurance against falling demand elsewhere.

From 1st July to 15th February, exports from north India were given as: 200,868 million lbs in 1963-64, compared with 210 million lbs in 1962-63 and 200,719 million lbs in 1961-62.

Shipments to the U.S.A. were 12,842,000 lbs in the current season, compared with 13,160,000 lbs a year ago and 10,663,000 lbs in 1961-62.

So over the three-year period, north India records a gain in this most valuable market.

Total despatches through Calcutta port were 306,054 million lbs, against 318,983 last season and 312,623 in 1961-62.

CAPITAL, 12th March, 1964.

Books

A CRITIQUE OF ECONOMIC PLANNING

Indian Planning and Economic Development. By B. R. Shenoy. (Published by Asia Publishing House. Price Rs. 15, pages 152.)

The book presents a frank and outspoken criticism of the five year plans and the policy adopted by the Government to build a socialist economy in India. According to Professor Shenoy, planning has been defective right from the beginning in as much as it lays disproportionate emphasis on heavy and basic industries and neglects agriculture and light and consumer goods industries. Uneconomic manufacturing units have been given liberal assistance to grow up, whereas impediments have been placed on established industries like cotton textiles to modernise and expand. The result, as expected, is a slow rate of growth, widening foreign exchange crisis and lower employment potential, not to speak of the threatening inflationary crisis which constantly tends to eat up the fruits of all efforts for development. The correct emphasis should have been placed on agriculture and the light and consumer goods industries to obtain a higher rate of output, stable prices and greater volume of employment.

The author directs his attack at the Government's policy of maintaining the foreign exchange value of the rupee at the present artificial level. The rupee should have been devalued at its purchasing power parity and the country's economy allowed to adjust itself to a realistic cost-price structure. This would have saved the economy of the heavy expenditure connected with the maintenance of a complicated bureaucratic machinery for controlling imports and subsidising exports. The present system, he alleges, has promoted corruption, nepotism and blackmarketing of import licences. Next the author turns his attention to foreign aid. It is dangerous to depend too much on aid from foreign countries as foreign loans with interest have to be ultimately paid for by increased exports. Aids from abroad have unfortunately been concentrated on heavy industries and big projects. The import of food under P.L. 480 has tended to make the policy-makers complacent enough to ignore the prior necessity of self-sufficiency in agriculture. Professor Shenoy is correct in saying that socialism in this country is in fact shaping as "statism". Private initiative is hampered in many ways which can only result in lower output. Inefficient organisation and slow rate of economic progress. Many may not approve of the way in which the author has launched his uncompromising attack. In the context of the Chinese invasion and the strategic need to develop India's defence potential, some of his arguments may require modification, but his reasoning is basically sound.

CORPORATE FINANCE

Corporate Finance 1955-61. By V. G. Kulkarni. (Published by Popular Prakashan, Bombay. Pages 210, price Rs. 20.)

This is a financial study of India's industrial economy which incorporates 18 industries and no less than 377 joint-stock companies. The progress made by them during the first two five year plans and the prospects on the basis of their performance in the final year of the second plan have been systematically presented by the author. On the whole, industries in

the private sector have done well, although established industries like cotton textiles, jute and sugar have suffered a setback in relative terms. Selected consumer goods industries have shown an overall decline and some of the newly developed units for the manufacture of paper, chemicals and allied products have shown disappointing results.

During the first five year plan period, the pace of industrial progress was admittedly slow as the plan gave more attention to the utilisation of existing capacity. The second plan gave emphasis on industrial expansion and impetus was given to new industries destined to produce capital goods and producers' goods rather than consumers' articles. The third plan with its added emphasis on machine building has carried the process still further. The author, however, feels that the targets set for the third plan are too high when compared with the output of a vast number of industries at the end of the second plan. As many as 12 industries will have to show a more than 200-percent increase if the scheduled targets are to be achieved. The possibility is, of course, remote. The book provides an admirable collection of useful data like the trend in gross sale, growth in net profit, working expenses, etcetera, in order of individual industries.

FOREIGN TRADE

India's Foreign Trade. By Dr. S. K. Verghese. (Published by Allied Publishers. Pages 328, price Rs. 15.)

This is a welcome addition to the literature on India's foreign trade. It analyses the practical aspects of the country's international trade that is increasingly gaining in importance. The author lucidly explains the organisation of imports and exports, the parts played by managing agents and banks in financing transactions and the overall control exercised by the Government through the Reserve Bank in terms of the Exchange Control Act, 1947.

One of the interesting points which the author has stressed is the growing participation by Indian concerns in foreign trade. Approximately 70 percent of imports are handled by firms of Indian origin, whereas the share of non-Indian firms in exports declined from nearly 40 percent in 1951 to 29 percent in 1958. Established British managing agency houses with their long experience and valuable contacts have still considerable influence on production and export of tea and jute manufacturers, and in spite of adverse criticisms made against them, the Export Promotion Committee in 1957 cautioned the Government against interfering with the established trade channels.

Since tea and jute are India's main foreign exchange earners, the author has devoted a chapter to each of them. The financing of these two commodities from the very early stage of production to their final export to foreign countries has been related with admirable precision. The difficulties of expanding Calcutta tea auctions and the relative advantages of the traditional auction centre in London have been discussed. The author feels that undue reliance on a single market for important items of India's exports should be discouraged and

diversification of the export trade by developing direct commercial relations with other countries is necessary in the general interest of the country's economy.

TEXTILE INDUSTRY

Asian Textile Annual, 1963. Edited by Kayser Sung and Daniel Wolfstone. (Published by the Far Eastern Economic Review Ltd, 411-414A Marina House, Hongkong. Pages 184.)

The publication is divided into four parts. There is an introduction by Mr. Dick Wilson, editor of the *Far Eastern Economic Review*, commenting on some of the highlights of the Asian textile industry in 1962-63, particularly the implementation of the Geneva agreement and its effects on the world textile trade. The second section contains a survey of Asian textile exports to North America, Britain, the E.E.C. countries, Australia and Russia, contributed by Messrs Richard Lawrence, Kayser Sung, Malcolm Subhan, John Jackson and Michael Connock. The policies of these countries towards low-cost imports from Asia are discussed in these chapters. The third section contains a review of the raw material and machinery supplies for the Asian textile industry, the cotton market, man-made fibres, wool and textile machinery. The fourth and final section is the longest: a series of detailed reports from expert correspondents on the latest position of the textile industry and trade in the 20 countries of south and east Asia.

While Japan, India, China and Hongkong naturally dominate the book in terms of space, there is adequate and up-to-date information on every country of Asia, however small. Even Nepal and Malaya are fully treated. The book maintains the high quality of the *Far Eastern Economic Review* and presents an up-to-date and balanced picture of the Asian textile industry.

ANNUAL NUMBERS

Eastern Economist, Annual Number 1964. Edited by V. Balasubramanian. (Published by the Eastern Economist Ltd, United Commercial Bank Building, Parliament Street, New Delhi. Price Rs. 10, pages 1270-1532.)

The latest annual number of the *Eastern Economist* has chosen "The Battle of Industrial Production" as its theme. The choice is particularly happy because under the existing state of emergency, India is faced with the problems of defence and development which have made it imperative to build up her industrial base as fast as possible. The slowing down of industrial expansion is causing much concern to both planners and policy-makers, and even Mr. T. T. Krishnamachari, Central Finance Minister, said the other day that the economy would not achieve the take-off stage before 1970-71. Due to the shortages of power, raw materials, spares and components, foreign exchange, and a back-breaking burden of taxation, India's industrialists have been unable to maintain the tempo of industrial expansion, while the Government has urged them, in and out of season, to increase production all round. To crown all, the Leftist elements in the Congress Party have now raised the cry of democratic socialism which, inevitably, poses a threat to the private sector.

This is the background of the annual number, and some of these problems have been adequately dealt with in the first leading article. The annual has discussed the problems of almost all important industries, such as cotton textile, cement, jute, steel, aluminium, industrial machinery and machine tools and has given statistical data on their production,

demand, exports, etcetera. Some general articles have been included in the section entitled "India and the World". There is a thought-provoking article on development planning in underdeveloped countries where its author, Mr. Vinay P. Bhende, makes use of the linear programming technique and suggests how the rate of growth can be quickened.

The Economic Weekly Annual Number. Edited by Sachin Chaudhuri. (Published by Asian New Age Publishers Private Ltd, 65 Apollo Street, Bombay 1. Price Rs. 3, pages 370.)

The annual numbers of the *Economic Weekly* have, over the years, acquired a reputation for quality. The latest annual maintains the high standard of its predecessors. It contains a number of articles, some by well-known writers, on contemporary economic and political problems. Special mention may be made of the article on the Chinese economy by Joan Robinson and on public sector projects by H. K. Paranjape. Mrs. Robinson discusses the various changes that have come over China and devotes considerable attention to agricultural communes, which, she says, represent the most interesting of all the economic experiments being carried out in that country. The annual number is well edited, and the subjects chosen cover a wide field, including politics.

The editorial discusses the gaps in the strategy of planning. The crucial deficiency, it says, is in agriculture, which can be removed only if the political elements in rural areas are mobilised. The annual carries a separate section on agriculture, where topical questions like size of holdings and productivity, factors impeding growth, etcetera, are discussed in detail. The rôle of capital is dealt with in another section.

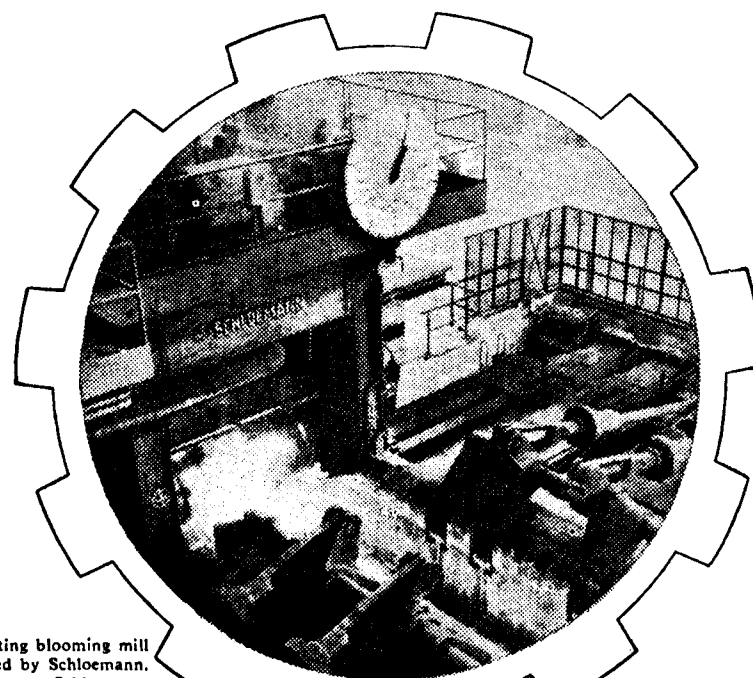
The section on "Institutional Set-up" discusses the deficiencies of the *panchayat raj*, the effects of Government procedures on industrial development, the allocative efficiency of controls and the managing agency system. Among non-economic subjects, mention may be made of the article on "The Sanctity of the Cow in Hinduism" by W. Norman Brown, on "Religion in India and Ceylon" by D. G. Mandelbaum, and on Family and Social Change in India and South Asia" by Andre Beteille. The annual will be read with interest by both laymen and students of economics.

Svarajya Annual Number (1964). Edited by Pothan Joseph. (Published by Bharathin Publications (P) Ltd, Kalki Buildings, Kilpauk, Madras 10. Pages 240, price Rs. 5.)

This annual number is in refreshing contrast with the general run of such publications and carries enjoyable contributions from many eminent men. Mr. Rajagopalachari writes on the problems and prospects of democracy in India and also makes another contribution in a lighter vein. There is a lucid and candid analysis of the concept of democratic socialism by Mr. Bhaskaran. He reasons that both democracy and socialism are western concepts and even the literate man is confused on their relationship. He concludes: "The Indian mind with its transcendentalist obsession seems to be brewing a meta-communism more deadly than crypto-communism". Dr. Mankekar makes an assessment of India's foreign policy, and Mr. Shiva Rao gives new information on the Kashmir tangle. There is erudition and also righteous indignation in Mr. Subramania Iyer's "a fraud on the Constitution". Mr. Bharadwaj cogently reasons that the Gold Control has failed and Mr. T. T. Krishnamachari's Bill will be another instrument of corruption and oppression. There are also contributions from leading public men like Kripalani, Prakasa, Bhabha, Masani and Ruthnaswamy, etcetera.

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COMPANY AND PUBLIC NOTICES

THE UNITED COMMERCIAL BANK, LIMITED

Registered Office: 2, India Exchange Place, CALCUTTA-1.

NOTICE

NOTICE IS HEREBY GIVEN that the TWENTYFIRST ANNUAL GENERAL MEETING of the Members of THE UNITED COMMERCIAL BANK, LIMITED, will be held at the Registered Office of the Bank at 2, India Exchange Place, Calcutta, on Wednesday, the 8th April, 1964 at 4 P.M. to transact the following business:—

1. To receive and adopt the Report of the Directors and the Audited Balance Sheet as on 31st December, 1963 and Profit & Loss Account for the year ended 31st December, 1963;
2. To declare a dividend;
3. To appoint a Director in the place of Mr. G. D. Birla who retires under Article 92 of the Articles of Association of the Bank, and to consider and, if thought fit, to pass the following resolution of which special notice as re-

quired by Section 281 of the Companies Act, 1956, and in accordance with Section 190 thereof, has been received by the Bank;

"That Mr. G. D. Birla, who has attained the age of 69 years, be and is hereby re-appointed a Director of the Bank and that the age limit, prescribed under Section 280 of the Companies Act, 1956, shall not apply to him".

4. To appoint two Directors in the place of Mr. L. P. Goenka and Mr. Y. N. Mafatlal who retire under Article 92 of the Articles of Association of the Bank and being eligible, offer themselves for re-appointment;

5. To appoint a Director in the place of Mr. R. L. Nopany who retires under Article 92 of the Articles of Association of the Bank but does not seek re-appointment and to consider and, if thought fit, to pass the following resolution of which due notice in writing as required by

Section 257 of the Companies Act, 1956, has been left at the office of the Bank;

"That Mr. Mohanlal Nopany be and is hereby appointed a Director of the Bank"

6. To appoint Auditors for the current year and to fix their remuneration.

SPECIAL BUSINESS:

To consider and, if thought fit, to pass with or without modification, the following resolutions as Ordinary or Special Resolutions as indicated against each Resolution:

7. (As an Ordinary Resolution of which due notice in writing as required by Section 257 of the Companies Act, 1956 has been left at the office of the Bank):
"That Mr. S. T. Sadasivan be and is hereby appointed a Director of the Bank."
8. (As a Special Resolution if the Resolution referred to in item No. 7 is passed): That the consent of the Com-

pany be accorded to the holding by Mr. S. T. Sadasivan, on his appointment as a Director, of an office or place of profit under the Company, namely, as an officer on leave preparatory to retirement.

9. (As an Ordinary Resolution): That the payment of Rs. 6,159—12 out of the unappropriated balance of Rs. 25,151—41 at credit of the Profit & Loss Account on 31-12-1962 being the difference in the amount of dividend due at Rs. 0.375 per share, less tax, and that authorised by the Twentieth Annual General Meeting to be paid at Rs. 0.250 per share, less tax, on 49,273 New Shares (Part of 80,780 New Shares) be and is hereby confirmed.

10. (As a Special Resolution if the Resolution referred to in item No. 7 is passed): That pursuant to the provisions of Section 314 of the Companies Act, 1956, consent be, and is hereby accorded to Mr. P. Nagarajan who is a relative of Mr. S. T. Sadasivan whose name has been proposed for appointment as a Director, holding and continuing to hold an office or place of profit under the Company, namely, an employee of the company on the terms and conditions as to remuneration specified in the Explanatory Statement annexed hereto and on such other benefits, terms and conditions as may be applicable as per Bank's rules from time to time and the Board of Directors or a Committee thereof be and they are hereby authorised to grant a higher increment, in the scale at their discretion.

NOTE:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
2. (a) The Transfer Books of the Bank will be closed from Monday, the 23rd March, 1964 to Wednesday, the 8th April, 1964, both days inclusive;
(b) The dividend, if sanctioned, will be payable on and after the 9th April, 1964, to those Members whose names appear on the Company's Register on the 8th April, 1964;
(c) Dividend Warrants will be posted to the Members at their registered addresses or in accordance with their mandates. Members are requested to advise change in their addresses, if any;
(d) The Explanatory Statement as required under Section 173 of the Companies Act, 1956, has been forwarded to the Members of the Company.

By Order of the Board,
S. T. SADASIVAN,
General Manager.

Calcutta,
6th March, 1964.

CAPITAL, 12th March, 1964.

CAPITAL, 12th March, 1964.

HE TITAGHUR JUTE FACTORY COMPANY LIMITED

IN view of certain Budget proposals announced by the Government of India on 29th February, 1964, which will affect the provision for taxation, it is not possible at this age to give preliminary figures as to the results for the year 1963.

Meanwhile the Directors have declared:—

- (1) on the Ordinary Stock, a dividend of 7%, making, with the interim dividend, 10% for the year ended 31st December, 1963; and
- (2) on the Preference Stock, a dividend at the rate of 6% per annum for the half-year ended 31st December, 1963.

These dividends will be paid on 8th March, 1964, less Income Tax at 7/9d per £ and the transfer books will be closed from 12th March to 26th March, 1964, both days inclusive.

At the Annual General Meeting the Directors will not recommend payment of any further dividend for the year ended 31st December, 1963.

G. D. BUTCHART,
Secretary.

DUNDEE, 9th March, 1964.

THE SAMNUGUR JUTE FACTORY CO. LTD.

IN view of certain Budget proposals announced by the Government of India on 29th February, 1964, which will affect the provision for taxation, it is not possible at this stage to give preliminary figures as to the results for the year 1963.

Meanwhile the Directors have declared:—

- (1) on the Ordinary Stock, a dividend of 10%, making, with the interim dividend, 13%

for the year ended 31st December, 1963; and

- (2) on the Preference Stock, a dividend at the rate of 6% per annum for the half-year ended 31st December, 1963.

These dividends will be paid on 26th March, 1964, less Income Tax at 7/9d per £ and the transfer books will be closed from 12th March to 26th March, 1964, both days inclusive.

At the Annual General Meeting the Directors will not recommend payment of any further dividend for the year ended 31st December, 1963.

G. D. BUTCHART,
Secretary.

DUNDEE, 9th March, 1964.

THE IMPERIAL TOBACCO COMPANY OF INDIA LIMITED

NOTICE IS HEREBY GIVEN that a Second Interim Dividend of 2%, subject to tax, has been declared by the Board of Directors as payable on 20th April, 1964 to the shareholders whose names appear on the Company's Register on 30th March, 1964 or to their mandates.

The Share Transfer Books of the Company will be closed from 26th to 30th March 1964 and transfers received at the office of the Company's Registrar (Jardine Henderson Limited, 4 Clive Row, Calcutta) before close of business on 25th March 1964 will, if in order, be registered in time for the transferee to receive the dividend.

By Order of the Board
P. J. RICKETTS
Assistant Secretary

Virginia House,
37 Chowringhee
Calcutta.
10th March 1964.

MACNEILL & BARRY, LIMITED

NOTICE is hereby given that payment of the half-yearly Interest on the 5% Debenture Stock 1966/71 of the Company will be made on 1st April, 1964, to those Stockholders whose names appear on the Company's Register on that date or in accordance with their instructions.

By Order of the Board,
A. N. MITRA,
Secretary.

2, Fairlie Place,
Calcutta-1,
5th March, 1964.

THE VICTORIA JUTE COMPANY LIMITED

IN view of certain Budget proposals announced by the Government of India on 29th February, 1964, which will affect the provision for taxation, it is not possible at this stage to give preliminary figures as to the results for the year 1963.

Meanwhile the Directors have declared:—

- (1) on the Ordinary Stock, a dividend of 7%, making, with the interim dividend, 10% for the year ended 31st December, 1963; and
- (2) on the Preference Stock, a dividend at the rate of 6% per annum for the half-year ended 31st December, 1963.

These dividends will be paid on 26th March, 1964, less Income Tax at 7/9d per £ and the transfer books will be closed from 12th March to 26th March, 1964, both days inclusive.

At the Annual General Meeting the Directors will not recommend pay-

ment of any further dividend for the year ended 31st December, 1963.

G. D. BUTCHART,
Secretary.

DUNDEE, 9th March 1964.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	L.S.T. Hours
State Bank of India	12-3-64	4 p.m.
Birds Investments	19-3-64	11-15 a.m.
Punjab Minerals Co. Ltd.	20-3-64	11 a.m.
Dalmia Iron & Steel Ltd.	25-3-64	3 p.m.
New Samanbagh Tea Co. Ltd.	26-3-64	3-30 p.m.
United Bank of India Ltd.	30-3-64	11 a.m.
Martin Burn Ltd.	30-3-64	11 a.m.
National Pipes & Tubes Co. Ltd.	30-3-64	3-35 p.m.
Raza Buland Sugar Co. Ltd.	4-4-64	10-30 a.m.
United Commercial Bank Ltd.	8-4-64	4 p.m.

DIVIDENDS DECLARED OR PROPOSED.—Martin Burn Ltd.—Rs. 2.50 per share (o), subject to tax; Uniter Bank of India Ltd.—7½ p.c., subject to tax; Indian Wood Products Co. Ltd.—15 p.c. (o) (f) subject to tax; National Pipes & Tubes Co. Ltd.—20 p.c. (o), subject to tax; Budge Budge Jute Mills Co. Ltd.—Rs. 14 per share (o) (f), subject to tax; Bengal Coal Co. Ltd.—Rs. 10 (f) (o), subject to tax; New Beerbhoom Coal Co. Ltd.—65p per share (o) (f), subject to tax; Tide Water Oil Co. (India) Ltd.—Rs. 2.80 per share (f), less tax; Star Paper Mills Ltd.—Nil; Rajasthan Spinning & Weaving Mills Ltd.—Nil; Imperial Tobacco Co. of India Ltd.—2 p.c. (Second Int.), subject to tax; Samnugur Jute Factory Co. Ltd.—10 p.c. (f) (o), less tax; Titaghur Jute Co. Ltd.—7 p.c. (f) (o), less tax; Victoria Jute Co. Ltd.—7 p.c. (f) (o), less tax.

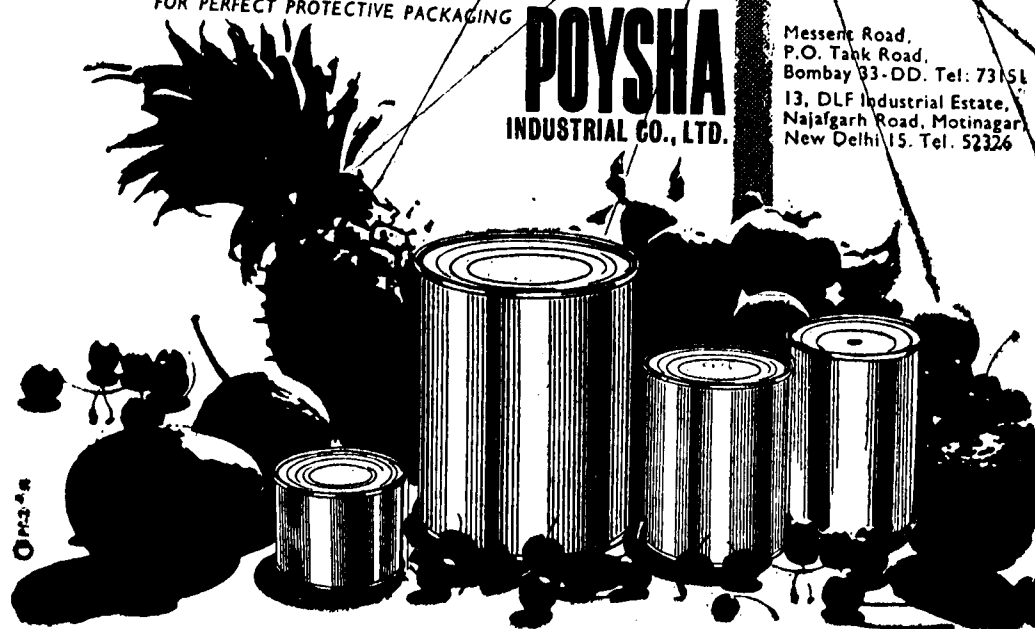
IN STEP WITH TOMORROW

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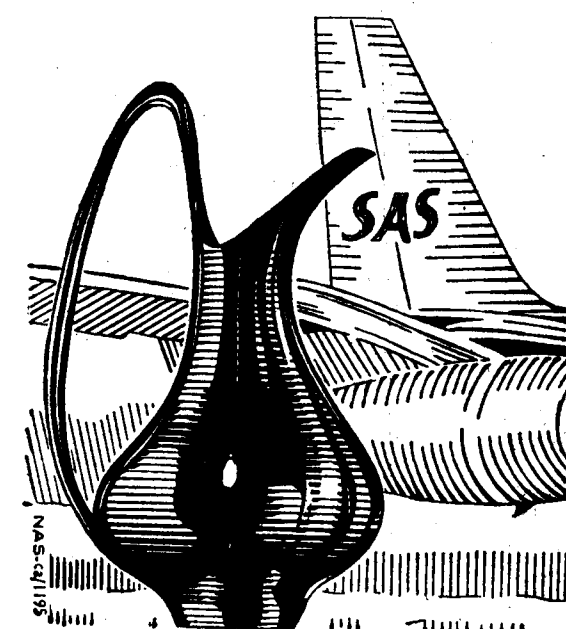
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"CAPITAL" STOCK AND SHARE LIST

THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

Official quotations of the Calcutta Bombay Madras London Stock

Exchange Associations and other sources.

Figures given after stroke (/) mean Naye Paise.

Wednesday, 11th March, 1964.

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BANKS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		11-3-64	4-3-64	A year ago		1960	1961	1962		11-3-64	4-3-64	A year ago
Allahabad Bank P.	18	18	15	100	250/00	250/00	396/00	Indian Overseas Bank	14	14	..	..	146/00	146/50	159/00
Bank of Baroda	17	17	16	50	93/00	91/00	91/50	National & Grindlays Bank	13 1/2	14	16	sh. 15	sh. 31/6	sh. 31/6	sh. 30/6
Bank of India	20	20	20	50	106/50	106/00	114/00	Punjab National Bank	20	20	20	10	19/81	19/81	18/19
Central Bank of India	20 2/5	20	20	25	45/00	44/75	55/00	Union Bank of India	11 2/5	11 2/5	11 2/5	5	6/24	6/20	6/40
Chartered Bank	15	15	15	£1	sh. 54/6	sh. 54/3	sh. 57/4 1/2	United Bank of India	4.3	6	6	10	6/31	8/25	7/12
Hindustan Commercial	Nil	Nil	Nil	50	12/50	12/37	12/37	United Commercial Bank	12	12	12	50	72/25	72/00	75/25
Hindustan Mercantile	Nil	Nil	Nil	50	12/37	12/37	15/62								
Hong Kong & Shanghai	£3 1/2	£3 1/2	£3 1/2	HK\$25	£20 1/2	£20 1/2	£20 1/2								
Iranian Bank	15	15	14	100	157/00	157/00	174/39								

* 1962

JUTE MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		11-3-64	4-3-64	A year ago		1960	1961	1962		11-3-64	4-3-64	A year ago
Agarpara P.	10	21	21-12*	10	9/62	9/81	9/75	Hukumchand P.	28 1/2	28 1/2	26 1/2-26 3/4*	7 1/2	20/75	20/50	26/12
Alexandra P.	44	15	42 1/2	100	300/00	300/00	305/00	Inda	14	12	8-22 1/2*	12 1/2	15/19	15/69	17/75
Alliance P.	6	Nil	10	100	125/00	130/00	110/00	Kamarhaty P.	5	Nil	20	100	191/00	191/00	151/00
Anglo-India P.	20	7	10-12*	100	180/00	180/00	199/00	Kankannarrah P.	Nil	Nil	10	100	125/50	127/00	121/00
Auckland P.	27	12	Nil-15*	100	138/00	138/00	150/00	Kelvin P.	15	15	5	100	181/00	181/00	176/00
Bally P.	25	25	100	100	248/00	249/00	280/00	Khaddah P.	20	5	12 1/2-12 1/2*	10	17/81	17/81	18/25
Barnagore P.	30	10	10-10*	£5	217/00	217/00	175/00	Kinnison P.	20	7	Nil-10*	100	128/00	128/00	150/00
Bengal P.	5	10	10-10*	10	8/00	8/00	10/25	Lansdowne P.	Nil	Nil	Nil-Nil*	100	96/00	98/00	120/00
Birla P.	15	15	15-15*	10	35/25	35/25	26/62	Lawrence P.	7	15	10-10*	100	101/00	101/00	124/00
Budge Budge P.	10	Nil	15-15*	100	138/00	138/00	169/00	Megna P.	12	12 1/2	Nil-22*	10	12/44	12/44	13/31
Calcutta P.	..	..	..	10	4/12	8/12	8/00	Naihati P.	..	..	..	100	104/00	104/00	90/00
Caledonian P.	12	5	..	100	175/00	175/00	220/00	Naskarpura	7 1/2	..	..	10	6/00	6/00	9/06
Champdany P.	10	5	Nil-40*	10	21/94	22/25	22/25	National P.	3	6	15	10	11/62	11/62	11/25
Cheviot P.	Nil	5	25	10	22/00	22/00	23/62	Nellimarla P.	15	15	Nil	10	12/75	12/68	12/87
Chitvalah P.	5	Nil	5	10	8/94	9/00	11/00	New Central P.	30	30	20-35*	10	26/87	26/87	32/00
Clive P.	1	1	Nil-25*	100	131/00	131/00	152/00	Nuddea P.	8	6	5-10*	60	62/75	62/75	57/00
Dalhousie P.	7 1/2	Nil	12	100	154/00	154/00	173/00	Presidency	Nil	Nil	Nil-Nil*	10	9/20	9/20	9/44
Delta P.	12 1/2	7 1/2	12 1/2	10	17/75	17/75	15/31	Rameshwara P.	Nil	Nil	Nil-Nil*	10	8/00	8/94	6/31
Empire P.	25	10	12 1/2-20*	100	276/00	276/00	399/00	Reliance P.	4	Nil	Nil	10	10/50	10/50	10/50
Fort Gloster P.	22 1/2	22 1/2	10-20*	10	24/75	24/75	26/00	Sammugger P.	25	25	25	10	22/50	22/50	25/25
Fort William P.	22 1/2	22 1/2	10-20*	10	13/19	13/41	12/56	Shree Ambica P.	6	Nil	13	£1	10/50	10/50	10/50
Ganges P.	10	10	13	10	16/00	16/00	17/00	Soorah P.	25	6	Nil-20*	100	153/00	153/00	163/00
General Industrial	30	25	20-20*	100	22/62	22/62	22/62	Tilaghar P.	6	Nil	10	£1	10/50	10/50	10/50
Gourepore P.	6	6	6-6*	100	128/00	128/00	128/00	Union P.	30	30	60	1	9/00	9/00	5/94
Hastings P.	10	20	7 1/2-10*	10	18/00	18/00	20/00	Victoria P.							
Hooghly P.	12 1/2	10	Nil-10*	10	17/81	18/56	19/00	Waverley P.							

* 1963

COAL COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		11-3-64	4-3-64	A year ago		1960	1961	1962		11-3-64	4-3-64	A year ago
Amalgamated	10	12 1/2	15	10	24/75	24/75	24/81	Mundulpur	..	7 1/2	..	10	2/69	2/69	2/69
Bengal P.	25	21	..	100	254/00	254/00	282/00	Nazira	7 1/2	Nil	Nil	10	6/25	6/25	5/12
Bengal Bhatdee	..	..	..	10	3/48	3/48	3/48	New Beerbhoom P.	10	10	..	10	16/12	16/31	19/94
Bengal Nagpur	10	26	..	10	22/00	22/00	22/00	New Manbhoom	7 1/2	9	12	10	11/94	15/25	13/75
Bhalgora	..	..	..	10	4/25	4/25	5/00								
Bharat Collieries P.	..	..	..	10	3/37	3/37	3/53	North West	20	20	..	10	19/75	19/75	19/75
Bhulanbarree	..	..	..	10	10/00	10/00	12/00								
Bokaro & Rampur	..	..	..	10	11/19	11/19	11/19								
Borrea P.	15	15	..	10	20/25	21/00	23/87	Ondal P.	6	7 1/2	..	10	13/50	13/50	13/00
Burrakur P.	13	13	13	10	15/94	16/37	15/06	Parasea P.	1 1/2	1 1/2	..	10	14/00	14/00	16/00
Central India	8	10	10	10	9/50	9/50	10/25	Pench Valley	10	10	10	10	17/75	18/31	19/12
Central Kurkend P.	..	..	..	10	3/44	3/44	8/00	Pure Sitalpur	15	17	17	10	8/00	8/00	8/00
Churulia	Nil	Nil	..	10	4/06	3/06	3/06	Rangegunge	20	20	..	10	13/62	13/62	15/00
Dhemo Main	7 1/2	15	20 1/2	£1	28/81	28/81	37/00	Rewa	10	10	..	10	28/50	28/50	28/50
East Indian	15	10	..	10	23/50	23/50	25/62	Samla	Nil	Nil	..	10	8/00	8/00	10/03
Equitable P.	Nil	Nil	Nil	10	13/25	13/25	14/25	Searsole	42 6/7	42 6/7	..	7	1/25	1/25	1/94
Ghusiek & Muslis	..	..	..	10	2/47	2/47	2/03	Seebore P.	15	10	..	10	5/00	5/00	5/75
Guzdar Kajora	..	..	..	10	5/75	5/75	8/12	Sendra	15	10	..	10	8/00	8/00	8/25
Hurriladih	..	..	..	10	10/31	10/00	10/56	South Karanpura	15	10	..	10	11/87	11/87	16/00
Karanpura Development	5	5	..	100	10/31	10/00	10/56	Standard	15	10	..	10	11/87	11/87	16/00
Karanpura Collieries P.	7 1/2	10	10	10	18/00	18/00	18/00	Union	..	..	..	10	10/25	10/25	10/37
Katras Jheriah	95	40	25	10	33/75	33/75	48/75	Western Bengal	6	7 1/2	9	10	8/81	8/81	9/08
Khas Kajora P.	..	..	..	10	17/62	17/62	18/70	West Jamuria	Nil	Nil	..	10	4/00	4/00	9/37

CAPITAL, 12th March, 1964.

COTTON MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		11-3-64	4-3-64	A year ago		1960	1961	1962		11-3-64	4-3-64	A year ago
Basanti P.	..	..	..	10	13/50	13/37	12/75	Elgin P.	11 1/2	17 1/2	17 1/2	10	22/19	22/19	20/69
Bengal Luxmi	..	..	..	40	30/00	30/00	28/00	J. & Cotton (Rayon) P.	12 1/2	..	..	10	12/00	12/37	12/87
Bengal Nagpur P.	Nil	..	..	10	2/44	2/44	3/00	Jay Shree	10	10	..	10	15/75	16/00	14/12
Bharat Commerce	..	15	15	10	23/50	23/50	21/00	Muir P.	..	..	..	100	74/50	74/50	135/00
Birla Cotton	10	20	20	10	27/00	27/00	22/75	New Victoria P.	Nil	Nil	..	2 1/2	1/47	1/41	1/62
Bowreah P.	10	20	15	10	23/69	23/69	23/81	Orissa Textiles P.	Nil	Nil	..	10	4/75	4/75	9/00
								Rampoor Cotton	3	Nil	..	1	13/00	13/00	12/00
Cawnpore Textiles	7-1/5	10	10	5	7/00	7/00	6/94	Swadesh (Kanpur) P.	5 1/2	..	..	100	6/62	6/44	7/00
Delhi Cloth & Genl. P.	12	13	13	25	48/00	47/31	46/12								
Dunbar	20	20	15	10	29/00	29/00	26/87								

BOMBAY COTTON MILLS

NAMES OF MILLS	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		10-3-64	3-3-64	A year ago		1960	1961	1962		10-3-64	3-3-64	A year ago
Ahmedabad Advance P.	16	12	..	100	140/00	142/50	170/00	Indian	23 1/5	25	..	250	875/00	875/00	760/00
Apollo	Nil	Nil	..	2	1/90	1/92	1/98	Indore Malwa United	5 1/2	10	7 1/2	100	210/00	205/00	192/00
Benarasi Ramcharan	Nil	Nil	..	100	138/00	138/00	82/50	Khatou Mankaji P.	32	16	..	100	200/00	201/25	405/00
Bombay Dyeing, etc.	14	14	14	25	151/00	151/00	150/00	Konkan	15	18	..	100	337/00	339/00	284/00
Centenary	10	25	..	100	68/50	65/50	105/00	Lakshmi Vishnu P.	5 1/2	6	Nil	100	101/00	101/50	106/25
Bradbury	30	30	..	100	97/00	99/00	150/00	Morarjee Gokuldas P.	21 1/2	24	24-20*	100	387/00	395/00	450/00
Central India P.	Nil	Nil	Nil	100	160/25	160/25	142/00	Mysore SpG & Mfg P.	14	14	..	50	42/00	44/50	46/00
Coorls	11	11	..	100	156/00	156/00	150/00	New City of Bombay	Nil	Nil	..	100	188/75	188/75	142/50
Dawn	30	30	..	100	156/50	156/50	325/00	New Jrest Eastern P.	12	20	..	100	178/00	178/00	270/00
Edward Textiles	9	9	6	200	302/00	305/00	98/00	Phoenix	Nil	Nil	..	10	11/00	11/00	13/00
Elmhurstone P.	18	22	18	50	98/00	102/00	325/00	Sassoon & Alliance	17	20	10	10	40/00	40/00	50/00
Finlay	23	23	..	100	315/00	315/00	325/00	Sassoon Spinning	15	Nil	22-16*	50	131/00	130/00	143/50
Gokak	14	18	..	100	178/50	187/00	177/00	Simpies	38	20	14	100	263/00	265/00	220/00
Hindoestan	50	50	..	250	950/00	950/00	965/00	Sures Nivas P.	17	19	17	100	249/00	249/50	258/00
India United	8	14	..	10	21/48	21/24	23/52	Swan	36	21 3/5	20	100	267/50	267/50	300/00
	13 1/2	37 1/2	..	100	2/55	2/48	2/66	Swadeshi P.	..	22	..	50	56/50	57/00	56/70
								Tata	46 2/5	25	20	250	847/50	847/50	835/00
								Western India							

MISCELLANEOUS COMPANIES—Contd.

Dividends per cent				Paid-up per Share		Latest Market Quotations as available until			Dividends per cent				Paid-up per Share		Latest Market Quotations as available until		
NAMES				Rs.		Rs. Rs. A year ago			NAMES				Rs.		Rs. Rs. A year ago		
1960	1961	1962			11-3-64	4-3-64	A year ago		1960	1961	1962			11-3-64	4-3-64	A year ago	
ENGINEERING & METAL																	
Arthur Butler (Muzaffarpore) P	Nil	Nil	10	10	21/25	21/25	14/50	J. K. Synthetics	3	Nil-10*	10	12/19	12/50	11/12			
Bhartia Electric Steel	10	10	12½	10	14/50	14/62	14/00		50	2 1/4	2/75	2/75					
Braithwaite India	25	25	10	10	32/50	32/50	36/50	James Wright P.	1Dd	00/40	00/40	00/43					
Bridge & Roof	30	30	30	10	52/25	52/25	52/25		7	6-7*	100	74/50	78/00	71/75			
Britannia Building & Iron P.	Nil	Nil	Nil	10	3/20	3/37	3/65	Jardine Henderson Ltd. P.	14	12½	10	14/94	14/94	15/75			
Britannia Engineering P.	10	10	10	10	10/19	10/25	10/00	Jay Shree Industries P.	5	12	12-13*	10	27/62	27/87	19/75		
British India Electric Cons.	45	20	15	10	29/12	29/12	34/12	Kesoram Industries P.	11	11	50	6/69	6/69	7/00			
Burn P. (Engineering)	28½	28½	28½-25*	100	312/00	318/00	495/00		1Dd	1/94	1/94	2/37					
Calcutta Steel	15	15	15-12½*	10	14/06	13/97	14/37	Macfarlane & Co.	8	8	7½	100	95/00	95/00	93/50		
Dalmia Iron	10	10	10	10	11/56	11/56	11/87	Macneil & Barry Ltd. P.	27½	27½	25	10	28/00	28/12	30/50		
Guest, K. n. Williams	16	14	14	10	26/44	27/00	30/37	Martin Burn Ltd. P.	15	15	18	1000	206/00	206/00	215/00		
Hooghly Docking	Nil	Nil	12½	50	101/00	101/00	102/00	McLeod & Co. P.	25	25	19	10	31/87	32/31	50/75		
Indian Iron & Steel P.	15	16	16-16*	10	25/24	25/48	20/10		25	25	25-18*	10	23/75	23/29	29/25		
				50	6/00	6/00	6/50	Metal Box Co. of India Ltd. P.	25	25	25-18*	10	23/75	23/31	50/75		
				100	2/06	2/06	2/00	National Insulated Cable P.	20	20	20	10	29/25	29/25	29/25		
Indian Malleable Casting	Nil	..	..	50	37/19	37/50	30/37	National Pipe & Tubes P.	20	20	15-15*	8	20/25	19/81	19/56		
				100	33/50	33/50	49/00	National Rolling & Steel Ropes	Nil	6½	8	10	12/69	12/69	11/62		
Indian Standard Wagon P.	28½	28½	28½-20*	10	20/00	20/00	22/00	National Rubber P.	16	7	7	10	13/50	13/62	11/25		
				100	19/69	20/00	24/25	National Tobacco Corp.	8.7	..	..	75	70/00	70/00	90/00		
Indian Steel & Wire Products	23	24	23-28*	100	16/56	16/75	15/75	New India Investment Corp.	10	7½	7½	100	28/56	28/75	25/25		
Industrial Containers	Nil	10	10	10	23/31	23/75	22/06		12	12	13	10	22/62	22/62	26/19		
Jay Engineering	17 3/20	17 3/20	15-10*	10	8/12	8/12	8/00	Octavius Steel P.	4	8½	8½	100	136/00	136/00	130/00		
J. K. Steel P.	20	20	10	10	28/12	28/12	19/75	Philips India	20	10	8-9*	10	12/47	12/69	10/75		
Jessop & Co. P.	8.58	8.58	8.58	10	23/31	23/75	22/06	Rallis India P.	Nil	..	..	10	9/15	9/15	8/31		
Kumardhubi Engineering P.	10	11½	15	3	8/25	8/56	7/44	Ronhas Industries P.	Nil	..	..	10	15/00	15/12	14/00		
								Sen-Ralegh Industries P.	8	8	8	10	16/87	16/87	18/37		
Marshall Sons (India)	Nil	Nil	Nil	2	2/50	2/62	3/25	Snow Wallace P.	15	15	7	10	1/25	1/25	0/94		
National Iron and Steel	Nil	Nil	Nil	10	6/00	6/19	4/25	Spencer's Hotel	2½	2½	..	10	32/62	34/75	42/50		
Saran Engineering	8½	20	10	4	8/12	8/12	8/00	Union Carbide	18	18	12½	10	2/69	3/12	2/25		
Steel Containers	30	20	20	10	28/12	28/12	20/80		20	20	..	1PO	3/50	3/12	2/25		
Textile Machinery	10	10	..	10	27/70	27/95			30	30	..	10	3/50	3/84	3/19		
SUGAR BREWERIES ETC.																	
Balrampur Sugar	8	8	4-Nil*	2½	1/85	1/85	2/00	Concord of India	20	20	20	5	10/25	10/25	11/00		
Belsand Sugar	18½	10	6 2/3	7½	7/37	7/37	9/62	Hercules	22½	26½	26½	10	23/50	23/25	25/00		
Bharat Sugar P.	..	..	..	10	16/00	16/00	13/00	Ruby General	10	13½	15½	8	10/37	10/37	8/50		
Carew (Sugar) P.	Nil	Nil	Nil	10	11/50	11/56	12/50	Standard General	45	50	50	25	130/00	130/00	131/00		
Cawnpore Sugar P.	Nil	Nil	Nil	10	9/12	9/12	11/12	Triton	..	..	..	..	6/12	6/12	6/50		
Champaran Sugar	15	12	Nil-Nil*	10	12/62	12/62	15/87		..	..	..	..	130/00	130/00	131/00		
Durbhanga	4	Nil	5	10	8/75	9/87	8/12		..	..	..	..	..	..	..		
New Savan Sugar and Gur	..	..	..	10	4/50	4/50	5/25	Concord of India	20	20	20	5	10/25	10/25	11/00		
Purtabpur Sugar P.	..	..	..	10	10/81	10/81	11/50	Hercules	22½	26½	26½	10	23/50	23/25	25/00		
Ramnagar Cane & Sugar P.	30	35	30	10	29/31	29/31	30/37	Ruby General	10	13½	15½	8	10/37	10/37	8/50		
Raza Baland	12½	10	10	10	10/37	10/37	9/31	Standard General	45	50	50	25	130/00	130/00	131/00		
Ryam Sugar P.	..	..	..	10	4/50	4/50	8/06	Triton	..	..	..	..	6/12	6/12	6/50		
Samasapur Central Sugar	..	..	..	10	4/50	4/50	9/62		..	..	..	..	..	..	..		
Shree Krishna Gyanoday Sugar P.	..	..	..	10	7/12	7/50	5/00		40	25	25	10	34/12	34/12	34/25		
Shree Sitaram Sugar	..	..	..	10	7/12	7/12	1/12	Bengal	..	..	..	10	14/00	14/00	14/00		
Sitalpore Sugar	4	Nil	Nil	10	3/69	3/69	6/12	Delhi P.	..	..	..	12½	13/75	13/75	15/75		
								Ganesh P.	15	Nil	Nil	10	19/75	19/75	19/75		
United Provinces	15	5	Nil	10	11/00	11/00	10/62	Hooghly	35	10	7½	10	27/81	27/81	30/00		
Upper Ganges Sugar P.	72½	72½	72½	10	85/00	85/00	60/00	United	..	..	..	..	..	..	..		
FLLOUR MILLS																	
									13½	13½	..	21	sh. 37/-	sh. 37/6	sh. 33/-		
A Firpo (Restaurateur)	7½	10½	5	10	5/00	5/00	5/90	Attock Oil	9-2/5	25	22½	10	21/50	21/62	23/12		
Aluminium Corporation P.	12	12	12-5*	10	12/56	12/84	12/75	Burmah Oil P.	80	25	22½	10	33/19	33/19	26/00		
Anderson Wright Ltd. P.	11½	11½	6	10	11/50	11/50	11/50	Indo Burmah Petroleum P.	30	35	35	10	..	..	..		
Anglo Bros	25	28½	28	10	26/25	26/25	21/75	Tide Water Oil	..	..	..	..	..	..	..		
Assam	..	..	..	10	27/37	27/37	28/75		..	..	..	..	..	..	..		
PAPER MILLS																	

MISCELLANEOUS

A Firpo (Restaurateur)	7½	10½		5	10	5/00	5/00	5/90	Attock Oil	9-2/5	30	25	22½	£1	sh. 67/7½	21/50	n. 66/-sh. 47/10¼
Aluminium Corporation P.	12	12	12	6 ^b	10	12/56	12/84	12/75	Burmah Oil P.	30	25	22½	10	21/50	21/62	23/12	
Anderson & Wright Ltd. P.	11½	12	6	6	10	11/50	11/50	11/50	Indo Burmah Petroleum P.	30	35	35	10	33/19.	33/19	26/00	
Angelo Bros	25	25½	20	20	10	26/25	26/25	21/75	Lide Water Oil								
Assam Brew	20	20	20	10	27/37	27/37	28/75		PAPER MILLS								
Assam Saw Mills & Timber	NH	NH	3	3	2/59	2/59	2/50										
Associated Battery	NH	15	15	10	25/25	24/12	26/19		Bengal P.	32	27½	20	10	27/50	27/50	31/25	
Associated Hotels of India P.	NH	10	10	10	10/31	10/31	10/31		India Paper Pulp	15	13	12—15*	10	18/81	18/94	18/81	
									Orient Paper P.	22½	22½	22½—20*	10	38/90	39/05	31/50	
Bairner Lawrie & Co.	25	25	15—15*	100	257/00	257/00	257/00		Shree Gopal Paper P.	17-6/7	17-6/7	17-6/7	10	26/00	25/75	22/75	
Barard Coke	NH	NH	10	10	21/56	21/56	24/00		Sirdur P.	6½	8½	8½—5*	10	13/00	13/19	11/19	
Birds Investments P.	9½	10	10	10	10/44	10/44	11/50		Star Paper P.	NH	NH	NH	10	9/12	9/12	10/00	
Britannia Biscuit P.	25	30	25—21*	10	50/25	50/25	43/87										
British India Corporation P.	4	7	9	5	8/87	8/89	9/37										
British Paints	12½	15	10	10	21/31	21/37	20/50		Fitaghur P.	{	10	13	13—13*	2½PO	3/31	3/44	
Calcutta Silk Manufacturing P.	NH	NH		10	6/94	6/94	7/15		West Coast P.	{	25	20	10—10*	10AO	15/94	16/31	
Clive Row Investment	8	7½	7½	10	8/37	8/47	8/19			{	25	20	10—10*	10BO	17/00	17/31	
Dunlop Brothers & Co Ltd. P.	14	14	14	100	131/00	131/00	159/00			{	6	7½		100	170/00	160/50	
Dunlop Rubber Co (India) P.	21½	20	15	10	38/31	38/12	32/50		PRESSING COMPANY								
Dyer Meskin (Breweries)	25	30	..	5	31/25	31/62	28/50										
Eastern Investments Ltd. P.	14	14	12	100	117/00	117/00	129/00		Camperdown	11	11		100	105/00	105/00	104/00	
Electric Construction	10	10	10	10	12/75	12/84	12/10										
French Motor Car	20	20		20	31/75	31/75	35/12										
Ganges Rope	17½	20	20	100	236/00	236/00	236/00		REAL PROPERTY STORAGE								
General Investments Trust P.	6	5	5—5*	75	43/00	43/00	43/00										
Gladstone Arbuthnot & Co Ltd. P.	10	11	11—11*	10	14/06	14/06	13/81		Bengal Bonded Warehouse	11	8	8—8*	{	A500	900/00	900/00	
Gladstone Lyall & Co Ltd. P.	42/5	40	..	10	28/12	28/12	33/25						{	B2A	125/00	125/00	
Godfrey Phillips (India) Ltd. P.	40	40	30	10	236/00	236/00	241/00		Calcutta Safe Deposit				{	C100	186/00	186/00	
Great Eastern Hotel	9	6		250	13/31	13/56	13/25		Humayan Properties P.	{	8		{	D12½	45/00	45/00	
Hindustan Aluminium P.	NH	9	12	10	19/22	19/16	16/28		Midnapore Zemindary P.	NH	NH	NH	85	19/75	20/37	10/00	
Hindustan Motors P.	..	..	12½—11½*	10	13/94	16/19	17/87										
Hindustan Pilkington	..	..	..	10	13/94	13/62	14/25										
Hindustan Twyford P.	NH	NH	NH—NH*	10	13/19	5/12	6/19		TEAMWAYS & STEAMER								
Imperial & Miller & Co Ltd.	6	6	..	10	5/50	9/87	10/25										
Imperial Tobacco	8	9	9—8*	10	9/65	32/00	30/00		Bengal Assam Steamship P.	7½	7½	22	100	128/00	128/00	106/00	
Hindustan Aluminium Co. Ltd. P.	15	15	17½	10	32/25	38/00	34/00		Calcutta Landing & Shipping	3½	7½	22	10	34/00	34/00	35/00	
Indian Cable P.	22½	22½	22½—22½*	10	37/50	29/62	28/25		Calcutta Steam Navigation	10	NH	NH	10	8/87	8/87	8/87	
Indian Oxygen	15	15	12	10	28/00				Calcutta Tramway P.	..	..	..	£1	10/62	10/62	11/00	
									Fraser	NH	..	..	10	8/94	8/94	10/00	
Indian Rubber Manufacturers P.	20	30	30	10	20/00	20/00	21/06		India General Nav Railway P.	NH	..	..	£10	42/00	42/00	66/50	
Isaac Holden	30	30	30	10	29/00	29/50	31/25		India Steamship P.	10	NH	NH—NH*	10	7/09	7/00	5/87	
Investments and Finance P.	..	7½	7½	100	14/31	14/31	15/75		Port Shipping	NH	NH	..	10	13/37	14/06	12/00	

SOUTH INDIA PLANTATION COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		10-3-64	3-3-64	A year ago		1959	1960	1961		10-3-64	3-3-64	A year ago
Anandam P.	7½	10	..	10	10/01	10/01	10/36	Malankara	16	15	..	10	16/50	16/50	15/92
Anandam P.	15	15	..	10	14/19	14/19	15/24	Midland Rub. & Prod. P.	10	12½	12½	10	11/00	11/00	10/37
Athimattam	Nil	Nil	..	2	1/20	1/22	0/80	Nilgiri P.	5	8	..	10	9/15	9/15	8/90
Balanor P.	15	15	12	10	13/25	13/25	12/91	Nonsuch	20	20	20	10	23/00	22/57	22/15
Balmadics P.	7½	7½	..	2	1/80	1/80	1/90	Ossor	15	15	..	2	2/60	2/62	2/71
Be Be P.	5	Nil	..	5	2/46	2/46	2/15	Ouchterlony	15	13	12	2	4/40	4/28	4/35
Blue Mountain	12½	12½	10-10*	2	2/45	2/43	2/56	Parkside Neilgherry	27½	27½	22½	10	26/33	26/33	24/00
Chembra Peak	15	20	20-20*	2	4/75	4/68	3/57	Peermade P.	20	22½	25	10	20/50	20/50	22/50
Cochin Malabar P.	15	17½	20-20*	3	6/44	6/44	6/00	Peninsular	12½	13½	20	10	21/25	21/25	20/70
Coffee Lands P.	25	6	..	10	16/62	16/12	12/75	Periakaramalai	20	20	20	10	3/43	3/50	3/05
Consolidated Coffee P.	25	20	..	10	20/87	20/00	16/25	Rajagiri Rub. & Prod. P.	20	20	20	10	20/75	20/75	18/70
Coonoor P.	20	17½	..	10	18/37	18/37	19/25	Rajendra P.	50	25	..	5	10/42	10/42	9/80
								Swinton	7½	..	..	2	2/68	2/68	2/82
Coorg P.	20	20	..	2	4/85	4/85	3/99	Teekey P.	6	Nil	..	10	6/60	6/60	5/03
Cottanad Plantation P.	15	10	..	10	9/60	9/60	9/21	Thirumbadi	7	7	12	1	1/95	1/95	1/54
Devashola (Nilgiri)	25	20	..	10	24/08	24/08	24/92	Travancore Rubber	10	13	..	10	12/00	11/25	10/85
Devon P.	15	15	12	10	11/96	11/96	12/66	Travancore Tea P.	7½	9	10	10	10/40	10/43	9/00
Emerald Valley	8	..	..	5	6/10	6/10	5/06	Tropical Plantations	8	8	..	10	21/00	21/00	19/75
Gokul	9	10	..	2	2/03	2/03	1/80	Twyfords	10	10	..	10	8/55	8/55	9/10
Haileyburia P.	12½	15	..	10	12/70	12/70	12/62	United Nilgiri	19½	21	22	10	23/75	23/75	20/87
Kailas	20	22½	..	2	5/93	5/89	5/30	Vaikundam	25	30	..	10	36/50	33/75	30/85
Kalasa Tea Produce	15	20	25	2	4/10	4/10	3/45	Waterfall Estates P.	12½	12½	..	2	2/37	2/37	2/05
Kil Kotagiri P.	35	25	25	2	4/90	4/90	5/15	Woodland P.	5	10	..	10	6/90	6/90	7/85
Lucky Valley	10	10	10	10	12/00	12/00	11/00								

† Kgs.

* 1962

SOUTH INDIA COTTON MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		10-3-64	3-3-64	A year ago		1959	1960	1961		10-3-64	3-3-64	A year ago
Bangalore W. C. Silk P.	10	10	18	100	236/00	236/00	230/00	Lakshmi	12	20	30	50	135/00	137/00	137/00
Buckingham & Carnatic P.	10	10	18	100	293/00	293/00	262/00								
Cambodia P.	Nil	9	..	10	9/50	9/50	13/00	Madura	12½	15	15	5	35/50	35/00	32/00
Coimbatore Cotton	6	12	18	100	167/00	167/00	178/00	Mettur Industries	25	30	30-22½*	100	285/00	286/00	324/00
Coimbatore Spg. & Wvg.	..	..	..	50	115/50	115/50	68/00	Palani Andavar P.	..	..	..	100	202/75	202/75	215/00
Kothari Textiles P.	10	10	8	10	9/35	9/35	10/55	Vasanta P.	16	20	..	100	255/00	255/00	290/00

* 1962

SOUTH INDIA SUGAR MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		10-3-64	3-3-64	A year ago		1959	1960	1961		10-3-64	3-3-64	A year ago
Andhra P.	20	..	..	10	14/75	15/75	18/20	K. C. P.	15	..	..	10	22/83	22/85	25/07
Cauvery P.	Nil	6	..	100	103/00	103/00	99/00	Kothari	..	Nil	..	10	7/00	7/00	7/07
Deccan Sugar	25½	25½	12-18*	5	12/10	12/10	9/50	Mysore	..	30	30-30*	10	44/65	44/65	51/40
E.I.D.—Parry	28 4/7	21 3/7	21 3/7*	£1	36/87	37/50	39/17	Travancore P.	10	10	..	10	7/45	7/45	6/85
Indian Sugar P.	12½	14	10	10	10/00	10/00	10/25	United Breweries	60	60	60-25*	10	33/00	33/00	95/00
Jeypore P.	10	8	..	10	14/68	14/68	15/00								

* 1962

SOUTH INDIA MISCELLANEOUS COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		10-3-64	3-3-64	A year ago		1959	1960	1961		10-3-64	3-3-64	A year ago
Aluminium Industries	12½	18	..	10	19/12	19/00	21/00	Mysore Chemical Mfgs. P.	20	20	..	10	16/70	16/70	18/28
Andhra Cement P.	10	..	..	10	10/10	10/10	9/75	Mysore Lamp P.	10	20	..	10	30/00	30/00	34/66
Ashok Leyland	8	8	..	5	7/10	7/23	7/85	Mysore Paper	12½	15	15	10	12/40	12/40	14/30
Binnay	10	12½	..	100	282/00	282/00	327/17	Mysore Tobacco	12½	10	..	10	12/00	12/00	7/90
Brunton & Co.	Nil	..	..	10	5/00	5/00	5/30	Parrys Cont.	20	30	..	10	3/33	3/33	3/44
Enfield P.	5	5	..	10	10/25	10/40	9/50	Spencer (Provisions)	18	18	18-18*	10	22/37	22/25	22/50
India Cement P.	9	11	9-12*	5	5/79	5/73	6/20	Standard Motors P.	9	9	..	10	10/33	10/33	16/13
Indian Steel Rolling P.	7	..	..	10	9/90	9/90	10/50	T. Stanes P.	27½	32½	..	10	27/40	27/40	29/75
Mettur Chemical Industrial P.	8½	12½	12½-13½*	10	13/85	13/55	12/87	Textool	15	15	..	100	145/50	145/50	153/00
Mysore Chem. & Fert.	5	10	10	10	7/93	7/93	9/75	Tube Investments	10	10	10	100	215/00	215/00	235/00

* 1962

LIGHT RAILWAY AND ROPEWAY COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		11-3-64	4-3-64	A year ago		1960	1961	1962		11-3-64	4-3-64	A year ago
Ahmedpur Katwa	1.90	1.90	1.75	100	28/00	28/00	29/00	Darjeeling Ropeway	..	..	..	10	8/50	8/50	6/00
Arrab Sasaram	5	5	5	100	30/50	30/50	30/60	Dehri Rohtas	17	20	15	10	12/50	12/50	14/08
Bankura Damodar	1.90	1.90	1.75	100	30/00	30/00	29/50	Putwari Islampur	1.90	1.90	1.90	100	28/70	28/70	28/70
Burdwan Cutwa	1.90	1.90	1.75	100	29/00	29/00	28/50	Howrah Amis (P)	6	5	4½	100	34/00	34/00	48/00
Chaparmukh-Silighat	2.90	2.90	2.80	100	40/00	40/00	35/00	Katakhal Lala Bazar	3.50	3.10	1.80	100	45/00	45/00	45/00
Cherra Chhatrak Ropeway	9	12	12	5	4/62	4/62	5/75	Shahdara (Delhi)	0	8	..	100	62/00	62/00	50/75

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CAPITAL

A Weekly Journal of Commerce, Industry and Finance
WITH WHICH IS INCORPORATED

THE INDIAN FINANCIAL REVIEW

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76th YEAR OF ISSUE

CALCUTTA, 19th MARCH, 1964.

Vol. CLH 3802

CONTENTS

Editorials	
World Trade and Economic Development ...	417
Reserve Bank Turns Turtle ...	418
Foreign Aid Prospects ...	418
Current News and Comment ...	419-22
Deposits with Joint-stock Banks	
E.C.G.C. Makes Good Progress	
Woolen Industry Faces a Crisis	
Role of Monopolies Commission	
Strengthening Local Finances	
Promoting Technical Education	
Industrial Peace During the Emergency	
Credit Curb on Groundnut Tolls	
Need to Evaluate Plan Progress	
A Ditcher's Diary ...	423
Guide for Investors ...	425-28
State Bank Launches New Expansion Scheme	
Albion Plywood	
Andhra Sugars	
Bank of India	
Belsund Sugar	
Chartered Bank	
Guest, Keen, Williams	
Indian Graphic Arts	
Morarjee and Dharamsi Chemical	
Mysore Cement	
National Rayon	
Nizam Sugar	
Rajasthan Spinning	
Raza Buland Sugar	
Sarvaraya Sugars	
Sassoon Silk	
Shallimar Wires	
United Commercial Bank	
Upper Doab Sugar	
Valkundam Rubber	
New Capital Issues	
The Stock Markets ...	429
Bank Balance-sheets	
Bank of India ...	434
United Commercial Bank ...	438
Chartered Bank ...	444
Chairmen's Statements	
State Bank of India ...	440
Chartered Bank ...	443
Special Article	
Increasing the Resources of Banks in U.K. ...	432
New Delhi ...	445
lons ...	433
oney ...	447
te ...	449
Commodity Markets	

WORLD TRADE AND ECONOMIC DEVELOPMENT

THE season is just opening for an important series of discussions on international trade and development. In Geneva next Monday there starts the United Nations Conference on Trade and Development, and in May, in the same city, will begin the eagerly-awaited second stage of the Kennedy Round of tariff negotiations within G.A.T.T. The two events are not altogether unrelated, although the U.N. conference owes its origin to a Russian initiative which had little if anything to do with the purely Western objectives of the Kennedy Round. Now the Russian interest has narrowed to the problem of East-West trade, and the underdeveloped countries have taken the idea over in the hope the conference will provide them with the opportunity to present their views in a way the Kennedy Round almost certain will not. The hope, in other words, is that a concerted underdeveloped countries' point of view will emerge which can in future be represented whenever the opportunity arises. It must be said right away that this is highly unlikely to happen. The conference is altogether too large and unwieldy for any sharply-defined attitude to be formulated. The more probable outcome is a somewhat blurred picture of the general requirements of underdeveloped countries in matters of trade and aid which should nevertheless carry considerable weight for the future. It might even help to instil an element of sober urgency into the Kennedy Round negotiations, which at present threaten to dissolve into a series of interminable wrangles over tariff disparities.

The European Economic Community is not unaware that its firm stand on the disparity problem may endanger the case for the underdeveloped countries in the Kennedy Round. At the beginning of February the Common Market Commission put forward proposals for helping the exports of these countries which it is hoped will gain the approval of all the Six. Indeed, it has been suggested that France might be happy to see world attention diverted altogether from the G.A.T.T. negotiations, which she may well be intending to wreck anyway, to the U.N. conference and the problems it will raise. This is mere conjecture. What is certain is that the attitude of the Common Market towards the problems of the underdeveloped countries promises to be rather more pliable than it is likely to be towards the "across-the-board" principle which the United States and the E.F.T.A. are going to sponsor in the Kennedy Round. What concrete form this amenability will take is by no means clear. The E.C.M. Commission has advocated that the Six should negotiate trade concessions on various items which feature most prominently among the exports of the underdeveloped countries. Scope here will inevitably be limited by the Community's obligations to its "associates". But there is no reason, if the underdeveloped countries' point of view is expressed sufficiently strongly at Geneva, why there should not be room for extracting some valuable concessions out of the Six as at least partial compensation for the damage which may eventually be done by the common external tariff.

The deliberations at the U.N. conference will centre on five main issues, each of which

is to be in the hands of a separate committee. They are: the general problems of expanding international trade and its significance for economic development; the problem of primary commodities; manufactured exports; development financing; and "institutional problems". One of the committees is likely to have an Indian chairman. The general pattern of the conference will be laid down by its Secretary-General, the Argentinian economist, Dr. Raul Prebisch. He is expected to guide discussion along certain specific lines which have so far found little favour among the developed countries. His thinking has been presented in the form of a plan which, briefly, provides that apart from finding aid for development plans, steps should be taken to compensate underdeveloped countries for any losses incurred due to deteriorating terms of trade, and substantially increased trade credits should be granted for financing exports of manufactured goods to primary producers. Also, and this is likely to prove the most controversial part of the plan, Dr. Prebisch proposes that the major industrial nations should join together to give "blanket" preferences to the manufactured exports of the underdeveloped countries. There is nothing particularly revolutionary about such proposals, but so far they go well

instance, has indicated that she may be unwilling to consider granting new preferences to any significant extent for balance-of-payments reasons. She has warned that Dr. Prebisch's proposals would mean the end of the Commonwealth preference system. France, too, has shied away from this implication; for reasons of her own, she does not wish to see an end to the existing arrangements with her former African dependencies. There is a general fear among the developed countries that to underwrite world commodity prices would impose altogether unacceptable burdens on balances-of-payments, especially for countries which, like Britain, depend to a disproportionately large extent on imports for their food and raw material supplies. Such countries, it is pointed out, would be called upon to carry more than a fair share of the burden involved in supporting the underdeveloped. The British view, already stated, is that any scheme for blanket preferences would require the participation of all major industrial countries.

Political factors are also important in reactions to the Prebisch Plan. The United States has always been reluctant to grant development aid on a purely international basis unless the communist bloc is willing to do the same, and it is unlikely she will be attracted by any scheme which would take politics out of the problem of helping the underdeveloped countries altogether. The strength of this point has recently been illustrated by the stopping of aid to the United States' Western allies because they insist on trading with Cuba. Nor is the U.S. Administration going to be anxious to accept any plan which involves throwing open the highly protected American home market to the manufactured exports of underdeveloped countries. This provision of the Prebisch Plan, therefore, can be dismissed as unlikely ever to be adopted in practice; the combined will among the developed nations, including Russia, to unilateral or large-scale, selective tariff-cutting simply does not exist.

That is probably one of the reasons why the developed countries of the West have been show-

ing signs that they would prefer the underdeveloped nations to pursue their interests through the G.A.T.T. mechanism rather than by sponsoring ambitious, but largely impracticable, schemes such as Dr. Prebisch's. They are apt to point out that progress has been made through G.A.T.T., and that more of the same can probably be expected in the future. They tend to discount the risk that the Kennedy Round will either collapse altogether or be indefinitely prolonged by wrangles over disparities, but their attitude has at least the virtue that it would not leave the problems of the underdeveloped countries to the mercy of what might turn out to be yet another forum for propaganda posturing. This fear is probably also at the root of their objection to the Russian proposal for setting up a new international organisation to deal with trade problems, in which the Russians themselves would participate. Before such an attitude is dismissed as unjustified, it would be as well to remember that if the Russians were in fact interested in trade rather than politics there is no reason why they should not join G.A.T.T.

The one fact which emerges from any careful survey of the prospects of the U.N. conference and the Kennedy Round is that nothing worthwhile is going to be achieved in a hurry. With three months in which to debate their points of view, the underdeveloped countries are unlikely to restrict themselves to bare essentials. And with the chances of an indefinite period of haggling between the G.A.T.T. partners, the possibility of any clear-cut and imaginative proposals emerging are equally remote. This is not an encouraging prospect for those who see the future for the underdeveloped countries in terms of "trade rather than aid". The most likely consequence is a growing sense of frustration all round. To avoid this it will be necessary for both the developed and the underdeveloped nations to show considerably more imagination and sense of responsibility at the coming conference than at the moment appears to be even remotely possible.

RESERVE BANK TURNS TURTLE

WITHIN less than five months, the Reserve Bank has decided to reverse its policy of liberalising the supply of bank credit inaugurated in November last year. The reversal is unflattering; it shows that the Reserve Bank and its mentor, the Central Finance Ministry, lack a sense of purpose and firmness in framing their credit policy. The change will not only embarrass banks, trade and industry; it is also unlikely to serve the purpose for which it is intended. The Reserve Bank appears to have been panicked by the sharp rise in bank advances since the busy season began. The expansion of bank credit since November 1963 has approached a new high of Rs. 300 crores and scheduled banks' borrowings from the Reserve Bank have touched a peak of Rs. 107 crores. The Reserve Bank is greatly disturbed by the rise in prices during the current busy season. The wholesale price index had dropped by 2.3 percent during the 1962-63 busy season, but has risen by about 1.2 percent during the current one. Prices, particularly of food-grains and industrial raw materials, have risen. The Government apparently still expects that agricultural production during the current season will be somewhat larger than in the past one, so the rise in prices has been attributed to the credit expansion. It is feared that part of the credit supply has been used for hoarding commodities. But even assuming that the Reserve Bank's diagnosis is correct, there is no point in restricting the credit expansion late in the season since the damage has already been done. Any credit required for hoarding commodities will have already been taken by this time. The move, therefore, will do little to discourage hoarding and speculation; on the contrary, it may create more problems than it seeks to solve.

There is no doubt that the rise in the prices of agricultural commodities at this time of year—when the pressure of the new crops should be felt in the markets—is extremely disturbing. The Reserve Bank, however, can help restrain price inflation only to a limited extent. Huge amounts of "unaccounted money" are available for financing hoarding and speculation. Those holding such

money cannot be deterred by restrictions on bank credit or by fiscal measures since they have become experts in the art of avoiding both. The latest restrictions on advances against groundnuts and other oilseeds, along with the earlier restrictions on advances against paddy, are unlikely to achieve any great success in restraining price rises. The Reserve Bank's power to regulate agricultural financing, finally, is undermined by the fact that it has virtually no control over the large amounts of credit which are pumped into the co-operative sector for financing agricultural activities.

The new credit policy seeks to restore the tier system of lending by the Reserve Bank to scheduled banks which prevailed between 3rd January, 1963, and 29th October, 1963. The amount of accommodation which a scheduled bank can automatically obtain from the Reserve Bank has been reduced from 150 percent of its statutory reserves to 100 percent. The quota available at the Bank rate of 4½ percent has been cut from 75 percent to 50 percent of a scheduled bank's statutory reserves. The second quota, available at an interest rate of 6 percent, has similarly been cut from 75 percent to 50 percent. A third tier of accommodation in excess of statutory reserves will be given by the Reserve Bank at its discretion, but a penal interest rate of 6½ percent will be charged on it, instead of the interest rate of 6 percent charged hitherto. The average cost of borrowing an amount equivalent to a bank's statutory reserves is thus being raised from 4.37 percent to 5.25 percent. The accom-

modation given at the Reserve Bank's discretion will obviously be restricted by the penal rate of interest. The immediate effect of the new credit policy will be to reduce scheduled banks' borrowings from the Reserve Bank which are in excess of 100 percent of their statutory reserves. The sum involved is estimated at about Rs. 32 crores.

The claim has been made that the new policy will not restrain the supply of credit to industries. The Reserve Bank has asked commercial banks to reduce their clean advances other than those given to industrial borrowers. Banks have also been asked to provide an adequate supply of credit to the industrial sector to stimulate production for defence and exports and for genuine purposes. The directive is unexceptionable in theory but it is doubtful how far banks can succeed in distinguishing between advances. In the process of implementing the credit squeeze, the axe might well fall on industrial advances too. Statistics are not yet available to indicate the expansion in the supply of credit to the industrial sector during the current busy season; but it is almost certain that the expansion which has taken place so far is fully justified. It is true that the growth of industrial production has fallen short of the planners' expectations, but the rate of expansion seems to have been accelerated since the end of 1963. The financial requirements of industries have risen as the prices of raw materials, coal, fuel, power and labour have increased. Some industries, like the jute industry, have been forced to build up large stocks of raw materials; the jute mills have also been carrying large stocks of finished products due to the decline in overseas demand.

In spite of the more liberal supply of credit from banks, industries have found it difficult to get enough short-term working capital, as well as medium-term and long-term funds. The shortage of finance has worsened since the new issue market remains sluggish. In trying to supplement the flow of credit to industries, the Government has made an effort to replenish the resources of the Industrial Finance Corporation and State Financial Corporations. The Unit Trust has been set up with a view to diverting savings into industrial investments. It is also proposed to set up a development bank to help finance industries. The Reserve Bank has asked banks to take active measures to increase their deposit resources since it hopes that they will rely more and more on their own resources to finance economic activity. The increase in deposits will be necessary for a more immediate reason, which is that banks will have to comply with the law prescribing a higher liquidity ratio by September 1964. Banks have, therefore, been advised to re-examine the interest rates they pay on deposits. The idea is to explore the possibility of attracting deposits by increasing the interest rates they could earn. Many savers are influenced by interest rates, and banks need to consider the idea seriously.

Now that the Reserve Bank is raising the effective rate of interest on the money it lends to banks, it is expected that interest rates on advances will also be raised in due course. Higher advance rates will have some inflationary influence since they will tend to raise production costs. But the new credit policy in any case is unlikely to restrain the inflationary pressures which have been aggravated by the sharp rise in the money supply over the past year. The money supply has risen from Rs. 3,218 crores to Rs. 3,652 crores, the substantial increase in Government expenditure having made a major contribution to the increase. That is where the root of the trouble lies. Fiddling around with the credit policy can serve no purpose; the Government first has to reduce its expenditure if inflation is to be checked.

FOREIGN AID PROSPECTS

IN the context of the Aid-India Club meeting which will have been held in Paris by the time this issue of *Capital* is in print, the first task is to assess the deficit between the foreign resources in sight and the needs arising out of the development programmes undertaken during the third plan. By the end of 1963-64, the commitments already

made will amount to a little over Rs. 2,366 crores. The sum includes the carryover of assistance from the second plan period, the pledges given by the Aid-India Club for the first three years of the third plan and various small amounts received outside the consortium arrangements. Considering that the third plan had estimated a gap of Rs. 2,600 cro-

res between the country's capacity to pay out of current earnings and the total import payments, one would think that India was only marginally short of the external resources required during the 1961-66 period. This is far from being the case, as is evident from India's further request for Rs. 548 crores by way of consortium aid this year. The discrepancy arises in the first place from the serious underestimation of the capital costs of plan projects. This is tacitly admitted in official documents, although they tend to explain away the default by pointing to the rising prices of capital goods and the inclusion of new projects in such fields as power and transport within the five-year programme. Nothing is said, however, about the offsetting savings from projects which have failed to get off the ground, among them the fertiliser unit in Durgapur and the organic chemicals plant near Bombay. Secondly, requirements of maintenance imports have risen for the simple reason that the output realised from new exchange-saving industries like steel, non-ferrous metals, machine building and non-ferrous metals is running at a much lower level than was optimistically assumed in the plan. The result is seen in the sharp rise in requirements of non-project assistance from Rs. 700 crores assumed in the plan to at least Rs. 1,015 crores, the figure mentioned in the mid-term appraisal which may yet be revised again.

While there is no official estimate of the total project aid India will need during the current plan, non-project requirements—including refinancing of debt—have been put at Rs. 450 crores for the two years 1964-65 and 1965-66. This figure takes into account unspent credits, those now in hand as well as those likely to spill over into the next plan period. Against the total of Rs. 450 crores, this country is reportedly asking the Aid-India Club for Rs. 168 crores this year and has indicated that her request for 1965-66 will be of the order of Rs. 280 crores. Subtracting the component to be used for commodity imports, the aid being requested for continuing projects under way or for starting new ones comes to Rs. 380 crores. The aid memorandum, presumably anticipating the objection that commitments at this rate will run far ahead of the premises on which support for the third plan was predicated, disarmingly claims that a fair proportion of the assistance now sought is to be used for fourth plan projects, particularly in the fields where shortages already exist and which must receive priority attention. Unfortunately the sector-wise break-up of the aid request does not immediately disclose the weight given to advance action of this nature in framing the estimate. Iron and steel, undoubtedly a field where the long gestation period makes an early start necessary, is put down for only about Rs. 20 crores or less than five percent of the total.

India's chances of getting the Club to agree to more or less the total she is asking for depend on several factors. The request for non-project assistance will presumably receive sympathetic consideration because of the demonstrated value of this form of assistance in improving the condition of the economy and strengthening its ability to help itself. At Rs. 168 crores, the sum is well below last year's commitment of Rs. 200 crores on this account and forms moreover a smaller proportion of the total. The World Bank, anxious to see India's existing industrial capacity used more fully, will perhaps lend its strong and influential support in line with the thinking which has prompted its President to suggest that the Bank itself should be willing to assist in this direction. But the decision on the project component will be harder to reach because of the growing disappointment of many aid-giving countries about the pattern and pace of Indian development. It was to this anxiety that Mr. Asoka Mehta, deputy chairman of the Planning Commission, referred last December when he said that the halting pace of the plan was disillusioning India's best friends.

Judging from the trend of official pronouncement in recent months, anyone can see that Mr. Mehta was not talking out of turn. Leaders of the Government, including Mr. T. T. Krishnamachari, the Central Finance Minister—have said a good deal to indicate that an effort to reorient policies was under way. Any causal connection between such reorientation and the views of aid-givers will, of course, be at once disclaimed but this is only to be expected. One must also acknowledge that the disclaimer gains a certain plausibility because domestic pressures, chief among them the mass

discontent against rising prices and the misery of the growing army of the unemployed, also point towards a shift in economic thinking. It is fair to say that Mr. Krishnamachari's plea for an income-oriented pattern of growth in a widely noted address delivered in Bombay towards the end of 1963 was not a fortuitous interjection of realism but a reflection of the wider rethinking now in progress. This was made clearer in his Budget speech in which he deprecated the "race" for making new starts while neglecting to get full value out of the facilities created.

When Mr. Krishnamachari himself has such misgivings, one need not be surprised if the aid-giving nations in Paris ask for more rigorous proof of the soundness of new schemes than they have sought in the past. This was doubtless anticipated in New Delhi, and one hopes that the Indian representatives have gone to Paris fully prepared to answer awkward questions. More than the merit of individual schemes, Aid-India Club members probably want to know what is being done to reduce the excessive reliance on government-to-gov-

ernment aid in Indian economic planning. The fact that official estimates of foreign private investment over the third plan period have recently been revised from Rs. 300 crores to only Rs. 150 crores will need some explaining, especially in the context of the view widely held abroad that this shrinkage cannot be blamed on any lack of interest in India among the capital-exporting countries. One of Mr. Krishnamachari's declared aims in framing the new Budget is to stimulate the flow of private capital into India but it remains to be seen whether the fiscal measures have produced the effect in Paris that the Finance Minister was apparently hoping for. The moves made in the past few weeks to restore some freedom to the economy by freeing industries from the straitjacket of controls should reinforce the Indian case. But these changes have come too slowly to be of much benefit. While the final outcome is not known at this writing, it is not difficult to predict that the negotiations begun this week will need to be pursued vigorously at both the political and the economic levels before commitments on the scale India has asked for materialise.

Current News and Comment

Deposits with Joint-stock Companies

The extent of deposits from the public accepted by joint-stock companies is usually exaggerated. This is evident from the detailed information relating to these deposits for the three-year period from 1960-61 to 1962-63 given in the February issue of the *Reserve Bank of India Bulletin*. Towards the close of last year, the Reserve Bank was authorised to collect information on these deposits. But no regulatory measures are contemplated, at least for the time being. The Bank's study is based on the accounts of 1,111 public limited companies which, in terms of paid-up capital, cover nearly four-fifths of the entire non-Government non-financial public limited joint-stock companies. Since the accounts of some companies do not show the figures of public deposits separately as deposits from directors, managing agents, etcetera, and security deposits of employees, agents, etcetera, have been excluded, the data presented by the Bank indicate only an upper limit of public deposits held by selected public limited companies.

Total deposits amounted to only Rs. 34 crores for 1962-63, Rs. 29 crores for 1961-62 and Rs. 25 crores for 1960-61. Although there has been a steady increase in deposits at the rate of about 15 percent in 1962-63. Deposits have also been small in relation to bank borrowings (the ratio of deposits to borrowings from banks has amounted to about 8 percent). Deposits have flowed mainly in the form of fixed deposits and their proportion to the total has varied from 65 percent to 67 percent. Companies in the largest size-group with paid-up capital of more than Rs. 1 crore each have accounted for about 30 percent of total deposits held at the end of 1962-63. They have also absorbed nearly 59 percent of the increase in deposits during 1962-63. The practice of accepting deposits has been less widespread among smaller companies with paid-up capital of between Rs. 5 lakhs and Rs. 10 lakhs each.

Deposits have largely been concentrated in sugar, cotton, engineering, chemicals and trading companies which together account for about 75 percent of the total for 1962-63. The acceptance of deposits is fairly widespread among the cotton textile and sugar industries. More than half the number of companies in the cotton textile industry and two-fifths of the companies in the sugar industry accepted deposits at the end of 1962-63. The proportion of companies reporting deposits amounted to about 24 percent in the chemical industry and less than 20 percent in the engineering and trading groups.

Although public deposits form a small part of the total resources of joint-stock companies, their importance should not be overlooked. For some cotton mills and trading companies they have served as a useful source of finance for many

years. Under the circumstances, there is no ground for interrupting the flow of deposits into industry, trade and commerce. The statistical information provided by the Reserve Bank does not prove that these deposits have ever posed a threat to the deposits of banks and other financing institutions. The size of companies' deposits pales into insignificance when they are compared with total scheduled bank deposits of Rs. 2,486.88 crores. An important factor which has led companies to rely on public deposits has been the shortage of financial facilities from banks and other financing institutions. If the supply of institutional credit is not supplemented by public deposits, the genuine activities of trade and industry may suffer. This apart, several business firms find it difficult to comply with all the rules and regulations governing the supply of institutional credit.

The acceptance of public deposits by companies is unexceptionable in principle. There is nothing wrong if the public is willing to keep deposits with companies on which they earn an attractive return. In fact, deposits with companies should be encouraged to promote a healthy competition among deposit-gatherers. But this is not to imply that companies should be given complete freedom in collecting deposits. Since it is necessary to devise safeguards for ensuring the safety of depositors, the authorities will be justified in regulating company deposits through businesslike measures. Meanwhile, the flow of deposits into companies should not be interrupted by cumbersome rules and regulations.

E.C.G.C. Makes Good Progress

The Export Risks Insurance Corporation, which has recently been transformed into the Export Credit and Guarantee Corporation (E.C.G.C.), has an unbroken record of progress. Export risks insurance is still in its early stages of development in India, but its importance is now being increasingly felt. The number of policies—standard as well as packing credit—issued by the Corporation during 1963 rose impressively by 31.1 percent over the previous year. Standard policies increased from 502 to 577 and packing credit policies from 52 to 148. The policies in force at the end of December 1963 totalled 802, compared with 599 at the end of 1962. The maximum liability in force showed an increase of 3.6 percent from Rs. 19.26 crores to Rs. 19.95 crores; the figure for 1961 was substantially lower at Rs. 12.91 crores. The value of risks covered—the real measuring rod of growth—rose substantially by 42.3 percent from Rs. 20.69 crores to Rs. 29.45 crores. The average premium rate for overseas insurance continued to remain around 1 percent. The Corporation is underwriting risks of far-reaching significance, but its premium rates are being kept deliberately low in the interest of export promotion. Even so, the Corporation's pre-

mium income at Rs. 6.47 lakhs shows a rise of 14.7 percent over the 1962 figure of Rs. 5.63 lakhs, and the increase works out to as much as 85.6 percent, when compared with the 1961 figure of Rs. 3.48 lakhs. The claims paid during 1963, amounted to Rs. 6.51 lakhs, against Rs. 1.55 lakhs in the previous year. The liabilities for these claims were, however, not all incurred during 1963, and a bulk of them pertained to earlier periods. The recoveries made came to Rs. 92,333 and the net claims paid totalled Rs. 5.59 lakhs. After payment of claims, a sum of Rs. 4.03 lakhs is being carried to the reserve for unexpired risks. This reserve had been created in 1962 by crediting to it a sum of Rs. 4.54 lakhs.

The value of risks covered during 1963 at Rs. 29.45 crores works out to only 4 percent of the country's total exports. But then over 60 percent of India's exports are in traditional items for which Indian exporters have old and established connections, and do not feel the need of risk insurance so keenly. A bulk of the remaining trade is, again, done against letters of credit. All in all, the E.C.G.C. covers some 15 percent of the country's insurable export credit risks. This compares reasonably well with the performance of its overseas counterpart organisations of the same age. The Corporation continues to make sustained efforts to bring home to the export trade the enormous benefits accruing from insuring export credit risks. It offers a full range of policies to suit the varying needs of exporters, and it is able to cover the exporters' risks, both commercial and political, right from the date of the contract to the due date of payment. It also endeavours to examine the probity and financial status of every overseas buyer on its record and, at the same time, offering its policyholders an insight into the standing and creditworthiness of their clients.

The Corporation has built a library of credit information on as many as 15,000 overseas buyers, and this service is being rapidly improved and enlarged. The Corporation is offering credit insurance facilities in line with those of the leading credit insurers of the world. The bank finance availed of by exporters under the Corporation's packing credit and assignment policies amounted to Rs. 8.07 crores in 1963, compared with Rs. 5.09 crores in 1962. The Export Risks Insurance Corporation has recently been transformed into a full-fledged Export Credit and Guarantee Corporation (E.C.G.C.) which, besides covering the scheme of export risks insurance formerly administered by the E.R.I.C., will also furnish various kinds of guarantees to banks, with a view to securing for the exporters more liberal credit facilities at finer rates of interest. The Corporation has already acquired some experience in the field of guarantees to banks and the guaranteeing functions of the Corporation will be substantially enlarged by the E.C.G.C., and there are plans to evolve new covers to make it possible for banks not only to discount bills which they would ordinarily accept only for collection, but to provide more liberal credit facilities at the post-shipment stage as well. The E.C.G.C. will not compete, but collaborate, with the banks in the provision of credit facilities, which are so essential for the rapid growth of India's foreign trade. The E.R.I.C.'s encouraging performance in the past holds out the promise of a brighter future for the E.C.G.C.

Woollen Industry Faces a Crisis

The Central Government has reduced the ceiling on raw material imports for the Indian woollen industry from Rs. 10½ crores in 1963 to Rs. 5 crores in 1964. As a result of this slashing, the existing capacity in the industry would be used only to the extent of 19 percent in spinning, 11.4 percent in weaving and 43.9 percent in the shoddy sector. This is what Mr. R. K. Birla recently told the Development Council for the woollen industry. Since the Indian woollen industry depends on imported raw material, and most of the Indian wool is unsuitable for making apparel, the crisis in the industry cannot be overcome unless the Government finds it possible to allot more foreign exchange for importing wool.

Out of the Indian output of some 72 million lbs a year, nearly 30 million lbs are exported, earning foreign exchange to the tune of Rs. 8 crores annual-

ly. But if larger exports are permitted in the shape of wool, blankets and other goods, it is possible to earn more foreign exchange. If export of some 60 million lbs of wool in different shapes is allowed, which is not impossible, India would earn another Rs. 8 crores of foreign exchange. This should make it possible for the industry to import the necessary raw materials and thus to increase the utilisation of machinery and the level of output. But the condition that first the necessary foreign exchange should be earned before a larger import quota is allowed is unfair. In any case, as Mr. Birla rightly pointed out, the Government should announce the ceiling for raw material imports for 1965 sufficiently in advance as it takes six months for importing greasy wool and converting it into wool tops for use as raw material by the producers.

The Indian woollen industry is undertaking renovation and modernisation of machinery which would cost a huge sum of money. The Central Government has also sanctioned the expansion of capacity in the Indian woollen industry by another 11½ million lbs. But unless the industry is allowed to import more raw material, the modernisation of plant and machinery and the expansion of productive capacity would serve no purpose. In fact, the danger is that in the absence of an assurance of greater raw material supply in the remaining two years of the third plan, modernisation of plant and expansion of capacity might both be slowed down.

Role of Monopolies Commission

In keeping with its pledge to introduce democratic socialism in India, the Government will be appointing a Monopolies Commission. In the last session of the Congress Party in Bhubaneswar, the newly-elected president of the Party, Mr. K. Kamaraj, moved a resolution to the effect that the growth of monopolies needed to be probed by a Monopolies Commission. The proposal caused not a little surprise among non-Congressmen because important clues to the growth of monopolies were expected to be obtained from the report of the Mahalanobis Committee which, meanwhile, has submitted its findings to the Government of India. But those who expected that the Committee would startle the country by revealing a lot of unknown facts about the concentration of wealth and economic power had obviously been dismayed because the expert body has not produced any definite conclusions about the changes in income distribution in India. The Committee's observations on income distribution, if anything, are tentative and highly circumscribed. It could not gather sufficient data to say something definite about the concentration of wealth one way or the other. True, statistics can be interpreted according to one's likes and dislikes, but the Committee has not ventured to do even that, presumably on political considerations. It is no wonder, therefore, that it has stated candidly that "except for the complexes, statistics do not show any definite and significant trend in concentration ratios during the first ten years of planning."

It would have been useful to appoint a Monopolies Commission if the Mahalanobis Committee in its report had pointed to the increasing concentration of wealth and economic power. The spectre of monopolies may haunt such developed western countries as the U.S.A. and the U.K. But in a country like India which is determined to expand the public sector at the expense of the private, the growth of monopolies is difficult, if not impossible. On the other hand, there should be some sort of a decision against the growth of such State monopolies as the State Trading Corporation of India which are merely exploiting consumers. For one thing, the growth of monopolies in India has been retarded by a stringent company law, capital issues control and a rigorous system of industrial licensing. If, in spite of all these, there have been monopolies, the Government itself is to blame because its system of industrial licensing could not check the tendency.

Nor should the Government forget that its Industrial Policy Resolution has reserved important industries to the public sector so that the growth of monopolies in the private sector might be checked well in advance in keeping with its avowed faith in a socialist pattern of society. Special facilities and aid for small industry, the growth of co-

operative organisations in industry and agriculture and the encouragement of newcomers in the private sector, have all been intended to check the growth of monopolies. Furthermore, if by "monopolies" the Government means a handful of large-scale industrial enterprises who are allegedly exploiting consumers, the question arises whether this class of entrepreneurs can be replaced by newcomers who, because of their lack of experience, will only produce shoddy goods and charge high prices from consumers. Mr. Asoka Mehta, deputy chairman of the Planning Commission, said recently in New Delhi that the proposed Monopolies Commission "would not make any raids on development but only provide the traffic rules of growth." India's entrepreneurs will, however, honestly hope that the Government will not use the proposed commission for witch-hunting in industry to serve political ends.

Strengthening Local Finances

Inaugurating the sixth session of the All-India Mayors' Council in Kanpur last week, Mr. Lal Bahadur Shastri emphasised the fact that local bodies in India are the basic units of self-Government and could do much to improve social welfare. Such fields as education, health, sanitation services, housing and other civic facilities come within their jurisdiction. The local bodies, however, are to a large extent ineffective in increasing the people's welfare because of the paucity of their resources. It has been estimated that in 1963-64, all the local authorities—city corporations, port trusts and municipalities—taken together had an annual revenue of less than 1½ percent of the national income. This is too low a proportion, whereas the total annual revenue of the Central and State Governments and local bodies taken together is 10 to 12 percent of the national income.

Mr. Shastri told the Mayors' Council that a Bill might soon be introduced in Parliament to enable local bodies to levy taxes on Government property. This reform has long been overdue and the power to levy taxes on Government property, as on all other property, will certainly give the city corporations and other local bodies some more revenues. But in order to place them on a sound financial footing and to make them really effective in increasing social welfare, it is necessary to assign some elastic sources of revenue—such as a share in sales taxes, entertainment duty, electricity duty and motor vehicles taxes—to them. There is a considerable justification for this. The shop-keeper, cinemas and other entertainment houses, motor-vehicles and industries use facilities provided by local bodies and it is only fair that some of the taxes paid by the former should go to the latter. It is a disquieting situation that the receipts from rates and taxes account only for less than two-fifths of the local bodies' revenues in India, and the rest is obtained from Government grants and subventions and loans. This makes the condition of local finances highly unstable.

Mr. Shastri suggested that a committee should be appointed to go into the demand of local bodies for more powers and financial resources. There have been a number of such committees in different States and they have recommended much the same thing. It is doubtful whether one more such committee would serve any worthwhile purpose. What is needed is that the State Governments should make up their mind for parting with some of the revenues in favour of local bodies in order to stabilise their finances and thus enable them to discharge their functions more efficiently.

Apart from finances, a serious difficulty is experienced by the mayors and deputy mayors of city corporations in getting their policies implemented. While the corporations take the decision, the actual implementation is in the hands of the executive under the control of the chief executive officer. Theoretically, there is no reason for this separation between responsibility for taking decision and that for actual execution, but in actual practice, much dislocation has resulted from the fact that while the mayor, deputy mayor and councillors take decisions they have no hand in the actual implementation. The powers are with the chief executive officer, which is not under the control of the elected representatives of the people. It is necessary to give the mayors and deputy mayors some effective control over the

chief executive officer to ensure that decisions taken by them are properly implemented. As Mr. Shastri mentioned in his speech, it is a matter to be decided by the political party in power whether the members of these local bodies should function on the basis of their party affiliations.

Promoting Technical Education

Inaugurating the six-day seminar on "collaboration between industries and institutions in the field of technical education" in Bombay last week, the Central Minister for Steel, Mines and Heavy Engineering, Mr. C. Subramaniam, emphasised the need for greater co-operation between educational institutions, especially universities, and industries for increasing the facility for technical research and technical training. The Minister pointed out that in the past, the colleges and other educational institutions were designed to turn out clerks, lawyers and civil servants, and they now found it difficult to change over to the production of scientists, technicians and industrial managers. But somehow in the first hectic phase of growth of technical education over the past ten years, the physical shortage of personnel had to a considerable extent been overcome and for the future, there was need for stabilising the gains and placing emphasis on qualitative improvement. In the past, there was much need for civil engineers, but in the future, there would be a greater need for those skilled in electronics, automation and designing and industrial techniques. India should plan for increasing their supply.

It is an unfortunate fact that in India, the collaboration between universities and industries is not as great as in the U.S.A., the U.K. and other industrially developed countries of the world. In India, the universities impart technical training but to a much smaller extent than in some of the foreign countries. Mr. Subramaniam pointed out that whereas in the U.K., the proportion of university students taking technology for study in 1962-63 was 19 percent, in India, it was less than 5 percent. An effort has to be made for popularising technology as a subject of study by extending research grants and scholarships. Mr. Subramaniam was right in observing that in India there is too much reliance on national institutions for increasing the research facilities and for producing engineers. But this has been so because these national institutions alone can give adequate and long-period financial assistance necessary for encouraging industrial and technological research and for increasing the supply of engineers and technicians. The Government of India has increased the provision for industrial and scientific research from Rs. 15 crores in 1958-59 to Rs. 40 crores in 1963-64, but even this increased outlay forms too low a proportion of the national income. Moreover, in the current financial year, out of Rs. 40 crores, nearly Rs. 10 crores are provided for the national laboratories alone. This means that the other institutions will not get adequate financial assistance, especially in the matter of importing the machinery and equipment for increasing research and training facilities.

In the future not only the Government but industrial units will have to provide larger sums of money for industrial and scientific research and for technical training schemes to increase the supply of properly-trained technicians and to help the scientists evolve more effective and cheaper techniques of production. It is necessary to give the scientists and researchers the feeling of freedom and self-respect without which much progress is not possible. The Government and industrial employees will have to recognise this fact in order to ensure stable progress. Moreover, the technicians in all the industrially advanced countries are better paid than civil servants. But in India, the case is the reverse. Consequently, the best talent often goes not to scientific and technical vocations, but to the civil service. This trend will have to be changed to increase the tempo of scientific, technical and industrial research in the country.

Industrial Peace during the Emergency

Speaking at the annual general meeting of the Employers Federation of Southern India in Madras

last week, Mr. A. D. Galloway, chairman, said that when the state of emergency was declared in November 1962, trade unions gave an undertaking that there would be no stoppages of work during the period. But several strikes occurred during the past year, which caused considerable dislocation of work and loss of production. Most of the strikes were declared without notice, and so were illegal. They were caused by inter-union rivalry and the unrestrained activities of minority unions. When the emergency was declared, the main organisations of employers and labour agreed that all industrial disputes should, as far as possible, be settled by arbitration, and that the disputes relating to dismissals and discharges should be voluntarily referred to the Labour Commissioner for arbitration.

Although the employers' organisations have accepted this in principle, they have encountered a number of practical difficulties in referring cases to arbitration. The chairman said that the allegations frequently made by the trade unions—that employers were unwilling to accept arbitration in cases of dismissal and discharge—were not borne out by facts. A survey recently carried out by the Government of India has shown that the response from employers has been encouraging and that the number of industrial disputes referred to voluntary arbitration has steadily increased since the Industrial Truce Resolution was adopted in November 1962. Referring to the Bill to amend the Industrial Disputes Act, which the Government has recently introduced in the Rajya Sabha, Mr. Galloway said that the clause relating to the definition of "continuous service" for paying retrenchment and lay-off compensation was objectionable.

But the most controversial proposal recently made by the Central Government is an amendment to the Act to enable individual workmen to "take disputes relating to their dismissal or discharge to a tribunal for adjudication, and to empower the tribunal in such an adjudication to go into the merits of the case."

Credit Curb on Groundnut Tells

The oilseeds market which had been displaying remarkable strength for a long while has developed a marked weakness all too suddenly. In a matter of few days, groundnut futures have come down from Rs. 239.50 to Rs. 232.50 a 250 kilograms, groundnut ready Kanpur Bold has fallen from Rs. 51 to 48, (a 50 kilograms), groundnut oil ready has lost Rs. 1.25 a 10 kilograms, from Rs. 20 to Rs. 18.75 and groundnut expellers futures have moved down from Rs. 415 to Rs. 390. Castorseed and linseed have also fallen sizably. Considering that oilseeds prices had been bid up to the highest levels for the season, technical considerations alone could have produced a substantial setback. But the abrupt change in the mood of the market was due primarily to the Reserve Bank's announcement on 11th March about tighter credit control and restrictions on advances against groundnut.

The minimum margin on bank advances against the security of groundnuts has been raised from 45 percent to 50 percent, and the ceiling restriction on such advances which had been allowed to lapse in March 1963 has been reimposed. Under the new directive, scheduled banks are re-



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quired to maintain, in the two-month period March-April 1964, an average aggregate level of credit which shall not exceed 130 percent of such credit actually maintained in the corresponding period of 1963. Subsequently, in each two-month period commencing from May-June 1964, the ceiling limits are fixed at 120 percent of such level of credit actually maintained during the corresponding period of 1963. The liberal credit facilities granted to exporters of H.P.S. groundnut and groundnut oil as well as to integrated oil expeller mills for exports of groundnut cake are being continued. Besides, banks have been asked to meet any further credit requirements of exporters on a priority basis, within their general permissible limits of lending against groundnuts. The provisions relating to the margin requirements against the security of other oilseeds, as set out in the earlier directive, are continued without any change.

Scheduled banks' advances against groundnut stood around Rs. 13.53 crores on 27th December, 1963—the last date for which figures are available, compared with Rs. 10.77 crores in December 1962 and Rs. 9.07 crores in December 1961. Between 25th October, 1963, and 27th December, 1963, secured advanced against groundnut registered an increase of Rs. 11.77 crores, compared with Rs. 7.48 crores in the same period of 1962. While the higher level of advances against groundnut does not necessarily mean that credit has been used for speculative hoarding of goods, the Reserve Bank's decision to restrict credit against groundnut should be welcome if it can discourage speculative tendencies and have some restraining

effect on the rising trend in the prices of groundnut and groundnut oil. The authorities might take credit for having checked the boom in oilseeds through credit curbs, but it might be rash to read too much into the recent fall in prices. Groundnut prices might not have declined so sharply if sentiment had not been unsettled by reports, although still unconfirmed—that the Government had decided not to extend the period for the shipment of groundnut oil to Burma beyond 15th March. Moreover, overseas advices concerning groundnut extractions have also not been very encouraging because of the seasonal slackness. The current fall in oilseeds prices might turn out to be a passing phase. Discussions with the trade indicate that it is not the excessive supply of scheduled banks credit which has pushed up the prices of groundnut and groundnut oil and other oilseeds. The strength in oilseeds prices reflects primarily the chronic unbalance between supply and demand. Shortages persist in spite of increased production because demand is growing at a faster rate. Besides, the marketing pattern has also been undergoing a steady change as farmers are becoming increasingly market-conscious. This process has been considerably helped by the progress of the co-operative sector under active official patronage.

Mention might be made here of the delay in the start of trading in the July contracts for groundnut and groundnut oil as a result of the sharp differences between the market authorities and the Forward Markets Commission concerning the terms and conditions laid down by the latter for trading in the new contracts. The Commission had raised the ceilings for groundnut and groundnut oil, but it had prescribed stiff margins along with the revised ceilings. The trade is opposed to the reintroduction of margins. The Commission has, however, expressed its willingness to permit trading without margins provided the ceilings are kept unchanged at the existing levels. It appears that trading in July contracts will be started under the existing rules without any margins.

Need to Evaluate Plan Progress

As against an annual growth target of 5 percent during the third plan, India has generated an income of even less than half the target figure during the first two years of the quinquennium. What makes it particularly disturbing is that the rate of population growth has gone up appreciably in excess of the growth rate of new income. That this should have happened after 12 years of planning is a melancholy fact and gives rise to many questions. Some of them asked by Mr. K. M. Wilcox, in the course of his presidential address at the latest annual general meeting of the Upper India Chamber of Commerce, held last week in Kanpur, were as follows: What has been the impact of planning and development? How much progress has been made and in what ways? Has industry become more dynamic and diversified? Has agricultural production increased? Is mass poverty receding? Is production growing faster than population?

Mr. Wilcox himself answered the questions he posed, and then proceeded to analyse the causes for the present slow rate of development. The first one is the poor progress in agriculture, which provides nearly 50 percent of the national income. Although it has been recognised that farming holds the key to economic growth and substantial investments have been made to provide such facilities as irrigation, power, fertilisers, improved seeds and so forth, India's agriculture is still dominated by natural factors and has not fully benefited from the development programmes. Mr. Wilcox has suggested that it needs to be enquired into whether the investment has been adequate, whether the major and minor irrigation schemes are being administered efficiently and whether correct priorities are being followed in agricultural programmes. There is a widespread feeling that development expenditures on farming are not being properly used and Mr. Wilcox thought that it would be a good idea if the activities of the different agencies connected with agricultural planning at national, State and local levels were closely examined in order to co-ordinate their activities properly and to achieve a higher rate of farm output.

As for industry, progress in this sector has been relatively impressive in some fields, but on the

whole, "the overall factors which induce a rapid rate of growth in industry do not appear to have been strengthened". As far as the private sector is concerned, the inhibiting factors have been shortages of basic facilities like transport and power, essential raw materials, spare parts and components. The position concerning power and transport has improved, but this is partly due to the failure of some of the important industrial projects to materialise. The progress in these fields, therefore, needs to be accelerated. As for the shortages of essential raw materials, components and spares, the industries which have particularly suffered are engineering units. Substantial installed capacity is lying idle. Since under-utilisation of industrial capacity renders machines and men idle, restricts production, and aggravates the high-cost character of the economy, immediate steps should be taken to obtain these necessities in adequate quantities. Industrial expansion depends as much on the supply of these essentials as on a correct price policy and judicious fiscal measures. Mr. Wilcox pointed out how unrealistic price policies followed in the case of many important industries have hindered their growth. The Government is now following a policy of gradual decontrol, which is welcome, but its fiscal policy, especially as represented by the latest Budget, does not indicate that an integrated approach to the question of industrial growth is being made. Mr. Wilcox did not offer any detailed comment on the latest Budget proposals. He hoped that they were based on a recognition of the fact that the capital market has lost its buoyancy, that the resources of private industrial undertakings have weakened partly because they are unable to build reserves and partly due to the slackness in the flow of foreign capital. He, however, pleaded for the rationalisation of the indirect tax structure so that taxes which unduly increase production costs can be avoided.

JUSTICE DELAYED

MR. Justice Ameer Ali is a painstaking and laborious Judge, but cases in his Court are not quickly brought to a termination; and unless the suitors before him are unusually wealthy they generally leave his precincts wiser and poorer men, with perhaps, the disposition but certainly not the means to appeal from his decisions. A recent case before him occupied as many days as it should have, albeit to the ordinary lay mind the question at issue was simple. It appears that a firm called P. Reddaway & Co. have for many years been manufacturing a belting which they call "Camel Hair" Belting, and which, we understand, had also the trade mark of a Camel. This belting has become known as Camel Hair or Camel Brand Belting, sometimes with the addition of Reddaway's and sometimes without; and to our minds there is no doubt that Reddaways are entitled to the exclusive use of the words "Camel Brand" in connexion with belting. But they claim the exclusive use of the words "Camel Hair". Now either the belting made by Messrs. Reddaway is manufactured of camel hair or it is not; if it is not it is clearly a false description, because camel hair belting can only mean, made of camel hair, whereas "Camel Brand" means quite another thing. In this state of things Messrs. Schroder Smidt & Co. lately imported a belting which they allege is manufactured of Camel hair, and which they described as Schroder Smidt & Co.'s Camel Hair Belting, or S.S. & Co.'s Camel Hair Belting; and if the belting is made of camel hair, we fail entirely to see in what way their conduct is blame-worthy, unless Messrs. Reddaway have a monopoly of the manufacture of camel hair. It is significant that when Messrs. Reddaway & Co. objected to Messrs. Schroder Smidt & Co. using the words Camel Hair, the latter offered to substitute the words Camel Wool belting; but this offer was refused. And the result was a case in Court which has terminated in a judgment of portentous length, and which, we trust, will be appealed. The effect of Mr. Justice Ameer Ali's judgment is that some manufacturers will not be able to call things by their proper designation. Thus, for instance, if Messrs. Bass & Co. brewed, in the first instance, a pale ale at Burton, and called it Bass' Burton Ale, no one else could describe an ale brewed at Burton as Burton Ale! Similarly a firm that first shipped bacon from Ireland and called it Irish! The thing to us seems too ridiculous for argument.

FROM

CAPITAL
24th March, 1964

A Ditcher's Diary

THE MOST SATISFYING ASPECT OF THE hartals, FOR which Calcutta is rapidly regaining its old distinction, is that they bring a brief but beautiful calm to the unquiet city. The hooting of horns, the maddening rush of traffic, the shouting and jostling of the multitudes on the streets come to a stop in a symbolic blend of mourning and protest about the hardships of life; the holiday enjoyed and the nerves restored, people are able to return next morning to their daily chores fitter and fresher, grateful for a respite from work that the infrequency of Sundays and festival closures would otherwise make altogether too rare. It would, I imagine, be churlish of one, in the circumstances, not to express gratitude to the Save Pakistan Minorities Committee for affording us the unscheduled pleasure of the closure on Tuesday; it would, perhaps, be even more churlish, thereafter, not to compliment the West Bengal Government on its dexterity in having opposed the hartal, and simultaneously done all it could to make it a complete success. I have had occasion to meet conscientious individuals eager to know what the purpose of the hartal was; for some unaccountable reason, they seemed inclined to underestimate the value of such demonstrations in terrifying the East Pakistani régime and obliging it to reform its truly deplorable attitude towards the minorities of the province. I must confess that I have no time for such petty analyses and disputations. In the fashion of all true economists, I am a firm believer in the theory of the marginal disutility of labour which, translated into everyday terms, means simply that you must avoid work whenever you can afford to. In the rush and whirl of the modern world, leisure is becoming rarer and rarer; the time may be coming when society will have to evolve new ways of moderating the strains of contemporary living if its citizens are not to end up in the psychiatricists' consulting rooms. It is on considerations of psychotherapy that the Save Pakistan Minorities Committee deserves thanks for arranging the leisure which enabled most of us to stay at home on Tuesday. Some who did not stay at home played cricket on the Maidan. Some who neither stayed at home nor played cricket engaged in the always pleasurable pastime of pelting stones at passing ambulances and motor-cars. The unfortunate refugees coming from Pakistan may or may not be grateful for such impressive demonstrations of sympathy with their cause. The people of Calcutta would not be so mean as to be ungrateful for a very welcome holiday.

THE THEATRICAL ANTICS INDULGED IN BY THE counsel defending Jack Ruby could have surprised

nobody who has seen his quota of Hollywood films. For those who were shocked that such a solemn affair was being conducted in this manner, there is the consolation that American justice, in the event, seldom miscarries, if only because its clients enjoy almost infinite opportunities for challenging its processes and appealing against its decisions. Although Jack Ruby has been sentenced to death, I shall be extremely surprised if he is executed any time during the next ten years. It is not that I consider it unlikely that his appeal will be rejected; but past experience with such celebrated subjects as Chessman and the Rosenbergs indicates the chances which exist for delaying the inevitable. Public feeling is much more with Jack Ruby than it ever was with the others. I would not presume to pass an opinion concerning Ruby's guilt, although the fact that he did kill Oswald seems beyond question. What I shall content myself with saying is that it is not going to be easy to prove him guilty before a court outside Dallas; it might have been even more difficult to arrive at a just verdict on Oswald if he had lived. On the whole, Ruby probably did the U.S. Government a remarkable favour when he shot Oswald. If that man had ever been brought to trial, the disclosures might well have touched off a wave of anti-communist feeling such as has not been experienced since the McCarthy era. It would not have been necessary for Oswald's Russian associations to have been proved relevant to his alleged assassination of President Kennedy for them to be used as an excuse by interested parties to embitter relations between the two countries. That would certainly not have been in the interests of anybody, and we have all to be thankful that nothing of the kind occurred. I am sure Ruby's case will get a fair hearing on appeal; I am equally sure that it would have proved next to impossible to provide Oswald with a fair trial. For the former it has been difficult enough to find impartial jurors from among Texans. For the latter it would have been out of the question to find any throughout the whole of the United States, perhaps even the world.

IT WAS INEVITABLE, I SUPPOSE, THAT WHAT Mr. Harold Wilson said during his recent U.S. visit about placing units of the British Navy at the disposal of the U.N. should have been misquoted. The great weakness in Labour's election platform is its defence policy, and all statements which have even a remote connection with this are immediately publicised, often with more enthusiasm than accuracy. In fact, the idea of offering the Royal Navy's services for international peace-keeping is extremely sound, if a little nostalgic, because, as Mr. Wilson pointed out, its contribution to N.A.T.O.'s nuclear potential can at the

most be infinitesimal. So as long as Labour's intention is not to leave the British Isles without naval protection when needed, I cannot see the proposal to help the U.N. is going to lose it votes. But I often wonder whether Mr. Wilson is not being guilty of a little moral imperialism as well as strategic naïveté in his rather woolly schemes for abandoning Britain's nuclear plans and concentrating the resources saved on building conventional forces useful for an American-dominated N.A.T.O., and only incidentally for international police work. Britain is mistaken if she thinks that "moral leadership"—whatever that might mean in politics—can influence world peace in the way the *pax Britannica* once did. In an increasingly nationalistic world the primary tasks for military and diplomatic ingenuity must be to maintain the integrity of the British Isles. But Labour seems to think that the United States can invariably be relied upon to do this. Apart from the fact that the Suez incident should have taught a different lesson, the attitude is based on the simple-minded assumption that the current East-West line-up will continue indefinitely, and that it must always be in the U.S. interest to protect Britain. This seems to me the height of folly. Things change rapidly in this world, and it is not beyond possibility that in a few years' time the U.S.A. will be too interested in co-operating with Russia in resisting the Chinese to bother about the fate of Britain at the hands of a third power. That would be the time when Britain would find use for her nuclear arms, if only as a guarantee of the kind of stalemate which has preserved the peace between the Americans and the Russians all these years. But by then, of course, it would be too late to undo what Mr. Wilson now seems determined on doing for motives with which men of good will must otherwise find it extremely difficult to quarrel.

THOSE WHO HAVE HAD THE PLEASURE OF VISITING the Soviet circus on the Maidan might well be forgiven the arrogance of wondering whether the feats of the performers were more impressive than those of the audience. In terms of organisation and efficiency, the Russians are not exactly impeccable; nor, I suspect, is the West Bengal Government, which for no obvious reason appears to have favoured itself with responsibility for part of the arrangements. I had not, however, imagined that an alliance between the two could provide so forbidding an experience as the chaos in which the circus was presented last Sunday. The time advertised for the show was 7-30 p.m.; many, having purchased tickets well in advance, arrived half-an-hour earlier to find themselves at the end of an impatient queue two hundred yards long. A few were, perhaps, grateful for the fact that, contrary to local custom, there was a queue at all; satisfaction on this score was, however, soon modified by a wild stampede for seats when the gates were opened, a stampede that might well have struck terror in the hearts of the poor tigers had they not

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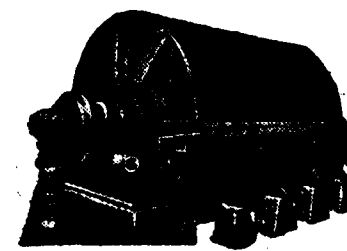
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CAPITAL, 19th March, 1964.

shrewdly insulated themselves against their Calcutta admirers by staying in their cages. The seating arrangements, for a moment, seemed reasonably satisfactory; only after a time was it found that a fair proportion of the chairs, hoary with age, stood in danger of disintegrating under the weight of their distinguished occupants, and that much of the performance could not be seen by those fated to sit beyond the tenth row. When the show began, no more than forty-five minutes behind schedule, the rapport between performers and viewers was immediate: both found themselves simultaneously engaged in balancing acts of unusual dexterity, the first on their poles and trapezes and the second on their chairs. Duty now bids me to describe the circus as distinct from the audience. Two young ladies gave a display of physical training that deserves to be widely emulated for its muscle-building virtues, if not for its skill. The young ladies apart, there were some young men; also some tigers, some cockatoos, some horses, some trainers and some jokers. They did various things. Readers curious to know what they did will not learn anything by asking me. Nor, I am sure, by visiting the circus.

THERE IS NOTHING IN MR. KRISHNAMACHARI'S recent Budget that I have been able to find which is going to speed up the formation in this country of what the Americans call "philanthropic foundations". Unless, that is, we accept that a high rate of personal taxation is itself the main incentive behind the establishment of such bodies. It has often seemed to me a pity that so little positive inducement is given in this country; after all, an industrialist is more likely to put forward that little extra effort when it is going to benefit some charitable institution which possibly bears his name, than when he knows the Government will take the lot. Such is human nature. I was reading a short time ago that the growth of philanthropic foundations in the United States has been accelerating during the past three years, and that these bodies now dispose of assets totalling about \$14,500 million. The largest of them, the Ford Foundation, accounts for no less than \$3,320 million, a sum which somebody once pointed out was the rough equivalent of the sterling area's entire gold and convertible currency reserves. The paralysis of the Calcutta Metropolitan Planning Organisation notwithstanding, there is no need to inform anybody in this country what benefits accrue to the world from the wise and benevolent use of this huge endowment. In all, the American institutions are at present giving away nearly \$800 million a year, a considerable portion of which finds its way outside the United States. Of course, such activity is being attacked as blatant tax avoidance, as indeed it is; but when it is remembered what otherwise the U.S. Government would spend the money on, one cannot help but hope that the purists do not get their way. I am well aware that in this country the activities of certain existing foundations have not been above criticism. But on the whole I have always felt that their work helps, however inadequately, to fill a widening gap between society's requirements and what limited official action can provide in a socialist State. If philanthropic institutions are not able to do such work, then who is? And to ensure that it is done is certainly worth the loss of some small proportion of the total tax revenue.

AN ANXIOUS FATHER HAS SENT ME AN EXTRACT FROM a letter he received last week from his teen-age daughter now studying at a boarding school in Kent. The young lady writes:

We've just had "Current Events" and the headmistress told us a story about a captain who fell overboard from his own ship and kept himself alive clinging to a plank for five days and nights not knowing if a ship would come along or not—but one did and he was saved. "Let that be a lesson to you all", the headmistress concluded. "When everything has gone wrong and you're in terrible trouble, don't give in until you're picked up."

THE DITCHER

CAPITAL, 19th March, 1964.

Guide for Investors

STATE BANK LAUNCHES NEW EXPANSION SCHEME

IN his chairman's speech at the annual meeting of the State Bank of India, Mr. B. Venkatappiah has highlighted the bank's branch expansion programme and how the management is trying to tackle the various problems thrown up by such expansion. During 1963, the State Bank increased the number of its branches by 29 (of which 20 were under the second branch expansion programme) and of other offices by 37. In all, the bank had 1,644 offices, including 568 offices of its subsidiaries, at the end of 1963. And from January 1964, the bank has embarked on a new five-year phase of planned expansion comprising 75 branches to be opened before the middle of 1965 under the previous programme and 319 branches to be opened before the end of 1968 under the new programme, making a total of 394 in the next five years. (A fuller version of the speech appears on a later page in this issue of Capital).

This, says the chairman, is as big a project of expansion as the State Bank had undertaken in its establishment and successfully executed during 1955-60. It is at the same time more complicated in many ways. Suitable buildings are hard to come by in the smaller towns. Personnel have to be recruited and trained. Inter-branch accounts and their reconciliation will present further complications. The farther the Bank goes into semi-urban and rural areas, the greater will be the need for it to evolve new techniques whether for mobilisation of adequate deposits or disbursement of appropriate credit. The difficulties are real, but they are not insurmountable, says Mr. Venkatappiah, provided, of course, the perspective is long enough.

The State Bank is tackling the various problems posed by massive expansion in a planned manner. It has set up a Premises Division which devotes special attention to finding suitable sites and buildings, constructing new premises if necessary and renovating existing branches to improve customer service and the general working conditions. The bank has revised and expanded its scheme of training. There is now a three-level training programme for the officials and a two-level programme for the clerical staff with special courses for different categories wherever appropriate. The bank is also taking steps to simplify the accounting procedures which operate in and between branches. A Planning, Organisation and Methods Division has been constituted to deal with the long-term problems of the bank. As for the mobilisation of deposits in the rural areas and elsewhere, the bank is experimenting at several centres, keeping in view the need to improve customer service, employ suitable forms and media of communication and to ensure that the cost is commensurate with the results. The chairman urged shareholders to view the bank's branch expansion programme from the point of view of the stimulation it provided to the economy of the area concerned, and not solely from that of initial profits and losses from new branches. Mr. Venkatappiah compared the branch expansion programme to an irrigation system the benefits of which could not be measured solely on the basis of revenues immediately available from it. Answering ques-

tions at a Press conference the chairman said that the branches opened between 1955 and 1960 have more or less broken even, although individual branches continue to incur a loss. The losses incurred on new branches are reimbursed from the Integration Development Fund fully in the first five years and partially thereafter for four years. Overhead costs of expansion such as training and control are subsidised by the Reserve Bank to the extent of 50 percent.

Detailing the assistance to industries and co-operatives, the chairman said that about 30 percent of the State Bank's advances to the industrial sector were used by basic industries such as iron and steel, heavy engineering, cement and fertilisers and about 18 percent by export-based industries like jute textiles. The bank has not, of course, neglected agriculture and food. The jute buffer stocks financed by the bank account for more than Rs. 7 crores, and the advances to State Government for financing distribution of foodgrains totalled Rs. 13.5 crores last year. In the important sector of small-scale industry, the Bank's total commitments now aggregate Rs. 17.6 crores so far as working capital is concerned. The facilities that the Bank now offers to small industries include medium-term loans and instalment credit. The bank is continuously examining the scope of increasing assistance to small entrepreneurs, and it has implemented a number of measures suggested in this context by its Study Team. The credit limits for co-operatives which stood around Rs. 33.4 crores in 1962, increased to Rs. 45.2 crores in 1963, and outstanding at the end of 1962 and 1963 were Rs. 8.7 crores and Rs. 8.5 crores, respectively. The State Bank's activities, said Mr. Venkatappiah, had stimulated co-operative banking and in 1963, the remittances of co-operative banking funds by the State Bank amounted to Rs. 300 crores, against Rs. 225 crores in 1962.

Answering questions at a Press conference on the Reserve Bank of India's latest credit control measures, Mr. Venkatappiah stated that there would be no slowing down of the bank's advances for productive purposes and that the bank will continue to make available to other banks all the possible accommodation subject to its own resources. The credit control measures were unlikely to affect the State Bank to any appreciable extent as the State Bank borrows the least from the Reserve Bank. Against its statutory balances of over Rs. 15 crores to Rs. 17 crores, the State Bank's borrowings from the Reserve Bank has not exceeded Rs. 20 crores. The State Bank, said the chairman, is entitled to additional quota at Bank rate as it is a large lender to small industry, co-operatives and exporters. Referring to the Reserve Bank's advice to scheduled banks to reexamine the rates of interest offered by them on deposits, Mr. Venkatappiah said that the Bank would consider all the circumstances including the Reserve Bank's advice.

The State Bank of India's annual report for 1963 shows progress in its traditional as well as developmental activities, although the pace of credit expansion was slower than the growth of deposits and there was some slowing down of the implementation of its branch expansion programme. The bank's deposits, exclusive of P.L. 480 funds, rose by Rs.

69.3 crores, compared with Rs. 56.7 crores in 1962. This compares favourably with the growth in deposits of other scheduled banks of Rs. 178.6 crores in 1963, against Rs. 175.6 crores in the previous year. A significant feature of the rise in deposits is that of the total growth in time deposits of all the scheduled banks taken together, the State Bank's share (excluding P.L. 480 funds) was much larger than in the previous year. Total deposits of the State Bank, however, rose over the year by Rs. 25.3 crores to Rs. 521.6 crores, compared with a growth of Rs. 41.4 crores during 1962. The bank's credit rose by Rs. 13.5 crores to Rs. 273.7 crores, against a rise of Rs. 16 crores in 1962. The credit portfolio touched a new peak of Rs. 309 crores on 12th April, 1963, recording an expansion of Rs. 66 crores from the lowest level of Rs. 243 crores reached on 23rd November, 1962; the credit expansion over a similar period during the previous year was of the order of Rs. 60.3 crores.

In terms of the official busy season, however, the expansion of the bank's advances was of the order of only Rs. 43.4 crores, compared with Rs. 53.7 crores in the previous season, as against a credit expansion of Rs. 160.6 crores in the case of other scheduled banks, compared with Rs. 150.1 crores in the 1961-62 busy season. The State Bank's share of the credit expansion during the busy season thus came down from 26.4 percent to 21.3 percent. The credit-deposit ratio rose over the season from 50.4 percent to 61.9 percent. The credit-deposit ratio at the end of December 1963 was, however, lower at 52.5 percent, which is about the same as a year ago.

During 1963, the bank's investments increased by Rs. 23.3 crores, compared with an increase of Rs. 29.3 crores in the previous year, and the investment-deposit ratio moved up from 49.7 percent to 51.7 percent. The increase in investments of other scheduled banks during 1963 was Rs. 33.4 crores, against Rs. 43.6 crores in 1962. The bank's resort to borrowings from the Reserve Bank was limited to a few occasions and for short periods. On 1st April, 1963, the bank made certain upward revisions in its deposit rates to bring them on par with those offered by other large-sized banks under the Inter-Bank Agreement. Interest rates on advances were also raised from 5th April, 1963. The rate of interest on advances against Government securities was, however, maintained at 5 percent, and advances from small scale industries and co-operatives continues to enjoy concessionary rates of interest, the concessions being broadly of the same order as before.

The net profit made by the State Bank during 1963 is placed at Rs. 2.75 crores, compared with Rs. 2.69 crores in 1962. Earnings from interest and discount rose from Rs. 16.19 crores to Rs. 18.48 crores, while commission, exchange and brokerage fetched Rs. 6.62 crores, against Rs. 6.15 crores. On the expenditure side, interest paid on deposits, borrowings, etcetera, increased from Rs. 7.91 crores to Rs. 8.86 crores. Salaries, allowances and provident fund increased from Rs. 9.42 crores to Rs. 10.85 crores. Appropriations include reserve fund Rs. 56 lakhs (the same), provident fund Rs. 8.61 lakhs (against Rs. 7.42 lakhs),

staff welfare fund Rs. 5 lakhs (against Rs. 10 lakhs) and staff co-operative housing fund Rs. 5 lakhs (against Rs. 10 lakhs). Bonus to staff accounts for Rs. 82 lakhs, against Rs. 72 lakhs. Dividend has been maintained at Rs. 23 a share.

Chartered Bank Expansion

COMMENTING on India's economic development in his chairman's statement, which has been circulated with the report and accounts of the Chartered Bank for 1963, Mr. V. A. Grantham pointed to the disappointing performance of the agricultural sector in India. (A full text is printed on a later page in this issue of Capital. The population has grown at a rate of nearly 2.5 percent a year, so country has had to import substantial quantities of foodgrains. The success of her development programme depends largely on the efforts to raise agricultural production. Although industrial production has continued to expand, industries like coal and power, have been slow to grow. Many industries have been handicapped by the shortage of imported raw materials. Heavy taxation has been a disincentive to extra efforts to savings and to investments. Commenting on talk of nationalising banks, he pointed out that although the Government was unlikely to take the step, nationalisation had obtained greater support in political circles. He mentioned that if banks were nationalised, foreign investors would react unfavourably. The World Bank, on which India depends greatly for foreign aid, is also opposed to bank nationalisation. The important part that foreign banks play in India's economy has been appreciated by the Government. The Chartered Bank has opened a branch in Goa but its progress so far has been slow. The profit of the bank has amounted to £1,039,378. A final dividend of 15 percent, including an interim of 7.5 percent, has been declared. Rights shares have been issued in the proportion of one £1 share for every £6 of stock held at a price of 40s a share. It has been decided to open an agency in San Francisco. The Chartered Bank of London, a newly-formed subsidiary of Chartered Bank, has been granted a licence to undertake business in that country as a domestic banking corporation. The branch in San Francisco will be opened in June.

Sassoon Silk Resumes Dividend Payment

THE working results of the Sassoon and Alliance Silk Mills Co. Ltd for the year ended September 1963, show a marked improvement over the previous year's performance and the Company is back again on the dividend list after a lapse of six years. The dividend proposed is 6 percent—60p a share. Sales have risen by about 33 percent from Rs. 1.16 crores to Rs. 1.55 crores, and the gross profit has improved by nearly 63 percent from Rs. 4.77 lakhs to Rs. 7.79 lakhs. The provision for depreciation has been reduced from Rs. 3.26 lakhs to Rs. 2.92 lakhs, but the directors have set aside a sum of Rs. 1.62 lakhs for depreciation concerning previous years. Allocation to the development rebate reserve has been reduced from Rs. 75,000 to Rs. 7,500. A sum of Rs. 1.72 lakhs has been provided for general reserve and Rs. 1.50 lakhs for contingency reserve. The proposed dividend absorbs Rs. 60,000. The directors have written back a sum of Rs. 50,000, being excess provisions made earlier. No provision

has been made for taxation because of the losses brought forward and unabsorbed depreciation for previous years. The amount carried forward is Rs. 28,819, against Rs. 44,000 brought in.

The directors state that the disruption of trade following the Chinese aggression in the early part of the year resulted in the accumulation of stocks and consequent curtailment of production during subsequent months. The position improved as a result of the shift in the Company's production to higher-priced fabrics and varieties made from synthetic yarns. The export performance of the Company was also satisfactory. Additions made to the plant and machinery during the year are valued at Rs. 1.27 lakhs, and further orders for the purchase of machinery worth Rs. 31,600 have been placed.

Share Offer by Indian Graphic Arts

INDIAN Graphic Arts Equipment Co. Ltd, which is setting up a fac-

tory in Coimbatore for the manufacture of graphic art machines in U.S. firm of Miehle-Goss-Dexter, is offering 73,500 equity shares of Rs. 10 each at par for public subscription. The list will open on 20th March and will close on 24th March. The public issue has been underwritten. The Company has an authorised capital of Rs. 50 lakhs, made up of Rs. 40 lakhs in equity shares of Rs. 10 each and Rs. 10 lakhs in 10,000 redeemable cumulative preference shares. The issued capital will be Rs. 30 lakhs—all in equity shares. Out of this, shares worth Rs. 7.65 lakhs have been subscribed by the promoters reserved for the U.S. firm which is and their friends. Equity shares of the value of Rs. 15 lakhs have been collaborating in the venture. The remaining 73,500 shares are being offered for public subscription.

The factory is likely to go into production by about the middle of next year. The prospects for the Company appear to be fairly promising. The demand for printing machines is both regular and large, and it is likely to grow appreciably with the

spread of literacy. Imports of printing machinery during the year ended March 1963 were worth Rs. 4 crores, in spite of the serious foreign exchange difficulties. The annual demand for printing machines by the end of the third plan is estimated at around Rs. 5 crores. Miehle-Goss-Dexter printing machines are quite popular in India. The board of directors of Indian Graphic Arts Equipment includes Mr. James W. Coultrap, Mr. Joseph A. Riggs, Mr. Theodore Niggle, Mr. V. Ramakrishna, Mr. P. R. Ramakrishna and Mrs. Rajeswary Ramakrishna. Ramakrishna Machinery Corporation Private Ltd will be the managing agents of the new Company.

Raza Buland Sugar Repeats

THE profit of Raza Buland Sugar Co. Ltd has risen from Rs. 18.80 lakhs for 1961-62 to Rs. 19.78 lakhs for the year ended October 1963, after increasing depreciation from Rs. 3.61

lakhs to Rs. 4.21 lakhs and transferring Rs. 1.20 lakhs (against Rs. 62,000) to development rebate reserve. The taxable ordinary dividend of 10 percent has been maintained, absorbing Rs. 6.50 lakhs. The yield amounts to 9.6 percent at the present price of Rs. 10.37 a share of Rs. 10 each. Gratiuity reserve is allocated Rs. 67,977 (against Rs. 94,037) and dividend reserve Rs. 6.50 lakhs. The proposed dividends will be paid out of the latter reserve. The carry-forward amounts to Rs. 10,419, against Rs. 10,384 brought in. Sales declined from Rs. 4.23 crores to Rs. 3.67 crores.

The cane crush declined from 4.1 million quintals to 2.8 million quintals. The cane supply was short, since it was largely diverted to the production of gur and khandasari. The acreage under cane also dropped. The cane deteriorated, but the Company was lucky to have a better recovery. As a result of quick sales and good recovery, the profit earned by the Company has improved. The Com-

pany has suffered a loss of Rs. 7.55 lakhs on exporting sugar. Raza Buland Sugar has collaborated with the State Government concerned for developing cane cultivation. Orders for equipment have been placed to expand the crushing capacity of both the factories to 1,500 tons a day. The expansion of the Raza factory is expected to be completed by November 1964 and that of the Buland factory by November 1965. The Company is likely to have a cane crush of 3.3 million quintals during the current season (1963-64). The supply of cane has nevertheless been interrupted by the failure of winter rain. Later the crop has suffered due to drought.

United Commercial Bank Profit Up

THE profit of the United Commercial Bank Ltd has improved from Rs. 73.33 lakhs for 1962 to Rs. 78.43 lakhs for the year ended December 1963. A taxable ordinary dividend of Rs. 6 a share of Rs. 100 each on which a sum of Rs. 50 has been paid-up, has been declared. This offers a yield of 8.3 percent at the present price of Rs. 72.25 a share. Reserve fund is allocated Rs. 17 lakhs and gratuity trust fund Rs. 4 lakhs. Bonus to staff absorbs Rs. 19 lakhs, leaving a balance of Rs. 75,941 to be carried forward, against Rs. 18,992 brought in. Interest paid on deposits and borrowings amounted to Rs. 3.37 crores, against Rs. 3.01 crores, while interest and discount earned rose from Rs. 4.84 crores to Rs. 5.41 crores. The directors consider it desirable to capitalise Rs. 20 lakhs out of Rs. 40 lakhs standing to the share premium account. They have applied to the Controller of Capital Issues for sanction. (The balance-sheet of the bank is printed on a later page in this issue of Capital).

Upper Doab Sugar Earns Profit

UPPER Doab Sugar Mills Ltd has earned a profit of Rs. 7.20 lakhs for the year ended September 1963, after providing for development rebate and meeting other charges. The Company suffered a loss of Rs. 35.85 lakh for 1961-62. Bringing in a loss of Rs. 35.61 lakhs, a debit balance of Rs. 28.81 lakhs has been carried forward. The dividend has again been passed.

The cane crush declined from 4.4 million quintals to 3.8 million quintals, but recovery improved from 8.62 percent to 9.34 percent. There has been a shortage of cane supplies due to their diversion to the manufacture of gur and khandasari. The distillery in Shamli has produced better results and the output rose from 612,442 gallons to 700,201 gallons, but the full capacity has not been used due to the shortage of molasses. The working of the distillery in Pilkhani has been interrupted by the shortage of molasses, but it showed a bigger profit because production costs have been reduced.

Albion Plywood Skips Dividend

ALBION Plywood Ltd has skipped the ordinary dividend for the year ended September 1963. It paid a taxable ordinary dividend of 10 percent for 1961-62. The Company has sustained a loss of Rs. 3.08 lakhs, against a trading profit of Rs. 5.21 lakhs for the previous year. Sales declined from Rs. 60.61 lakhs to Rs. 51.32 lakhs. Production fell from

7.8 million square feet to 5.9 million square feet due to the interrupted timber supplies from Assam and the Andamans. There has also been a substantial rise in the prices of timber and chemicals, but the price of finished products has been more or less stationary.

The veneering unit in the Andamans has begun production recently, but the supply from this unit has not yet come up to expectations. The output in that unit has been interrupted by the power shortage. So a steam generating set has been installed to increase the power supply. If the supply of timber from the Andamans unit improves, the plywood factory in Budge Budge, near Calcutta, should be able to raise its production. So the prospect for the current year depends greatly on the supply of timber from the Andaman factory. The Company has tried to expand exports, and attempts are being made to modify the incentive scheme in order to increase the export of products.

Belsund Sugar Shows Loss

IN their report for the year ended September 1963, the directors of the Belsund Sugar Co. Ltd pointed to the shortage of cane supplies while commenting on the unsatisfactory results. Not only had the cultivated area under cane declined, but the supply was also diverted to the production of gur and khandasari. So the cane crush declined from 1.8 million quintals to 6.4 million quintals, but recovery improved from 9.11 percent to 9.65 percent. The Company has incurred a loss of Rs. 30,816, against a profit of Rs. 5.09 lakhs for 1961-62, after providing Rs. 1.50 lakhs (against Rs. 3.04 lakhs) for depreciation. Full depreciation has not been provided for due to the loss. A taxable ordinary dividend of 31 percent has been declared. It offers a yield of 3.2 percent at the present price of Rs. 7.87 a share of Rs. 7.50 each. Dividend reserve is allocated Rs. 1.05 lakhs, out of which the proposed dividends will be paid. Bringing in Rs. 7,767 and making other adjustments, a balance of Rs. 2,237 has been carried forward.

The Company has manufactured raw sugar for exports, but it has sustained a loss of Rs. 3.54 lakhs on all exports. The directors hope for a better cane supply during the current season. They, nevertheless, think that the present price of sugar, as fixed by the Government, will not cover production costs fully.

Bank of India Earns More

THE profit of the Bank of India Ltd has risen from Rs. 1.12 crores for 1962 to Rs. 1.25 crores for the year ended December 1963, after providing Rs. 4 lakhs (against Rs. 3.50 lakhs) for development rebate reserve and Rs. 10.73 lakhs (against Rs. 6.24 lakhs) for depreciation. Interest paid on deposits and borrowings rose from Rs. 3.55 crores to Rs. 4.37 crores, while interest and discount earned improved from Rs. 6.83 crores to Rs. 8.59 crores. A taxable dividend of 18 percent, including an interim of 8 percent, has been declared. Reserve fund is allocated Rs. 25 lakhs, special reserve Rs. 40.50 lakhs and bonus to staff Rs. 36 lakhs.

The carry-forward amounts to Rs. 4.20 lakhs, against Rs. 13.10 lakhs brought in. The Bank proposes to issue bonus shares in the proportion of one new share for every 20 shares held by capitalising a sum of

Rs. 20.25 lakhs out of the share premium account, subject to the consent of the Controller of Capital Issues. Deposits rose from Rs. 157.16 crores to Rs. 173.98 crores. Investments improved from Rs. 29.97 crores to Rs. 35.43 crores, and advance rose from Rs. 127.20 crores to Rs. 135.94 crores. (The balance-sheet of the bank is published on a later page in this issue of Capital).

Guest, Keen, Williams Debenture Offer

IN relation to the offer of debenture for Rs. 75 lakhs by Guest, Keen, Williams, Ltd for public subscription, 348 applications for a total of Rs. 77.74 lakhs have been received. With the prior approval of the Calcutta Stock Exchange, applications for amounts of up to Rs. 1 lakh have been allotted in full and those for sums of more than Rs. 1 lakh have been allotted approximately 95 percent of the amount applied for. Cheques for refunds are being issued immediately. The balance of the total issue (for Rs. 1.50 crores) amounting to Rs. 75 lakhs has been subscribed by the underwriters and their friends and has been allotted in full. Stock certificates for the amounts allotted will be posted to the applicants under registered cover by about the end of March 1964.

Andhra Sugars Earns Less, but Pays the Same

THE Andhra Sugars Ltd reports a fall in profit for the year ended September 1963, although there was an improvement in sales. The profit of the Company for the year amounts to Rs. 14,83,727, after providing Rs. 14,49,052 for depreciation, compared with the previous year's profit of Rs. 26,57,796, after providing Rs. 10,66,581 for depreciation. Adding to the above profit a sum of Rs. 9,010 brought forward, Rs. 66,306 being excess provisions made in previous years no longer required, Rs. 3,535 being claims relating to the previous year, and a sum of Rs. 1,48,713 being excess provision of dividends made in the previous year credited back, the total available for appropriation comes to Rs. 17,11,291.

Out of this, the provision for tax comes to Rs. 6,10,000 (against Rs. 7,50,000). Transfer to development rebate reserve is Rs. 1,15,000 (against Rs. 800,000). Provision for gratuity comes to Rs. 10,000 (against Rs. 5,200). Donations amount to Rs. 66,160 (against Rs. 85,000). Contribution to the National Defence Fund is Rs. 50,101. A sum of Rs. 8,50,000 is transferred to dividend reserve for payment of dividends. The balance of Rs. 9,337 is carried forward. Out of the transfer of Rs. 8,50,000 to dividend reserve, the preference dividend at 9.3 percent accounts for Rs. 2,79,000. The proposed dividend of 12 percent on equity shares including the new shares (against 12 percent) will absorb Rs. 5,71,000.

The directors say that the working results for the year were not up to expectations, but the factors responsible were beyond their control. A large quantity of sugar released for sale by the Central Government could not be delivered to customers by 30th September, 1963, due to lack of adequate wagons. Sugar sales during the 1962-63 season included sugar exported and the sale of controlled sugar purchased from other factories, on both of which there was little margin of profit. The cane crushed during the year was also lower at 133,408 metric tons, compared with 1,65,978 metric tons crushed during 1961-62.

The working of the acetic acid and industrial alcohol plants has been satisfactory in spite of earlier teething troubles. It is hoped that with regular production of both acetic acid, and industrial alcohol in the current year and a reduction in the gallonage fees charged by the State Government, the results of this unit would be much better in the future.

Referring to the caustic soda-chlorine unit, the report says that the plant and machinery required for the expansion of this unit have been ordered from Japan. The same is expected to arrive within the next three to four months. Arrangements have been made for the erection of the machinery for expansion also, and both the original unit and the expanded unit are expected to go into production during 1964. The plant and machinery received from East Germany is under erection. The total cost of this project is put at Rs. 22 crores. Arrangements are reported to have been made with the Industrial Finance Corporation of India for a loan of Rs. 1.40 crores, and a guarantee of Rs. 28 lakhs for deferred payments to meet the fund's required for the completion of the caustic soda project. Additional capital required for the completion of the project is to be raised by the issue of 200,000 equity shares. Out of this, 100,000 equity shares have been issued to the public at a premium of Rs. 3 a share, and this issue has been heavily oversubscribed. The balance of 100,000 equity shares will be offered to shareholders as a rights issue in due course.

As for the fertiliser plant in Kothagudem, the report says that considerable progress has been made and all necessary approvals have been obtained for the implementation of the project, and a company is to be registered shortly for the purposes, in association with a leading U.S. firm. The plant is expected to go into production during 1966. The Company is entitled to relief under Sections 84 and 85 of the Income Tax Act, 1961, for the profits of its sulphuric acid-superphosphate factory in Kovvur. The Company has applied to the income tax authorities to fix the portion of the income which is exempt from tax and the shareholders will be entitled to a corresponding relief on their dividends.

Sarvaraya Sugars Skips Dividend

THE directors of Sri Sarvaraya Sugars Ltd have passed the dividend on ordinary and preference shares for the year ended 30th September, 1963. There was a sharp decline in the profit, because of a substantial reduction in the quantity of sugarcane crushed during the year. The low sugar recovery was due to the fact that the factory had to close the crushing in the middle of February itself, whereas the peak recovery period in the Company's factory area is the month of March. The factory had, therefore, to close the crushing season much earlier due to the large-scale diversion of sugarcane to jaggery manufacture due to the enormous increase in the price of jaggery during the months of January and February 1963.

The net profit for the year amounted to Rs. 67,071, after providing Rs. 8,91,451 for depreciation, compared with the previous year's net profit of Rs. 6,79,642, after providing Rs. 9,98,928 for depreciation. After providing for prior charges, the balance profit of Rs. 45,576 is adjusted against the brought forward loss of Rs. 6,55,220. This leaves a net loss of Rs. 609,644, which is carried forward to the next year. The total sales of sugar during the year amounted to Rs. 91,58,784.



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1964-65, will restrain companies from increasing dividends.

Scattered business has been transacted in selected State Government loans. In banks, Canara have come to hand at Rs. 81.50 and Indian Overseas have been done at Rs. 146.50. Interest has been shown in South Madras at Rs. 11.12 and West Coast have been taken up to Rs. 20.50, among electric companies. The latter Company has declared a taxable ordinary dividend of Rs. 10 a share out of the capital surplus realised on the acquisition of the Calicut electricity undertaking by the Kerala Government. The share capital has been reduced to Rs. 10 lakhs, divided into ordinary shares of Rs. 10 each, by repaying the 25,000 preference shares of Rs. 10 each. Except for K.C.P. which have been supported up to Rs. 24, sugar shares have been easier. Deccan have quoted Rs. 11.87 on paying an interim taxable ordinary dividend of 6.5 percent. E.I.D. have reacted to Rs. 36.87 and Andhra to Rs. 14.75. Cauvery has quoted Rs. 103 and Madhura Rs. 9.44.

In planting shares, Blue Mountain have been available at Rs. 2.42 and Cochin Malabar at Rs. 6.38. Consolidated Coffee have declined to Rs. 20.87 and Periakaramalai to Rs. 3.45. Ouchterlony have been taken at Rs. 4.40 on declaring a taxable ordinary dividend of 12.5 percent. Kumerode have changed hands at Rs. 4 on declaring a taxable ordinary dividend of 14 percent. Kil Kotagiri have been quiet at Rs. 4.90 on paying a taxable ordinary dividend of 20 percent. Thirumbadi have been steady at Rs. 1.90 on declaring a taxable ordinary dividend of 10 percent. Interest has been taken in Thamarapally at Rs. 16.40, in Nelliampathy at Rs. 3.80 and in Amalgamated at Rs. 10.01.

Among textile shares, South India Viscose slumped to Rs. 128.50 on pres-

sure from outside centres. Travancore Rayon have quoted Rs. 24.90. Business has passed in Lakshmi at Rs. 134.50 and in Madura at Rs. 34.60. Buckingham have been taken at Rs. 293 and Bangalore Woollen at Rs. 243. Vasanta have changed hands at Rs. 255 and Radhakrishna at Rs. 29.50.

In the miscellaneous section, Aluminium Industries have quoted Rs. 20, but Ashok Leyland have declined to Rs. 7.05. Among cement shares, Dalmia have been weaker at Rs. 13.15 and India Cement at Rs. 5.75. Metturr Chemical have dropped to Rs. 13.72, while Seshasayee Paper have been steady up to Rs. 8. Radio and Electrical have changed hands at Rs. 3.45 due to the issue of 250,000 new ordinary shares of Rs. 10 each at par. Spencer have risen to Rs. 22.37 and Parry's Confectionery have been steady at Rs. 3.33. Business has passed in Textool at Rs. 145 and in Kiroloskar Electric at Rs. 18.40. Madras Aluminium have gained at Rs. 78.50, while Madras Rubber have been sold freely down to Rs. 14.37.

THE WEEK'S TRANSACTIONS

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

CLEARED SECURITIES

Birla Jute—35/12—35/19—33/00—33/06—(25/25).
Burrakur Coal—15/75—15/87—15/75—15/75.

Dunlop Rubber—33/31—38/69—37/50—37/56—(32/00).
Guest, Keen, Williams—26/44—26/56—25/44—25/44—(30/12).
Hindustan Motor—19/19—19/19—18/28—18/31—(15/90).
Indian Aluminium—32/19—32/19—30/69—30/69—(29/75).
Indian Copper—3/63—3/65—3/34 s.t.—3/44—(4/16).
Indian Iron—25/30—25/30—24/54—24/54—(19/76).
Indian Cable—36/94—37/00—36/37—36/50—(34/00).
J. K. Cotton—12/00—12/06—11/50—11/56—(12/75).
Jaipur Udyog—11/81—11/81—11/50—11/50—(10/62).
Kesoram Industries—27/19—27/31—25/62—25/81—(19/31).
Orient Paper—38/75—38/80—37/35—37/35—(31/25).
Orissa Cement—13/81—13/81—13/50—13/62—(14/50).
Rohtas Industries—12/31—12/34—11/87—11/87—(10/75).
Shree Gopal Paper—25/25—25/25—25/25—25/25—(22/75).
Textile Machinery—27/75—27/75—26/85—26/85—(20/70).

GOVERNMENT SECURITIES

3% Loan (1986)—63/30—63/30—63/00—63/10.
3% " (1970-75)—90/35—90/35—90/35—90/35.
3½% " (1967)—99/22—99/22—99/22—99/22.
3½% " (1964)—99/80—99/80—99/80—99/80.
3½% " (1965)—99/65—99/65—99/65—99/65.
4% " (1969)—99/50—99/50—99/45—99/45.
4% " (1979)—98/40—98/40—98/40—98/40.
4% " (1981)—98/60—98/60—98/55—98/55.
4½% " (1973)—99/93—99/94—99/93—99/94.
4½% West Bengal (1974)—99/40—99/40—99/40—99/40.
4½% Loan (1972)—100/25—100/25—100/20—100/20.
4½% Madras (1974)—99/30—99/30—99/30—99/30.
4½% Loan (1986)—100/25—100/25—100/25—100/25.

CAPITAL, 19th March, 1964.

4½% Orissa (1972)—98/10—98/10—98/10—98/10.

BANK

United Bank of India (Rs. 10/- paid)—8/25—8/37—8/25—8/28—(7/19).

RAILWAYS

Ahmednagar-Katwa—24/75—24/87—24/75—24/87.
Bankura-Damodar—24/73—24/87—24/75—24/87.
Burdwan-Katwa—24/75—24/87—24/75—24/87.

COTTONS

Bharat Commerce—23/25—23/25—23/12—23/12—(21/75).
Bowreah—23/00—23/50—23/00—23/25—(23/81).
Elgin—22/31—22/31—22/31—22/31—(20/69).
Jay Shree—15/75—15/75—15/62—15/62—(13/75).
New Victoria—1/44—1/47—1/34—1/47—(1/62).

COALS

Amalgamated—23/56—23/62—23/25—23/25—(21/00).
Burrakur (2nd Fl.)—5/65—5/65—5/65—5/65.
Dhemo Main—4/25—4/25—4/25—4/25.
East Indian—29/25—29/25—29/25—29/25—(37/00).
Equitable—22/37—22/44—22/12—22/44—(25/62).
Karanpura Collieries—13/50—13/50—13/50—13/50—(16/00).
Standard—10/53—10/53—10/44—10/44.
South Karanpura—7/62—7/62—7/62—7/62—(8/25).
Western Bengal—8/62—8/62—8/62—8/75—(9/19).
West Ghushick—13/25—14/00—13/25—14/00.

JUTES

Alliance—123/00—123/00—123/00—123/00—(110/00).
Auckland—132/00—132/00—132/00—132/00—(150/00).
Calcutta (Pref.)—65/00—65/00—65/00—65/00.
Chitavalasah—8/94—8/94—8/69—8/69—(11/00).
Champdany—21/75—21/75—21/75—21/75.
Delta—146/00—146/00—146/00—146/00.
Fort William—23/50—23/62—23/44—23/62—(26/00).
Ganges—13/19—13/25—13/12—13/25—(12/50).
Hukumchand—20/25—20/25—20/25—20/25—(17/00).
India—15/19—15/19—15/12—15/12—(17/75).
Kankannarah—127/00—128/50—127/00—128/50—(127/00).
Do. (Pref.)—78/00—78/00—77/00—77/00.
Kinnison—125/00—125/00—125/00—125/00—(140/00).
Lawrence—100/00—100/00—100/00—100/00.
Lansdowne (Pref.)—104/00—104/00—104/00—104/00.
National—20/75—21/06—20/75—21/06—(25/37).
New Central—12/31—12/31—11/87—12/06—(12/06).
Northbrook (Pref.)—72/50—73/00—72/50—73/00.
Nellimarla (Pref.)—71/75—72/00—71/50—71/50.
Presidency—4/75—4/75—4/56—4/62—(5/12).
Reliance (Pref.)—118/00—118/50—118/00—118/50.

MININGS

Chrestien Mica—10/53—10/62—10/44—10/44—(10/50).
Metal Corp.—7/37—7/37—7/19—7/34—(8/06).

CEMENTS

Ashoka—7/19—7/25—7/00—7/00—(7/00).
Dalmia (Bharat)—13/00—13/12—12/94—12/94—(13/00).
Sone Valley—4/25—4/28—4/19—4/25—(4/22).

CHEMICAL

Alkali & Chemical—31/81—31/81—31/37—31/56—(29/44).

ELECTRICS

Benares—11/75—11/81—11/75—11/81.

CAPITAL, 19th March, 1964.

Calcutta—14/25—14/25—14/06—14/25—(14/31).
Do (Pref.)—7/75—7/75—7/75—7/75.

ENGINEERINGS

Binani Metal—12/56—12/62—12/44—12/50.
Britannia Eng.—10/12—10/25—10/00—10/06—(9/50).
Bharat Ball Bearing—13/50—13/50—12/25—13/31.
Burn & Co.—300/00—301/00—295/00—295/00—(495/00).
Calcutta Steel—14/06—14/06—14/06—14/06—(13/69).
Dalmia Iron—11/56—11/56—11/50—11/50—(11/06).
Indian Iron (Pref.)—81/00—81/00—80/50—81/00.
Jesop & Co.—23/12—23/12—23/12—23/12—(22/06).
J. K. Steel—16/19—16/25—16/19—16/25.
Marshall's—2/50—2/50—2/50—2/50—(3/22).
National Iron & Steel—6/00—6/00—6/00—6/00—(4/25).
Raymon Eng.—4/50—4/81—4/37—4/37.
Sen-Raleigh—14/87—14/94—14/87—14/94—(14/00).
Textile Machinery (6½% Pref.)—102/00—102/00—102/00—102/00.
Wellman Incandescent—7/37—7/44—7/31—7/44.

INSURANCE

Ruby General—10/31—10/44—10/31—10/44.

MISCELLANEOUS

Asian Refractories—11/31—11/44—11/31—11/31.
Asiatic Oxygen—12/56—13/00 s.t.—12/12—12/12.
Albion Plywood—7/50—7/50—7/50—7/50.
Associated Battery—25/00—25/00—23/75—23/75—(26/19).
Angelo Bros.—23/87—24/00—23/87—24/00.
B. I. Corpn.—8/75—8/94—8/00—8/94—(9/37).
Bharat Sons—3/00—3/00—3/00—3/00.
Clive Row Investment—8/37—8/37—8/25—8/31—(8/19).
Dunlop Rubber (2nd Pref.)—68/00—68/50—67/50—68/50.
Electric Construction—12/87—12/87—12/62—12/62—(12/12).
English Electric—14/12—14/12—14/12—14/12.
East Anglia Plastics—7/25—7/25—7/19—7/19.
Gillanders Arbuthnot—14/12—14/12—14/00—14/00—(13/81).
Hindustan Aluminium—13/12—13/31—12/44—12/56—(13/00).
Do. (Pref.)—110/00—110/00—110/00—110/00.
Hindustan Twyford's—13/12—13/19—13/12—13/19—(14/00).
Do. (Pref.)—100/50—101/50—100/50—101/50.
Hindustan Gas—20/37 x.r.—20/37—20/37—20/37.
Hindustan Pilkington Glass—13/94—14/00—13/81—14/00—(17/87).
Imperial Tobacco—9/75—9/75—9/44—9/44—(10/25).
India Carbon—16/00—16/25—15/87—16/25.
Indian Plastics—7/75—7/87—7/75—7/75.
Isaac Holdens—13/75—13/75—13/25—13/25—(15/75).
Indian Cable (Pref.)—62/25—62/50—62/25—62/50.
Indian Oxygen—27/12—27/37—26/31—26/62—(28/37).
Indian Rubber Mfg. (Pref.)—62/25—62/50—61/75—62/00.
Indian Tack & Nail—10/00—10/00—10/00—10/00.
Indian Wood Prod.—28/37—28/55—28/37—28/50.
Jardine Henderson—74/50—74/50—74/25—74/25.
Do. (Pref.)—55/62—55/75—55/50—55/50.
Jayshree Tea Industries—14/50—14/50—14/31—14/44—(15/75).
J. K. Synthetics—11/75—11/75—11/75—11/75—(10/75).
Kettlewell Bullen (1st Pref.)—58/75—58/75—58/75—58/75.
Martin Burn—28/00—28/00—27/75—27/75—(30/50).
Metal Box—31/50—31/50—31/50—31/50—(50/75).
Metal Distributors—4/25—4/37—4/25—4/37.
National Pipes and Tubes—28/37—28/50—28/37—28/50—(29/25).
National Standard Duncan—76/00—76/00—74/50—74/50.
Rohtas Industries ('A' Pref.)—103/00—103/00—103/00—103/00.
Do. ('B' Pref.)—56/25—56/25—56/25—56/25.
Rallis India—124/00—124/00—124/00—124/00—(130/00).
Union Carbide—32/37—32/37—31/62—31/62—(42/50).
Universal Cables—11/75—11/87—11/31—11/44.
Universal Electric—8/31—8/37—8/31—8/37.

Walford Transport—3/44—3/44—3/44—3/44—(3/19).

OIL

Indo-Burma Petroleum—21/50—21/50—21/25—21/25—(23/12).

PAPERS

Ballarpur—17/06—17/06—17/00—17/00.
Bengal—27/25—27/50—26/87—26/94—(31/25).
India Paper Pulp—18/50—18/75—18/50—18/62—(18/81).
Orient (2nd Pref.)—62/50—63/00—61/50—63/00.
Star—8/94—9/12—8/87—8/87—(10/00).
Seshasayee—7/69—7/75—7/69—7/75.
Straw Products—10/06—10/06—10/06—10/06.
Titagur—15/94—16/06—15/75—15/94—(17/50).

REAL PROPERTIES

Hindusthan Building—3/37—3/37—3/25—3/25.
Midnapore Zemindary—19/50—19/50—19/12—19/12.

SHIPPINGS

India Steamship—6/94—7/19—6/81—6/87—(5/84).
Port Shipping—13/44—13/87—13/44—13/87—(12/06).

SUGARS

Balrampur—1/85—1/85—1/85—1/85—(2/00).
Carew—11/50—11/50—11/50—11/50.
Samastipur—3/50—3/50—3/50—3/50.
Shree Krishna Gyanodaya—7/31—7/31—7/06—7/25—(7/50).
Upper Ganges—70/00—70/00—70/00—70/00—(60/00).

TEAS

Atal—5/56—5/56—5/50—5/50—(6/75).
Bloomfield—3/06—3/19—3/06—3/19—(3/25).
Betjan—30/37—30/37—30/37—30/37—(30/12).
Baitakhal—7/87—7/87—7/87—7/87—(7/00).

Bishnauth—17/12—17/19—17/00—17/06—(15/62).
Baghmari—13/56—13/62—13/56—13/62.
Baradighi—23/37—23/44—23/37—23/44.
Barmah Jan—12/75—12/87—12/75—12/87.
Brooke Bond—12/19—12/25—12/19—12/25.
Birpora—162/00—162/00—162/00—162/00.
Dejoo Valley—54/00—54/00—52/50—52/50—(49/25).
Eastern Cachar—4/44—4/56—4/44—4/56—(4/12).
Grob—7/12—7/12—7/00—7/00—(7/50).
Gohpur—14/62—14/69—14/62—14/69—(13/31).
Hasimara—12/50—12/69—12/50—12/56—(12/06).
Jaybipara—9/00—9/06—9/00—9/06—(11/06).
Oodlabari—13/62—13/62—13/62—13/62.
Patrakola—117/00—120/00—117/00—119/00—(148/00).
Rydak—25/50—25/50—25/50—25/50.
Ranicherra—11/62—11/75—11/62—11/75—(16/75).
Rungamatttee—49/50—49/50—49/50—49/50—(50/50).
Telojan—21/87—21/94—21/87—21/94.
Tezpur—14/50—14/50—14/37—14/50—(15/25).
Tukvar—4/00—4/06—3/87—3/94—(6/00).

DEBENTURE

4% (1914-74)—Calcutta Port Trust—95/00—95/00—95/00—95/00.

London

SENTIMENT IMPROVES DESPITE POLL

EQUITIES HELPED BY COMPANY NEWS

London, 18th March.

IN SPITE of political uncertainties with the latest public opinion polls

showing that the Government is still well behind Labour in popularity, the stock market gave a good account of itself in the past week. Business was small and buying very selective, but there was a reluctance to part with good class stock, and consequently, prices held up well. In the better class issues, the stock shortage became acute in many cases. Gilt-edged gave a good performance with overseas buying helping at one time. A new Barbados 6½ percent loan established a small premium. Dollar stocks, of course, moved in sympathy with Wall Street, where it is commonplace these days to reach new all-time peaks almost daily. Company news helped to a large extent in equities, and the interim statement from the Rank Organisation was well received, although profit-taking brought the price back a little. Woolworths went ahead in their ex-capitalisation form, but Babcock Wilcox weakened after the profit warning. A.E.I. went ahead after the preliminary statement which mentioned brighter prospects. Tobaccos were a poor market on Budget fears. Gold shares were in good from and a feature was the strength of the finance issues where Union Corporation was outstanding. De Beers were a strong market. Coppers improved, being helped by the higher metal prices announced by the leading companies. Tins moved irregularly. Oils were quiet and moved narrowly, but B.P. were wanted on consideration of the Company's moves in Canada and on dividend hopes. Rubbers and teas were quiet.



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P.O. Box 14, Calcutta-1, or 5, Mission Row, Calcutta, India.

INCREASING THE RESOURCES OF BANKS IN U.K.

(BY A SPECIAL CORRESPONDENT)

Business men in Britain fear that the shortage of bank funds will hamper economic growth. The measures suggested for increasing banks' resources are the offer of better interest rates to depositors and attracting new clients through the payment of wages by cheques.

THERE is usually one main theme common to all, or most, of the British bankers' annual statements. This year it is the problem of getting enough resources into the banking system; in other words, competition for deposits. Economic expansion has involved a big increase in the demand for bank finance, and advances have increased much faster than deposits. Last year was the first since the early-1930s when loans materially exceeded 50 percent of deposits, according to Mr. D. J. Roberts, chairman of the National Provincial Bank. The Bank of England has allowed a temporary reduction of the minimum permissible ratio of liquid assets to deposits from the traditional 30 percent to 28 percent so that economic expansion will not be impeded by financial stringency, but the concession does not solve the problem permanently.

The statistics of the problem were set out by Mr. Duncan Sterling, chairman of Westminster Bank, in percentage increases between 1951 and 1963: gross national product 99 percent, clearing bank deposits 29 percent, currency in circulation 73 percent, bank clearings 175 percent. But this statement of the problem shows how it has been partly solved. While bank deposits increased much less, bank

clearings increased much more, than the G.N.P., and the volume of cash handled by banks increased much more than deposits. The velocity of circulation of money through the banking system was accelerated, so that the stock of money in the system, though not much increased, did much more work.

Figures of bank clearings in 1963 have indicated that this acceleration lost momentum last year. But there are trends in the economy—similar trends are observable in other developed countries—which suggest that requirements of money for business do not increase proportionately with the volume of business. One of these trends is represented by amalgamations; when companies merge they can usually reduce costs in relation to turnover, and in some cases idle money in one component can be actively employed in the other. And in larger business (whether separate or merged) improved techniques of accounting and stock-control economise on finance.

Nevertheless, the supply of bank money may not be enough to sustain the growth of Britain's economy. The proportion of the savings, companies' and individuals', diverted from the banking system is tending to increase.

Some of the money invested outside the banking system finds its way into the banking system by devious routes; some of it is an effective substitute for bank money. But some of its functions—in building societies, for example—are specialised, whereas proportion of bank deposits that is available for advances can be employed more flexibly, where needed. Bank chairmen have mentioned particularly the competition of the Government's investment media, more particularly Treasury bills. Many companies with temporarily idle funds invest them in Treasury bills rather than deposit them with banks; foreign institutions do likewise. Thus the banking system is deprived not only of potential deposits but also of some of the paper that is suitable as a liquid asset. The competition for deposits and the competition for bills are two different matters. But the rate of interest offered by banks to depositors affects both.

The question whether more attractive rates should be offered to depositors is often discussed as though it were simply a problem of banking. As Mr. John Thompson, chairman of Barclays Bank, remarked, "having in mind that the main target is the money which eludes the banks by going into Treasury bills on either

CAPITAL, 19th March, 1964.

domestic or foreign account, too little attention has been paid to the counter-measures which the Government might take". Indeed, as the Treasury bill issue is one of the basic elements in the Government's financing, a large-scale diversion of funds from the bill market would involve a major reorganisation of the Government's methods; not only of financing but also of monetary control, as short-term credit is regulated by manipulation of the floating debt.

Attracting More Deposits

A problem more widely recognised is the cost of attracting substantially more deposits. "It has long been a basic principle of our banking system that the terms offered and the rates charged for the use of funds are inter-related, with Bank rate as the connecting link", stated Mr. Harold Peake, chairman of Lloyds Bank. Mr. Peake believes that, to maintain "the stock of raw material", it may be necessary to pay higher rates for time deposits, and that it would be necessary to adjust lending terms accordingly; but he adds that "the cost of bank accommodation in Britain is still likely to continue to be lower than it is abroad". But other bankers have warned of possible "sharp increases" in lending rates; and Mr. Thompson, of Barclays, observing that "present lendings are pretty well spread", has suggested that it would be against the public interest "to allocate too high a proportion to those who would be both willing and able to afford high rates of interest".

An alternative to attracting deposits by raising rates is to attract new depositors on current account. The system of paying wages by cheque was described by Sir Eric Carpenter, chairman of Williams Deacon's Bank, as "archaic". In Sir Eric's opinion, "the fuller use of bank accounts by which cheques take the place of bank notes would, taken all round, be a decided step in the direction of cheaper banking", and, substituting deposits for notes, it would increase

CAPITAL, 19th March, 1964.

the banks' capacity "to meet any upsurge in the demand for advances". But other bankers have emphasised, discouragingly, the disproportionate cost of operating small accounts.

So the working out of this year's British banking theme is inconclusive. It is not agreed that resources are inadequate, or that as a precaution they should be increased by raising rates, or that much more resources can be obtained economically from wage-earners. But the emphasis on this subject this year reflects a widespread apprehension among business men and it seems to have affected the Treasury that Britain's growth will eventually be retarded by lack of finance from the banks.

THE CALCUTTA MONEY MARKET

CALL RATE RISES

Wednesday, 18th March.

THERE has been a slight increase in the general level of advances in the Calcutta money market during the past week. This is because the requirements of the cotton and sugar mills have risen. The credit given to the iron, steel and engineering industries is fractionally down. But advances to the jute mills, and to the godowns and seeds trade, are unchanged. In the interbank market, conditions have been tight and the all rate has risen to 64 percent.

The exchange market has been moderately active, with a fair supply of both tea and gunny bills. The demand for remittances is moderate. In the London market, sterling has been steadier and shows small gains against all the major currencies, except the Canadian, Danish and Swedish ones.

SILVER WAS QUIET IN CALCUTTA during the past week. The price declined from the previous week's level of Rs. 258.50 to Rs. 254.50 quoted today. The London and New York prices stood at 111½d and 129.3 cents. In sympathy with silver gold was quiet and the price of 14-carat dropped from Rs. 67.75 to Rs. 66.75.

DURING THE WEEK ENDED 13TH MARCH, Government of India Treasury bills of Rs. 40,06,25,000 were sold in favour of the Reserve Bank.

TENDERS FOR Rs. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 17th March. The total amount offered was Rs. 2 crores. Tenders at Rs. 99.375 percent were accepted in full. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 2,500 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 3rd March.

IT IS STATED THAT 91-DAY INTERMEDIATE Treasury bills will be sold from 8th March to the 21st March at Rs. 9.391 percent subject to the conditions previously announced that sales can be stopped at any time without notice, if the Government thinks it necessary. These bills sold from 11th March to 14th March amounted to Rs. 21 lakhs.

RISES OF Rs. 6.81 CRORES TO Rs. 2,47,24.33 crores in active notes and of Rs. 4.92 crores to Rs. 2,45,66.69 crores in the total note issue were notable features of the return of the Reserve Bank of India for the week ended 13th March 1964.

raising rupee securities by Rs. 5 crores to Rs. 2,14,69.69 crores in the Issue Department. This was done by transferring securities from the Banking Department in which investments dropped by Rs. 4,52 crores to Rs. 184.14 crores. Deposits of the Government of India rose by Rs. 2,58 crores to Rs. 109.35 crores and those of State Governments by Rs. 3.39 crores to Rs. 8.42 crores. Balances of commercial banks at Rs. 77.81 crores showed a decline of Rs. 4.66 crores. Balances held abroad improved by Rs. 2.85 crores to Rs. 16.02 crores. Their loans from the Reserve Bank dropped from Rs. 106.94 crores to Rs. 95.46 crores of which advances, against usance bills amounted to Rs. 46.02 crores (Rs. 46.64 crores). Ways and means advances stood at Rs. 54.33 crores, against Rs. 45.21 crores.

THE RETURN OF THE STATE BANK OF India for the week ended 6th March, 1964, shows a drop of Rs. 6.06 crores to Rs. 597.33 crores in total deposits. Investments in Government securities are down by Rs. 4.99 crores to Rs. 235.19 crores, while other authorised investments remain unchanged at Rs. 9.44 crores. Advances, including loans, cash credits, overdrafts and bills discounted and purchased have risen by Rs. 11.94 crores to Rs. 350.63 crores. Cash and balances are, in consequence, shown at Rs. 20.89 crores or Rs. 5.33 crores less.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 6th March, 1964, shows Demand and Time liabilities at Rs. 1,186.20 crores (Rs. 27.33 crores on account of borrowings from banks) and Rs. 1,282.12 crores (Rs. 14.24 crores), compared with Rs. 1,198.46 crores (Rs. 29.28 crores) and Rs. 1,289.42 crores (Rs. 14.84 crores) in the previous week. Cash and balances with the Reserve Bank have increased by Rs. 1.18 crores and Rs. 89 lakhs to Rs. 61.21 crores and Rs. 81.87 crores, respectively. There is a drop of Rs. 6.76 crores to Rs. 644.47 crores in investments. Advances and bills discounted at Rs. 1,799.43 crores show a rise of Rs. 27.73 crores. The ratios to total liabilities of cash and balances and of advances and discounts are, in consequence, shown at 5.8 percent and 72.9 percent, against 5.7 percent and 71.2 percent.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 20-3-64.

Issue Date	Maturity Date	Amount (000's Rs.)	Average Acceptance Rate
20-3-64	23-4-64	2,00.00	Rs. 2,500%
13-3-64	16-6-64	2,00.00	Rs. 2,360%
6-3-64	9-6-64	2,00.00	Rs. 2,350%
28-2-64	31-5-64	2,00.00	Rs. 2,350%
31-3-64	24-5-64	2,00.00	Rs. 2,340%
14-2-64	17-5-64	2,00.00	Rs. 2,340%
7-2-64	10-5-64	2,00.00	Rs. 2,330%
31-1-64	3-5-64	2,00.00	Rs. 2,325%
24-1-64	27-4-64	2,00.00	Rs. 2,315%
17-1-64	20-4-64	2,00.00	Rs. 2,315%
10-1-64	13-4-64	2,00.00	Rs. 2,315%
27-12-63	30-3-64	2,00.00	Rs. 2,310%
20-12-63	23-3-64	2,00.00	Rs. 2,315%

(Monthly Maturities (000's omitted))

March, 1964	4,00.00
April, 1964	6,00.00
May, 1964	10,00.00
June, 1964	6,00.00
Total	26,00.00

CLEARING HOUSE RETURNS

Week	Calcutta	Bombay
13-4-64	1,05.14	1,26.78
6-3-64	1,23.96	1,50.39

RESERVE BANK

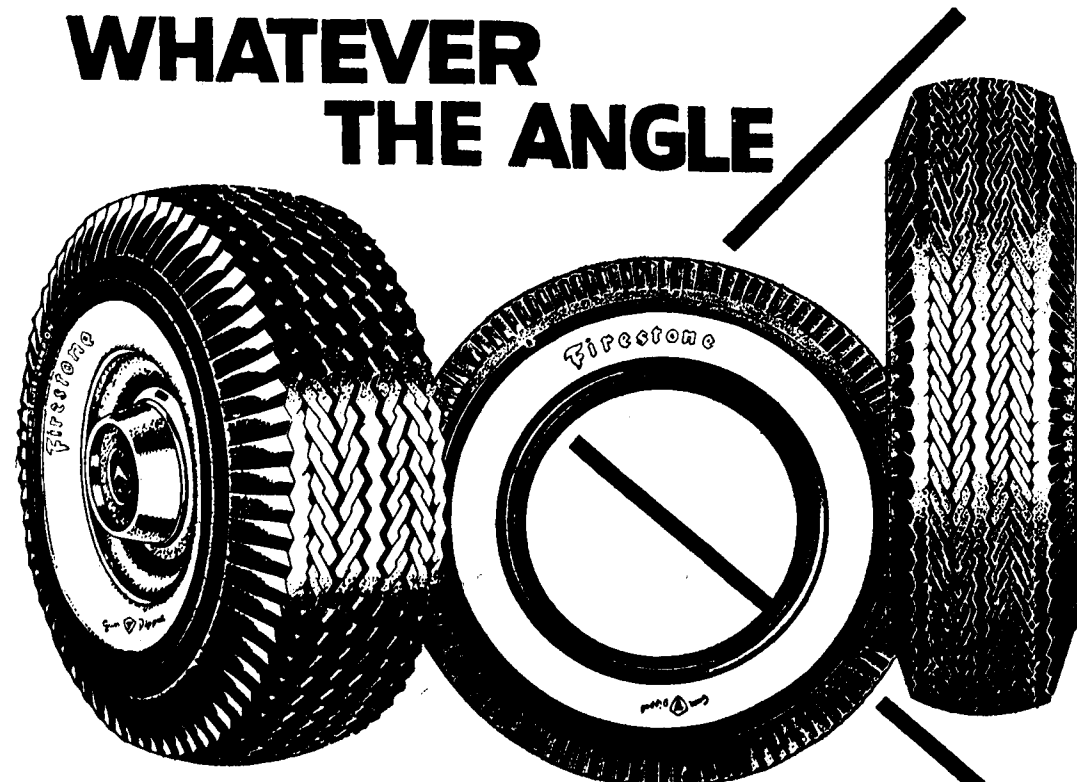
Liabilities—	ISSUE DEPARTMENT (In 000's of Rupees)	Week Ended		
		13-3-64	6-3-64	15-3-63
Notes in Banking Dept. ...	...	14,25.91	16,19.17	16,44.45
Notes in Circulation ...	...	24,72.43.34	24,65.57.35	22,41.79.48
Total Notes Issued ...	...	24,86,69.25	24,81,76.53	22,58,23.93
Assets—				
A. Gold Coin and Bullion	...	1,17,76.10	1,17,76.10	1,17,76.10
Foreign Securities ...	...	1,12,45.69	1,12,45.68	1,05,06.43
Total of A ...	...	2,30,21.79	2,30,21.79	2,22,84.53
B. Rupee Coin	...	1,06,78.82	1,06,85.80	1,13,97.25
Rupee Securities ...	...	21,48,68.64	21,44,68.94	19,21,42.15
Total ...	...	24,86,69.25	24,81,76.53	22,58,23.93

BANKING DEPARTMENT

Liabilities—		Week Ended		
		13-3-64	6-3-64	15-3-63
Capital Paid-up ...	...	5,00.00	5,00.00	5,00.00
Reserve Fund ...	...	80,03.60	80,06.00	80,06.00
National Agricultural Credit (Long Term Operations) Fund	...	73,00.00	73,00.00	61,04.00
National Agricultural Credit (Stabilisation) Fund ...	...	8,00.00	8,00.00	7,00.00
Deposits—				
(a) 1. Central Govt. ...	...	1,09,35.34	1,06,77.20	63,12.16
2. State Govts. ...	...	8,42.45	5,02.62	35,08.92
(b) Banks —				
(i) Scheduled Banks ...	...	77,81.27	82,41.92	72,22.44
(ii) State Co-operative Banks ...	...	2,15.14	2,13.80	1,87.65
(iii) Other Banks ...	...	5.02	1.99	5.20
(c) Others ...	...	1,60,05.97	1,63,86.72	1,85,31.69
Bills Payable ...	...	35,56.78	38,58.43	33,70.17
Other Liabilities ...	...	62,53.14	62,41.82	62,09.27
Total ...	...	6,21,95.11	6,27,27.60	6,06,47.50
Assets—				
Notes ...	...	14,25.91	16,19.17	16,44.45
Rupee Coin ...	...	3.63	3.17	2.64
Small Coin ...	...	2.91	2.44	1.96
Total ...	...	14,25.91	16,19.17	16,44.45
National Agricultural Credit (Long Term Operations) Fund				
(a) Loans and Advances to —				
(i) State Govts. ...	...	26,36.30	25,44.41	23,54.34
(ii) State Co-operative Banks ...	...	8,13.16	8,10.97	9,79.23
(iii) Central Land Mortgage Bank	...	...	...	...
(b) Investment in Central Land Mortgage Bank	...	3,59.36	3,59.36	2,84.88
National Agricultural Credit (Stabilisation) Fund				
Loans and Advances to State Co-operative Banks ...	...	...	...	...
Bills Purchased and Discounted —				
(a) Internal ...	...	...	...	...
(b) External ...	...	58,18.41	58,02.29	76,72.03
(c) Govt. Treasury Bills ...	...	16,01.71	13,16.64	10,88.03
Loans and Advances to Govt. ...	...	54,37.75	45,21.25	35,00.86
Loans and Advances to —				
(i) Scheduled Banks ...	...	95,46.45	1,06,94.45	76,68.87
(ii) State Co-operative Banks ...	...	1,20,04.60	1,29,01.74	1,28,69.69
(iii) Others ...	...	2,28.63	1,92.62	1,60.57
Investments ...	...	1,84,13.96	1,88,66.04	1,89,39.24
Other Assets ...	...	30,02.91	29,93.08	34,82.71
Total ...	...	6,21,95.11	6,27,27.60	6,06,47.50

SCHEDULED BANKS

(In 000's of Rupees)	Week Ended		
	6-3-64	28-2-64	5-3-63
(i) Demand Liabilities—			
(a) Demand Deposits:			
(1) From Banks ...	62,27.19	61,32.96	48,40.97
(2) From others ...	10,39,78.85	10,42,01.32	8,15,92.12
(b) Borrowing from Banks ...	27,33.37	29,28.36	18,54.24
(c) Others ...	65,80.83	65,83.94	62,98.68
(ii) Time Liabilities—			
(1) From Banks ...	21,39.56	21,08.34	19,46.55
(2) From others ...	12,34,78.39	12,40,87.40	11,95,57.33
(b) Borrowing from Banks ...	14,23.53	14,94.01	17,09.80
(c) Others ...	11,70.53	11,82.63	12,00.79
(iii) Borrowing from State Bank—			
(a) Demand Liabilities	13,06.11	12,24.16	15,41.58
(b) Time Liabilities	10,21.00	10,67.00	8,58.50
(iv) Borrowing from Reserve Bank ...	1,08,25.05	67,19.50	83,85.47
(v) Cash ...	61,21.03	60,09.93	61,33.41
(vi) Balances with the Reserve Bank ...	86,87.34	86,97.67	71,37.53
(vii) Money at call and short notice ...	34,25.89	24,79.55	19,51.43
(viii) Investments in Central and State Govt. Securities ...	4,44,46.75	6,51,22.78	5,87,87.78
(ix) (a) Loans Cash Credits and Overdrafts ...	14,84,47.97	14,61,64.63	13,01,00.45
(b) Due from Banks ...	10,13.96	12,94.69	16,97.74
(x) Intend Bills purchased and discounted ...	2,34,36.95	2,34,36.14	2,38,87.35
(xi) Foreign Bills purchased and discounted ...	68,44.53	69,55.87	69,56.83
(xii) Total of X, XI and XII ...	17,99,43.41	17,71,70.32	15,97,51.37



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THE BANK OF INDIA LIMITED

(ESTABLISHED : 7th SEPTEMBER, 1906).

REGISTERED OFFICE : 70/80, MAHATMA GANDHI ROAD, BOMBAY-1.

CAPITAL AND RESERVES

CAPITAL AUTHORISED	Rs. 10,00,00,000	CAPITAL PAID-UP	Rs. 4,05,00,000
CAPITAL ISSUED & SUBSCRIBED	Rs. 7,60,00,000	RESERVE FUND & OTHER RESERVES	Rs. 4,86,00,000

Directors :—Mr. A. D. SHROFF, Chairman, Mr. KRISHNARAJ M. D. THAKERSEY, Vice-Chairman, Mr. AMBALAL SARABHAI, Mr. RAMNIWAS RAMNARAIN, Mr. BHAGVANDAS C. MEHTA, Mr. MADANMOHAN MANGALDAS, Mr. N. K. PETIGARA, Mr. JUGMOHAN PRASAD GOENKA, Mr. JAISINH VITHALDAS, Mr. GIRDHARILAL MEHTA, Mr. PRATAP BHOGILAL, Mr. S. P. GODREJ, General Manager :—Mr. T. D. KANSARA, Deputy General Manager :—Mr. S. J. RUSTOMJI.

BRANCHES IN INDIA :

Bombay Branches :—MAHATMA GANDHI ROAD (Main Office), ANDHERI, BANDRA, BORIVLI, BULLION EXCHANGE, CHEMBUR, CHURCHGATE, COTTON EXCHANGE, C. P. TANK, CUSROW BAUG, DADAR (West), ELECTRIC HOUSE, FORT, GHATKOPAR, KALBADEVI, KHAR, KING'S CIRCLE, MAHALAXMI, MALABAR HILL, MALAD, MANDVI, SANTA CRUZ, SION, TARDEO, WALKESHWAR, WODEHOUSE ROAD.

Other Branches :—AHMEDABAD—Bhadra (Main Office), Delhi Chakla, Ellis Bridge, Gandhi Road, Mandvi Pole, Manek Chowk, Maninagar, Navrangpura, New Cloth Market, Relief Road, Sabarmati, Saraspur, Station, AMRITSAR—Hall Bazar (Main Office), Golden Temple Road, ANAND, BANGALORE, BARODA, BHAVNAGAR, BHOPAL, BHUJ, CALCUTTA—Netaji Subhas Road (Main Office), Bara Bazar, Bhownipuri, Bow Bazar, Chowringhee Square, Vivekananda Road, CALCUTTA, CHAIBASA, COCHIN—Mattancherry (Main Office), Willingdon Island, COIMBATORE, COONOR, DEHU ROAD, DELHI—Janpath (Main Office), Ajmera Gate Extension, Bank Street (Karol Bagh), Chandni Chowk, Connaught Circus, Kamla Nagar, Karol Bagh, Khari Baoli, Patel Nagar, DURGAPUR, ERNAKULAM, GANDHIDHAM, GAUHATI, GOA—Vasco-da-Gama, Margao, GWALIOR, HOSPET, HOWRAH, HYDERABAD, INDORE, JAIPUR, JAMNAGAR, JAMSHEDPUR (Main Office), Telco Town, JULLUNDUR, JUNAGADH, KALOL, KALYAN, KALYANI (W. Bengal), KANPUR—Kasturba Gandhi Marg (Main Office), General Gunj, KOTA (Rajasthan), LUDHIANA, MADRAS—Armenian Street (Main Office), Mount Road, Mylapore, Sowcarpet, Theagaraya-nagar, MADURAI, NADIAD, NAGPUR—Kingsway (Main Office), Dharampeth, Gandhi Baug, Itwari Bazar, NARODA (Dist. Ahmedabad), NAVSARI, PALANPUR, PATNA, POONA—Elphinstone Road (Main Office), Poona City, PORBANDAR, RAJKOT, RANCHI, ROURKELA, SHOLAPUR, SURAT, THANA, TIRUCHIRAPPALLI, VARANASI, VERAVAL, VISAKHAPATNAM.

FOREIGN BRANCHES :

LONDON—17, Moorgate, London, E.C.2, MANCHESTER, NAIROBI, MOMBASA, KAMPALA, JINJA, DAR-ES-SALAAM (East Africa), TOKYO, OSAKA, ADEN, LAGOS (Nigeria), (West Africa), HONG KONG, KARACHI, SINGAPORE.

OVER 1,000 CORRESPONDENTS IN ALL THE PRINCIPAL COUNTRIES OF THE WORLD.

COMMITTEES OF DIRECTORS :

AHMEDABAD—Mr. Ambalal Sarabhai, Mr. Madanmohan Mangaldas, CALCUTTA—Mr. Jugmohan Prasad Goenka, Mr. Girdharilal Mehta.

ADVISORY COMMITTEES :

BULLION EXCHANGE—Mr. Ramonlal Dalsukhbhai, Mr. A. G. Sonawala, Mr. Navmitlal L. Shah, Mr. Kantilal K. Sheth, Mr. Chandulal Mohanlal, KALBADEVI—Mr. Manilal S. Kapadia, Mr. Sobhral Jhamatmal, Mr. Chimanlal B. Shah, Mr. A. M. Patalwala, Mr. Navnitlal B. Oza, MANDVI—Mr. Vallabhdas V. Mariwala, Mr. Chhaganlal Velji, Mr. Hirji Keshavji Kesharwalla, Mr. Savantlal M. Sheth, Mr. Nataraj M. Shch, Mr. Seth Khatun Valabhdas.

LOCAL COMMITTEES :

AHMEDABAD—Mr. Narottam Lalbhai, AMRITSAR—Mr. Lala Dewan Chand Mehra, Mr. Seth Santilal K. Podar, BANGALORE—His Highness Y. R. Ghorpade, Rajasheeb of Sandur, Mr. P. K. Sarangapany Mudaliar, Mr. V. T. Velu, Mr. Ravi L. Kirloskar, Mr. Chottabhai Davidoss, Mr. Vittal Maliya, BARODA—Mr. Ramanbhai B. Amin, Mr. Bhupatiraj Maganlal Ghia, Mr. Indubhai Chhotalal Patel, BHAVNAGAR—Mr. Jaswantraji P. Mehta, CALCUTTA—Mr. N. B. Elias, CALCUTTA—Mr. Lladhar N. Mehta, Mr. P. S. Nair, CHAIBASA—Mr. Sitaram Rungta, COCHIN—Mr. L. D. Kilkar, Mr. E. V. D. Menon, Mr. S. S. Koder, Mr. Javerlal Anandjee, Mr. R. Madhavan Naidu, Mr. S. R. P. Ponnuswamy Chetty, Mr. K. Hajagopal, DELHI—Mr. Sri Narain Andley, Mr. Gobindram Hassaram Mahabubani, Mr. Panna Lal Arora, Mr. Lala Bansi Dhar, Mr. Sardar Daljit Singh, Mr. Ramgopal Gadodia, GAUHATI—Mr. Aridaman S. Kuthari, GOA—Mr. V. S. Dempo, Mr. V. D. Chowgule, Dr. J. H. F. de Sequeira, Mr. Shantilal K. Gosalia, Mr. V. M. Salgaonkar, HYDERABAD—Mr. Mukundadas Mohanlal Malani, Mr. Jamshid D. Italia, Mr. Premji Lalji, Dr. D. S. Reddy, INDORE—Mr. Lalchand B. Sethi, Mr. Chandanlal Mishra, Mr. Ramesh Prasad Maloo, JAMSHEDPUR—Mr. Harjivandas Vithaldas Kotecha, Rao Bahadur Seth Jivatlal Puri, Darbar Sahab Agar Sinhi Shrivijay Rathod, Mr. Ramesh Prasad Maloo, JAMSHEDPUR—Sardar Ajab Singh, Mr. Dharanand Narberham Kamani, Mr. Rameshwarlal Agarwal, JULLUNDUR—Mr. Dwarka Dass Sehgal, Mr. Prem Nath Mayor, JUNAGADH—Mr. Chittaranjan R. Raja, Mr. Ishwardas Narottamdas, Mr. Haribhai Jivabhai Ghis, KANPUR—Mr. Babulal Mishra, Mr. Buddhad Lal Malhotra, Mr. Ram Singh, Mr. Narendrajit Singh, Mr. H. K. Srivastava, Mr. Hemant Singhania, LUDHIANA—Mr. Dina Nath Agarwal, Mr. Jagdish Lal Behal, MADRAS—Dr. Sir A. Lakshmanaswami Mudaliar, Mr. H. C. Kothari, Mr. A. M. M. Murugappa Chettiar, MADURAI—Mr. Karumuttu Thilagorajan Chettiar, Mr. P. T. Rajan, NAGPUR—Seth Ramanlal Rathi, Mr. D. P. H. Cassad, Mr. R. V. Kalikar, Mr. J. B. Thaker, Mr. V. D. Dhawanay, POONA—Mr. S. H. Rath, Dr. N. B. Parulkar, Mr. Rustom B. Patel, RAJKOT—Mr. Ratilal Nyalehand Chitambar, Mr. Dulabhai Shamjee Virani, Mr. Gulabchand Talachand Sheth, SHOLAPUR—Mr. Madappa Bandopadhyay, Rao Sahab Shrikisan N. Bhayya, SURAT—Mr. Lalitnagar C. Gandhi, Mr. Moiz S. Vasi, Mr. Mansukhlal C. Kapadia, VARANASI—Mr. Rudha Raman Prasad, Mr. Bipul Das, VERAVAL—Mr. Ramanlal Prabudhas Shah, Mr. Hargovinddas L. Sanghvi, VISAKHAPATNAM—Mr. A. Suryanarayana Rao, Mr. P. L. Nar-simha Raju, ADEN—Mr. Zaimon Hussainji Karachwala, Mr. Gulabchand Gopaldas Sival, Mr. Amin Kasem Mohammed Sultan, Mr. Munchejee Kaiky, Munchejee, KARACHI—Mr. Mahomed Suleman Cassim Mitha, Abdul Karim Haji Adam, Mr. Eddie Minocher Dinshaw, LONDON—Mr. I. D. Greenwell, Mr. E. S. Saklatvala, Mr. W. P. Cruickshank, Sir Owain Thevor Jenkins, Mr. H. C. Waters, O.B.E.

ANNUAL REPORT.

To be submitted to the Shareholders at the Fifty-Eighth Annual General Meeting to be held at the Registered Office of the Company at 70/80, Mahatma Gandhi Road, Bombay-1, on Thursday, the 26th day of March, 1964, at 4 o'clock in the afternoon.

Directors' Report for the year ended 31st December, 1963.

The Directors submit to the Shareholders the BALANCE-SHEET and PROFIT AND LOSS ACCOUNT for the year ended 31st December, 1963. The Auditors' Report is also annexed.

The transactions for the past year after provision for taxation have resulted in a profit of Rs. 1,38,09,847. To this has been added the balance of Rs. 13,09,847.5 brought forward from the previous year, making a total sum of Rs. 1,38,09,847.5

The following appropriations have been made :—

An interim dividend was paid at the rate of 8.00 per cent, subject to deduction of tax at the rates in force, on the Paid-up Capital of Rs. 4,05,00,000 which absorbed	Rs. 32,40,000 00
Transferred to the Reserve Fund	25,00,000 00
Transferred to Special Reserve	40,50,000 00
Bonus to Staff	35,00,000 00
To carry forward to the next account	4,19,847 75
	Rs. 1,38,09,847.5

The Directors recommend to the Shareholders payment of a final dividend at the rate of 10.00 per cent, subject to deduction of tax at the rates in force, making 18 per cent, for the year on the Paid-up Capital of Rs. 4,05,00,000 which will absorb Rs. 40,50,00,00.

The Directors propose, subject to obtaining the necessary consent from the Controller of Capital Issues, Government of India, and other authorities, to increase the Authorised Capital of the Company from Rs. 10,00,00,000 to Rs. 11,00,00,000 by the creation of 2,00,000 "A" shares of the face value of Rs. 50 each and to issue therefrom 40,500 "A" shares as fully paid bonus shares in the proportion of one such bonus share, held by a member on a date to be specified later, by capitalising a sum of Rs. 20,25,000 out of the Share Premium Account. The necessary application has been made to the Controller of Capital Issues in this behalf. After the necessary consent from him and other authorities has been obtained, the Shareholders will be requested to pass the necessary resolutions for this purpose at an Extraordinary General Meeting.

The business of the Company continued to function satisfactorily.

The Bank Rate was increased from 4 per cent. to 4½ per cent, with effect from the 2nd January, 1963.

Before the close of the year, a sum of Rs. 3,00,00,000 was transferred from the internal reserves to the Reserve Fund.

As in 1962, for the information of Shareholders, a statement is furnished on page 27 giving an analysis of sub-head (vi) of Advances being—

Debts due by companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or, in the case of private companies, as members.

During the year, 37 Branches of the Bank were opened in India at Borivli, Chembur, Dadar, Khar and King's Circle in Bombay, at New Cloth Market, Relief Road, Sabarmati and Saraspur in Ahmedabad, at Bcw Bazar and Vivekananda Road in Calcutta, at Willingdon Island in Cochin, at Kamala Nagar in Delhi, at Telco Town in Jamshedpur, at Mylapore and Theagarayanagar in Madras, at Dharampeth and Gandhi Baug in Nagpur and at Anand, Bhopal, Dehu Road, Durga, Howrah, Jaipur, Karol, Kalyan, Kalyani, Kota, Naidad, Naroda, Navsari, Palanpur, Patna, Porbandar, Rourkela, Thana and Varanasi.

Under the provisions of Section 256 of the Companies Act, 1955, the following Directors of the Company retire by rotation, but are eligible and offer themselves for re-election :—

Mr. Ramniwas Ramnarin
Mr. N. K. Petigara
Mr. Jaishin Vithaldas

The Shareholders are requested to appoint Auditors and to fix their remuneration.

A. D. SHROFF, Chairman, KRISHNARAJ M. D. THAKERSEY, Vice-Chairman, AMBALAL SARABHAI, JUGMOHAN PRASAD GOENKA, RAMNIWAS RAMNARAIN, BHAGVANDAS C. MEHTA, MADANMOHAN MANGALDAS, N. K. PETIGARA, PRATAP BHOGILAL, S. P. GODREJ, Directors.

T. D. KANSARA, General Manager, S. J. RUSTOMJI, Deputy General Manager, H. A. CURRIMBOY, Chief Accountant, Bombay, 20th February, 1964.

BALANCE-SHEET AS AT 31st DECEMBER, 1963

CAPITAL AND LIABILITIES	Rs.	nP.	Rs.	nP.	PROPERTY AND ASSETS	Rs.	nP.	Rs.	nP.
I. CAPITAL :					1. CASH :				
Authorised Capital :					In hand with Reserve Bank of India and State Bank of India (including foreign currency notes) ...			13,06,39,520	11
(a) 9,50,000 shares of Rs. 100 each ...	9,50,00,000	00			2. BALANCES WITH OTHER BANKS ON CURRENT ACCOUNT :				
(b) 1,00,000 "A" shares of Rs. 50 each ...	50,00,000	00			(i) In India ...	26,10,516	55		
Issued and Subscribed Capital :					(ii) Outside India ...	1,97,51,888	19	2,23,62,404	74
(a) 7,00,000 shares of Rs. 100 each ...	7,00,00,000	00			3. MONEY AT CALL AND SHORT NOTICE ...			Nil	
(b) 10,000 shares of Rs. 100 each with Rs. 50 credited as paid-up in terms of the Scheme of Amalgamation of the Gadodia Bank Ltd. with The Bank of India Ltd. ...	10,00,000	00			4. INVESTMENTS AT BELOW MARKET VALUE :				
(c) 1,00,000 "A" shares of Rs. 50 each credited as fully paid bonus shares ...	50,00,000	00			(i) Securities of the Central and State Governments and other Trustee Securities, including Treasury Bills of the Central and State Governments ...	31,02,28,085	53		
Amount called up on 7,10,000 shares of Rs. 100 each at Rs. 50 per share ...	3,55,00,000	00			(ii) Shares :				
Amount fully paid up on 1,00,000 "A" shares of Rs. 50 each ...	50,00,000	00			(a) Fully paid Preference Shares ...	61,07,277	00		
Less: Calls unpaid ...	4,05,00,000	00			(b) Fully paid Ordinary Shares ...	89,07,353	00		
Add: Forfeited shares ...	Nil				(c) Partly paid Preference Shares ...	8,60,532	50		
Carried forward ...			4,05,00,000	00	(d) Partly paid Ordinary Shares ...	2,29,85,017	50		
					(iii) Debentures or Bonds ...	Nil			
					(a) Fully paid ...	Nil			
					(b) Partly paid ...	Nil			
					(iv) Other Investments : ...	50,93,411	06	35,42,81,677	20
					(v) Gold ...	Nil			
					Carried forward ...			50,72,83,602	08

THE BANK OF INDIA LIMITED—Cont'd.

BALANCE-SHEET AS AT 31st DECEMBER, 1963—Cont'd.

CAPITAL AND LIABILITIES—Cont'd.	Rs.	nP.	Rs.	nP.	PROPERTY AND ASSETS—Cont'd.	Rs.	nP.	Rs.	nP.
2. RESERVE FUND AND OTHER RESERVES :					5. ADVANCES :				
Reserve Fund (Includes Rs. 1,50,00,000 received as premiums on issues of shares prior to 1962) ...	Rs. 3,85,00,000	00			(i) Loans, Cash Credits, Overdrafts, etc. : ...			50,72,83,602	08
Transfer from Contingencies Account ...	Rs. 5,00,000	00	3,90,00,000	00	(i) In India (Includes an amount of Rs. 4,62,44,750 relating to medium term advances in respect of which finance has been obtained from the Refinance Corporation for Industry Ltd. as per contra) ...	Rs. 10,27,40,829	20	111,49,52,781	96
Share Premium Account : ...					(ii) Outside India ...	Rs. 10,27,40,829	20	111,49,52,781	96
(a) Amount of premium received in cash on new issue of shares in 1962 ...	Rs. 40,00,000	00			(iii) Bills discounted and Purchased (excluding Treasury Bills of the Central and State Governments) : ...				
(b) Amount of premium on issue of 10,000 shares of Rs. 100 each with Rs. 50 credited as paid-up in terms of the Scheme of Amalgamation of the Gadodia Bank Ltd. with The Bank of India Ltd. ...	Rs. 5,00,000	00	45,00,000	00	(i) Payable in India ...	Rs. 15,90,38,422	49		
Special Reserve ...	...	...	40,50,000	00	(ii) Payable outside India ...	Rs. 8,53,99,856	17	24,44,38,278	66
Development Rebate Reserve ...	...	...	10,50,000	00	Particulars of Advances :				
3. DEPOSITS AND OTHER ACCOUNTS :					(i) Debts considered good in respect of which the banking company is fully secured ...			120,16,65,531	63
Fixed Deposits ...	86,70,15,902	11			(ii) Debts considered good for which the banking company holds no other security than the debtors' personal security ...			5,68,42,302	30
Savings Bank Deposits ...	35,50,43,384	69			(iii) Debts considered good secured by the personal liabilities of one or more parties in addition to the personal security of the debtors ...			10,08,83,226	69
Current Accounts, Contingency Accounts, etc. ...	51,76,82,312	87	173,97,51,599	67	(iv) Debts considered doubtful or bad, not provided for ...			Nil	
4. BORROWINGS FROM OTHER BANKING COMPANIES :								135,93,91,060	62
(i) In India (Amount borrowed from the Refinance Corporation for Industry Ltd.) ...	4,62,44,750	00			(v) Debts due by directors or officers of the banking company or by any other persons ...			13,96,153	04
(ii) Outside India ...	1,62,832	63	4,64,07,582	63	(vi) Debts due by companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or, in the case of private companies, as members ...			30,21,25,467	40
Particulars :					(vii) Maximum total amount of advances, including temporary advances, made at any time during the year to directors or managers or officers of the banking company or by any other persons ...			17,79,151	13
(i) Secured : ...					(viii) Maximum total amount of advances including temporary advances, granted during the year to the companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or, in the case of private companies, as members ...			32,67,80,315	41
(a) By Bills Discounted ...	Rs. Nil				(ix) Due from banking companies ...			1,99,819	90
(b) By Foreign Bills Purchased ...	Rs. 1,62,832	63			6. BILLS RECEIVABLE BEING BILLS FOR COLLECTION as per contra :				
(c) Under the Refinance Corporation Scheme by part of advances per contra ...	Rs. 4,62,44,750	00	4,64,07,582	63	(i) Payable outside India ...	3,99,76,002	98		
(ii) Unsecured ...	Nil				(ii) Payable outside India ...	2,88,88,487	85	6,88,64,490	83
5. BILLS PAYABLE ...					7. CONSTITUENTS' LIABILITIES FOR ACCEPTANCES, ENDORSEMENTS AND OTHER OBLIGATIONS per contra ...				
6. BILLS FOR COLLECTION BEING BILLS RECEIVABLE as per contra :								16,09,91,634	41
(i) Payable in India ...	3,99,76,002	98			8. PREMISES, LESS DEPRECIATION :				
(ii) Payable outside India ...	2,88,88,487	85	6,88,64,490	83	At cost as at 31st December, 1962 ...	1,95,58,418	89		
7. OTHER LIABILITIES :					Additions during the year ...	34,83,174	41		
(i) Unexpired Discounts ...	2,61,208	87			Less : Cost of Property sold during the year ...	2,30,41,593	30		
(ii) Branch Adjustments ...	1,85,52,475	65			Less : Depreciation written off to date ...	94,400	00	1,33,62,891	66
(iii) Unclaimed Dividends ...	3,96,574	35			9. FURNITURE AND FIXTURES, LESS DEPRECIATION :				
(iv) Amount received under Compulsory Deposit Scheme pending remittance ...	6,85,277	54	1,98,95,536	41	Cost to 31st December, 1962 completely written off ...	Nil			
8. ACCEPTANCES, ENDORSEMENTS AND OTHER OBLIGATIONS per contra ...					Additions at cost during 1963 ...	43,85,539	38		
9. PROFIT AND LOSS :					Less : Depreciation written off during 1963 ...	3,50,000	00	40,35,539	38
Balance as per Balance-Sheet as at 31st December, 1962 ...	61,69,847	75			10. OTHER ASSETS :				
Less : Final Dividend at the rate of 8.00 per cent, subject to deduction of tax at the rates in force, making 20.00 per cent, for the year 1962 on the increased paid-up Capital of Rs. 4,05,00,000 ...	48,60,000	00			(i) Shares of The Bank of India (U.K.) Nominees Ltd. at cost ...	1,335	65		
Add : Profit for the year ended 31st December, 1963, after providing for Taxation ...	13,09,847	75			(ii) Advance Payments of Tax ...	1,64,43,486	98		
Less : Transferred to the Reserve Fund ...	25,00,000	00			(iii) Stamp ...	29,471	86		
Interim Dividend paid at the rate of 8.00 per cent, subject to deduction of tax at the rates in force, making 20.00 per cent, for the year 1962 on the increased paid-up Capital of Rs. 4,05,00,000 ...	48,60,000	00			(iv) Interest accrued on Investments ...	40,77,273	43		
Transferred to Special Reserve ...	32,40,000	00			(v) Silver ...	Nil		2,05,61,568	02
Provision for Bonus to Staff for the year Rs. 35,00,000 ...	1,32,90,000	00	4,19,847	75	11. NON-BANKING ASSETS ACQUIRED IN SATISFACTION OF CLAIMS ...			Nil	
10. CONTINGENT LIABILITIES :					Note :—The Balance-Sheet has been prepared in conformity with Form A of the Third Schedule to the Banking Companies Act, 1949.				
(i) On partly paid Shares ...	Rs. 22,47,750	00			Total Rupees ...			213,44,90,786	67
(ii) Claims against the banking company not acknowledged as debts ...	Rs. 1,58,078	61							
(iii) Guarantees given on behalf of customers (Includes Rs. 18,17,000 in respect of guarantees given on behalf of Directors and Rs. 1,30,456 on behalf of Officers and Sub-Officers) ...	Rs. 26,99,89,224	43							
(iv) Outstanding Forward Exchange Contracts ...	Rs. 21,73,51,053	29							
(v) Bills of Exchange Re-discounted :—U.S. Dollar Bills Re-discounted \$ Nil Sterling Bills Re-discounted \$ Nil									
Note :—The Profit and Loss Account includes expenses of The Bank of India (U.K.) Nominees Ltd., a subsidiary company of this Bank.									
Total Rupees ...			213,44,90,786	67					

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st DECEMBER, 1963.

EXPENDITURE	Rs.	nP.	INCOME (less provision made during the year for bad and doubtful debts and other usual or necessary provisions)	Rs.	nP.
1. Interest paid on deposits, borrowings, etc. ...	4,37,36,998	14	1. Interest and Discount ...	8,58,96,915	42
2. Salaries and Allowances and Provident Fund ...	2,77,21,147	54	2. Commission, Exchange and Brokerage ...	1,18,39,336	85

THE BANK OF INDIA LIMITED—Cont'd.

Statement giving an analysis of sub-head (vi) of Advances being—Debts due by companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or, in the case of private companies, as members, referred to in the Directors' Report on page 14.

Debts due by:—

	Rs.	nP.	Rs.	nP.
As at 31-12-1963				
I. Public Companies				
In which the Directors of the Banking Company are interested				
(a) As Directors only (holding no shares) ...			2,18,34,834	90
(b) As Directors and Members				
(i) Holding not more than 2 per cent. of the Paid-up Share Capital ...	9,30,94,509	65		
(ii) Holding more than 2 per cent. of the Paid-up Share Capital ...	12,71,04,179	69	22,01,98,689	34
(c) (i) As Managing Agents personally ...	Rs.	nP.		
(ii) As Partners in Managing Agency Firm ...	1,97,95,193	04		
(iii) As Director/Member of Managing Agents ...	10,42,64,199	38		
This is included in Item I(b) (i) and (ii) ...	12,40,59,392	42		
II. Private Companies				
In which the Directors of the Banking Company are interested				
(a) As Directors only (holding no shares) ...			20,70,810	29
(b) As Directors and Members				
(i) Holding not more than 2 per cent. of the Paid-up Share Capital ...	67,56,003	04		
(ii) Holding more than 2 per cent. of the Paid-up Share Capital ...	4,96,42,235	26	5,63,98,298	30
(c) As Members only				
(i) Holding not more than 2 per cent. of the Paid-up Share Capital ...	Nil			
(ii) Holding more than 2 per cent. of the Paid-up Share Capital ...	86,727	47		
(d) (i) As Managing Agents personally ...	Nil			
(ii) As Partners in Managing Agency Firm ...	Nil			
(iii) As Director/Member of Managing Agents ...	62,12,682	08		
This is included in Item II (b) (i) ...	62,12,682	08		
III. Firms				
In which the Directors of the Banking Company are interested as Partners				
Total ...			7,27,307	10
			30,21,25,467	40

A. D. SHROFF, Chairman.
KRISHNARAJ M. D. THACKERSEY, Vice-Chairman.
H. A. CURRIMBHROY, Chief Accountant.
T. D. KANSARA, General Manager.
S. J. RUSTOMJI, Deputy General Manager.
S. B. BILLIMORIA & CO., Chartered Accountants.
A. F. FERGUSON & CO., Chartered Accountants.

We have checked the above analysis with the records of the Bank and with the certificates furnished by each of the Directors of the Bank regarding their respective percentages of holdings in the paid-up share capital of the borrowing companies and have found it to be correctly made up.

Bombay, 20th February, 1964.

AUDITORS' REPORT TO THE MEMBERS

(1) We have audited the foregoing Balance-Sheet of The Bank of India Ltd. as at 31st December, 1963, and also the foregoing Profit and Loss Account of the Bank for the year ended upon that date, in which are incorporated the audited returns from all the Branches, of which 64 Branches have been audited between us and 72 Branches by other Auditors.

(2) We report that:—

- we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit and have found them to be satisfactory;
- the transactions of the Bank which have come to our notice have been within the powers of the Bank;
- in our opinion, proper books of account as required by law have been kept by the Bank so far as appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from all the Branches of the Bank;
- the reports on the accounts of Branches audited by other Auditors have been forwarded to us and the same have been considered in preparing this report;
- the Bank's Balance-Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account and the audited returns;
- in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required for banking companies and on such basis the said Balance-Sheet gives a true and fair view of the state of the affairs of the Bank as at 31st December, 1963, and the Profit and Loss Account gives a true and fair view of the profit for the year ended upon that date.

Bombay, 20th February, 1964.

Statement pursuant to Section 212 of the Companies Act, 1956.

The Profit and Loss Account of the Bank of India Ltd. for the year ended 31st December, 1963, does not include any profit or loss of its subsidiary. The Bank of India (U.K.) Nominees Ltd. (a nominee company incorporated and operating in the United Kingdom) as no profit was made and no loss was sustained by that subsidiary. All expenses incurred were borne and paid by The Bank of India Ltd. The shares of the subsidiary are wholly owned by the Bank.

Having regard to the fact that no Profit and Loss Account of the said subsidiary is prepared in the circumstances aforesaid and that its Balance-Sheet and the Reports of its Board of Directors and Auditors are drawn up in accordance with the law in force in the United Kingdom, an application was made to the Central Government under sub-section (8) of Section 212 of the Companies Act, 1956, and, in exercise of the powers conferred by the said sub-section (8) of Section 212 of the Companies Act, 1956, the Central Government, being satisfied that it is necessary so to do, have directed that in relation to The Bank of India (U.K.) Nominees Ltd., a subsidiary of the Bank, the provisions of Section 212 of the said Act shall apply only to the extent that The Bank of India Ltd. shall be required to attach to its Balance-Sheets copies of the Balance-Sheets and of the Reports of the Board of Directors and of the Auditors of the said subsidiary made out in accordance with the provisions of the English Companies Act for the time being in force in the United Kingdom and that The Bank of India Ltd. is exempted from attaching to its Balance-Sheets a copy of the Profit and Loss Account of the said subsidiary.

A. D. SHROFF, Chairman.
KRISHNARAJ M. D. THACKERSEY, Vice-Chairman.
H. A. CURRIMBHROY, Chief Accountant.
T. D. KANSARA, General Manager.
S. J. RUSTOMJI, Deputy General Manager.

THE BANK OF INDIA (U.K.) NOMINEES LIMITED

Directors' Report for the year ended 31st December, 1963.

The Directors submit the Balance-Sheet for the year ended 31st December, 1963. The Auditors' Report is also annexed.

No Profit and Loss Account is submitted as none has been prepared. No profit was made and no loss was sustained. The expenses of the Company have been paid by The Bank of India Ltd., of which the Company is a wholly-owned subsidiary.

London, 1st January, 1964.

REPORT OF THE AUDITORS

We have obtained all the information and explanations which we have required and which to the best of our knowledge and belief were necessary for the purpose of our audit. In our opinion proper books of account have been kept by the Company. We have examined the above Balance-Sheet which is in agreement with the books of account. In our opinion such Balance-Sheet gives the information required by the Companies Act, 1948, in the manner so required and is properly drawn up so as to exhibit a true, correct and fair view of the state of the Company's affairs at 31st December, 1963, according to the best of our information and the explanations given to us and as shown by the books of the Company.

No Profit and Loss Account has been prepared as the Company has no income and the expenses are paid by the Holding Company.

London, 1st January, 1964.

FERGUSON, ROWLAND & DAVIES, Chartered Accountants, Auditors.

BALANCE-SHEET AS AT 31st DECEMBER, 1963.

Capital Authorised and fully Paid-up:	Cash at Bankers	£ 100.0.0
100 Ordinary Shares of £1 each ...		
£ 100.0.0		
£ 100.0.0		
		£ 100.0.0

Signed on behalf of the Board,

S. C. KOTHARI,
S. L. KOTHARI,
S. H. BRADFORD } Directors.

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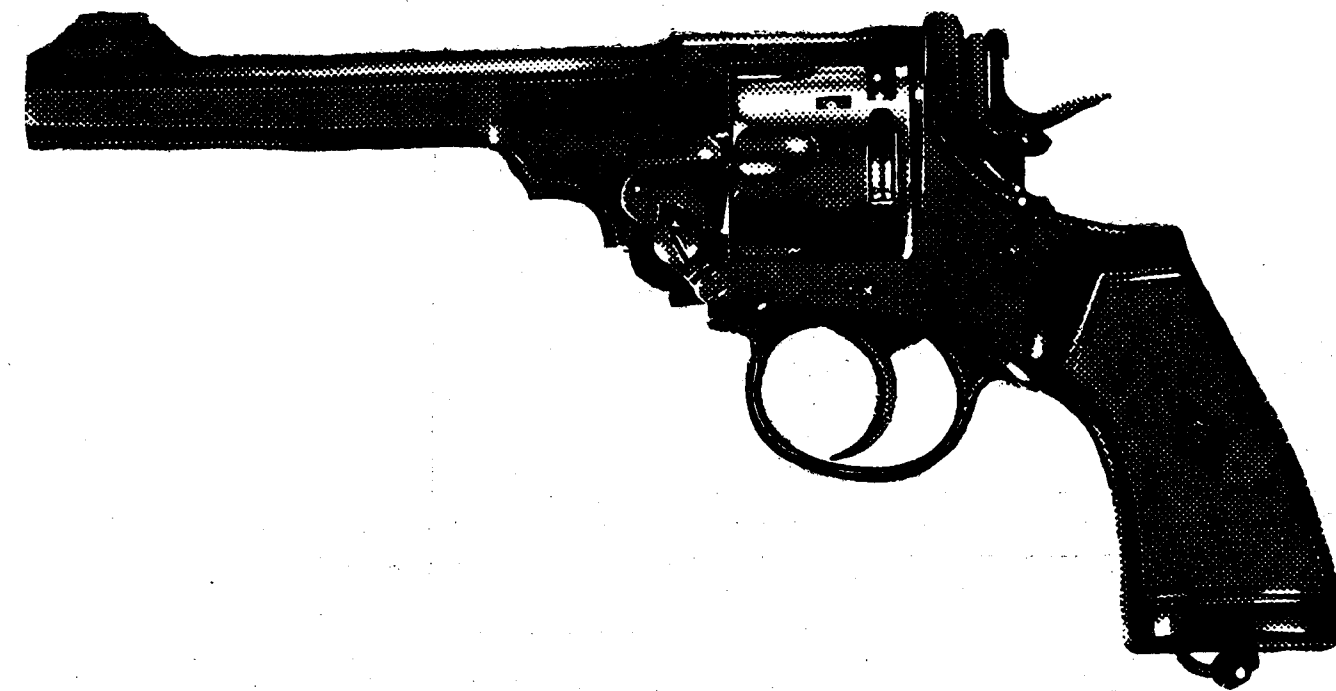
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THE UNITED COMMERCIAL BANK LIMITED—Cont'd.

CAPITAL AND LIABILITIES		Dec. 31, 1963		Dec. 31, 1962		PROPERTY AND ASSETS		Dec. 31, 1963		Dec. 31, 1962	
	Rs. nP.	Rs. nP.	Rs. nP.	Rs. nP.	Rs. nP.		Rs. nP.	Rs. nP.	Rs. nP.	Rs. nP.	
Brought forward ...		1,76,42,99,162	56		1,59,14,36,570	Brought forward ...		1,35,80,72,173	79		1,19,21,69,522
9. Profit and Loss :						Particulars of Advances :					
Profit as per last Balance-sheet	24,75,053	91		26,07,428		(i) Debts considered good in respect of which the banking company is fully secured	65,03,43,342	23		55,22,67,924	
Less Dividend * ...	24,56,061	62		24,00,000		(ii) Debts considered good for which the banking company holds no other security than the debtors' personal security	9,27,13,575	37		8,05,51,576	
	18,992	29		2,07,428		(iii) Debts considered good secured by the personal liabilities of one or more parties in addition to the personal security of the debtors	11,64,15,075	20		7,79,50,529	
Add Profit for the year	76,42,969	66		73,32,626		(iv) Debts considered doubtful or bad, not provided for	Nil			Nil	
	76,61,861	95		75,40,054			85,94,71,992	83		71,07,70,029	
Less Appropriations made :						(v) Debts due by directors or officers of the banking company or any of them either severally or jointly with any other persons	7,59,336	39		10,06,471	
Rs. nP.						(vi) Debts due by companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or in the case of private companies, as members	12,80,92,402	28		12,30,65,952	
To Reserve Fund	17,00,000.00			26,00,000		(vii) Maximum total amount of advances, including temporary advances made at any time during the year to directors or managers or officers of the banking company or any of them either severally or jointly with any other persons	11,67,037	00		15,56,121	
To Gratuity Trust Fund	4,00,000.00			4,00,000		(viii) Maximum total amount of advances, including temporary advances granted during the year to the companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or in the case of private companies, as members	14,87,98,404	97		12,39,29,822	
To Donations to National Defence Fund Rs. 2,00,000=00 and Sydenham College of Commerce & Economics Golden Jubilee Trust Fund Rs. 23,920=00	2,25,920.00			2,15,000		(ix) Due from banking companies	1,32,87,027	65		53,76,910	
To Bonus to staff	19,00,000.00			16,50,000		6. Bills Receivable Being Bills for Collection as per contra :					
	42,25,920	00	34,35,941	95	50,65,000	(i) Payable in India	9,48,02,668	87		8,19,03,159	
					24,75,054	(ii) Payable outside India	3,62,82,085	24	13,10,84,754	11	11,67,98,098
*Includes Rs. 6,159=12 paid subject to confirmation by members.						7. Constituents' Liabilities for Acceptances, Endorsements and Other Obligations per contra ...			25,00,82,517	19	25,65,35,808
10. Contingent Liabilities :						8. Premises Less Depreciation :					
(i) On Partly Paid shares	21,01,564.00					Cost as per last balance-sheet	1,04,37,753	65		99,39,450	
(ii) Claims against the Banking Company not acknowledged as debts	4,38,243.27					Additions (Rs. 23,271.42) Less deductions (Rs. 6,78,199.49) during the year	- 6,54,928	07		4,98,303	
(iii) Guarantees given on behalf of customers and Correspondent Banks	25,06,28,959.97						97,82,825	58		1,04,37,753	
(iv) On Foreign Bills Discounted all of which have run off by 29-2-1964	62,46,024.76					Less depreciation written off to date	19,63,587	37	78,19,238	21	84,83,781
(v) Forward Exchange Contracts outstanding for the purchase and sale of Bills and Telegraphic Transfers of which upto 29-2-64 Rs. 9,43,16,139=02 have been delivered.	20,45,30,908.34					9. Furniture and Fixtures Less Depreciation :					
Notes : (1) There is a liability for outstanding bills, not certified by the architects, in respect of the Bank's buildings.						Cost as per last balance-sheet	1,27,77,508	72		1,16,32,635	
(2) Provision in full for gratuity accruing on retirement of staff has not been made						Additions (Rs. 25,04,122.92) Less deductions (Rs. 6,52,143.00) during the year	18,51,979	92		11,45,473	
(3) Consequent upon nationalisation of banks in Burma the Assets and Liabilities of the Bank's branches in that country were taken over on 23rd February, 1963 by the Banking Business Nationalisation Committee. The amount of compensation in respect of these Assets and Liabilities has not yet been determined by the Authorities and, therefore, such amount is included in the Accounts on the basis of balances as per the books of those branches on the said date.							1,46,29,488	64		1,27,77,508	
						Less depreciation written off to date	78,07,472	59	67,62,016	05	76,42,134
						10 Other Assets, Including Silver :					
						(i) Land and Buildings :					
						Cost as per last balance-sheet	55,05,134	52		42,32,751	
						Additions (Rs. 19,40,372.90) Less deductions (Rs. 14,000.00) during the year	19,26,372				

THE STATE BANK OF INDIA EXPANSION OF BUSINESS: ADVANCES TOUCH NEW PEAK

PROGRESS OF BRANCH EXPANSION PROGRAMME

CHAIRMAN, MR. B. VENKATAPPAH'S
SPEECH

The following is the speech of the chairman Mr. B. Venkatappaiah, at the 11th Annual General Meeting of the shareholders of the State Bank of India held in Bombay on March 12, 1964.

gentlemen,
I welcome you to this meeting and I am glad of the opportunity to tell you the progress which the State Bank of India and its subsidiaries have made since we met a year ago. More specially, we are concerned today with the part of the central board of directors of the State Bank of India for the year 63, the Bank's profit and loss account for the same period and the balance sheet as at December 31, 1963. You will already have had an opportunity of reading these documents.

Last year we met under the shadow of Chinese aggression. The impact of that event on the economy of the country and of particular relevance from our point of view, the dislocation caused to the normal operation of credit in certain sectors are no doubt still fresh in your mind. As I then told you, we immediately took several measures in collaboration with trade and industry, with the Reserve Bank of India and with the Government. This was in order to ensure that credit, both medium-term and short-term, was available in appropriate form and adequate quantity in what were then regarded as the more vulnerable areas; that the distribution of foodgrains, whether by Government, co-operatives or the trade, was suitably and promptly financed; that the manufac-

turers of goods and equipment for meeting the defence needs of the country were assisted with credit in all the ways open to the Bank and that such assistance was especially directed, for here the need was greatest, to small and medium entrepreneurs engaged in defence industries; that special attention was devoted to export credit with a view to stepping up exports, since, as I said last year, a new dimension of gravity had been imparted by the national emergency to the problem of foreign exchange; that the Bank and its subsidiaries, through every single one of their branches and offices—and these together now number 1,644—participated in the countrywide work connected with the collection of funds, gold and valuables for the defence effort; and, last but not least, that

special facilities, also on a countrywide scale, were made available to the members of the Armed Forces in the matter of maintenance of accounts and remittance of moneys to families and dependents. I am glad to be able to report to you that in all these respects we succeeded in acting promptly, helpfully and in large measure effectively. In what follows I shall tell you of our other and more usual activities those relevant to us as the biggest commercial banking organization in the country: one, moreover, which has been enjoined by its charter to keep in mind both its commercial character and the public interest. I shall endeavour to review briefly not only the financial results of the year's working—these are satisfactory in so far as we have more than maintained our profits—but also our total performance, firstly in relation to our normal banking activity and secondly with reference to those spheres of development which have all along claimed our special attention. Further, I shall try, in continuation of what I said last year, to indicate as succinctly as I can the progress we have made in other matters pertinent to our own growth and efficiency such as recruitment and training, premises and housing, personnel welfare and personnel relations, delegation and decentralization.

Rise in Income

In comparison with 1962 we earned substantially more in 1963. Our income went up for two principal rea-

CAPITAL, 19th March, 1964.

sons. The main one of course was expansion of business. The advances touched a new peak: Rs. 309 crores in 1963 as against Rs. 289 crores in 1962. I may mention in passing that in the current busy season, that of 1964, advances have already passed the 325-crore level. The other factor which contributed to increased earnings was the modification which we effected in our lending rates from the close of business on April 5, 1963, so as to bring them into greater conformity with prevailing conditions, including the already enhanced Bank rate, as also of course our own needs. The State Bank of India advance rate was accordingly raised from 5% to 6%. But the increases actually effected were graduated. Little or no addition was made to the higher ranges of interest rates charged by the Bank and the full rise of 1% was confined to the lowest range. Moreover, certain types of advances continued to be concessionary in the matter of interest. On loans to small industries, for example, the rates were stepped up only marginally; and on advances to cooperatives they were retained at broadly the same level as before. We earned more than we did in 1962 not only on interest and discount but also on commission, exchange and brokerage. It will be seen that, after allowing for all the usual and necessary provisions from the resultant earnings, our income has increased by Rs. 2.79 crores to Rs. 25.37 crores in 1963.

Dividend Maintained

Income being Rs. 25.37 crores and expenditure Rs. 22.62 crores, the net profit for 1963 is Rs. 2.75 crores (as against Rs. 2.69 crores for 1962). Together with the balance of Rs. 0.46 crore brought forward from last year, the sum available for appropriation to various heads, including dividend to shareholders and bonus to staff, is Rs. 3.20 crores. The dividend has been maintained at the same level as in the previous year, viz., Rs. 23 per share, subject to deduction of tax. This accounts for Rs. 1.29 crores. The bonus to staff is broadly on the same basis as last year, viz., two months' salary; the actual amount provided is however larger than last year's—Rs. 82 lakhs against Rs. 72 lakhs—because of the increase in the number of employees and the increments meanwhile earned by them. To the Reserve Fund has been added the same amount as in 1962, viz., Rs. 55 lakhs. Lastly, a sum of Rs. 5 lakhs has been transferred to the staff welfare fund and an equivalent amount to the staff co-operative housing fund. These provisions too are identical with those made last year.

It will be convenient if I refer at this stage to our subsidiaries. They have made progress in various directions. An outstanding measure of reorganization, as you are aware, was the establishment on January 1, 1963, of the State Bank of Bikaner & Jaipur. This institution, which in effect combined the State Bank of Bikaner and the State Bank of Jaipur in one large unit, is now in a position to serve more effectively than before the entire State of Rajasthan. In their traditional operations no less than in the developmental sphere, the performance of the subsidiary banks has been a noteworthy one. The number of offices of the seven banks together rose from 519 at the end of 1962 to 568 at the end of 1963. Also in the aggregate, their deposits rose by over Rs. 13 crores to Rs. 156 crores and their advances by about Rs. 4 crores to Rs. 75 crores. There was an increase in profits from Rs. 58.50 lakhs in 1962 to Rs. 67.97 lakhs in 1963. The State Bank of Travancore has raised the rate of dividend from 5% for 1962 to 6% for 1963. The State Bank of Patiala, which had not declared any dividend for 1962, has been able to declare a dividend of 5% for the year under review. The State Bank of Saurashtra, while once more not declaring a dividend, has nevertheless, taken opportunity to strengthen its reserves further. The other subsidiaries maintained the same level of dividend as in the previous year.

Branch Expansion

I will now turn to the programme of branch expansion of the State Bank of India and in the same context deal with connected topics such as premises, recruitment and training. As mentioned in the directors' report, the Bank had 4 local head offices, 733 branches and 332 sub-offices in India at the end of 1963. It had besides an office each in London and Colombo and five offices in Pakistan. In all, therefore, the Bank had 1,076 offices at the close of the year which together with the 568 offices of the subsidiaries make a total of 1,644, a figure I have already mentioned, for the entire organization. During the course of the year the State Bank of India increased the number of its branches by 29 (of which 20 were under the expansion programme) and of other offices by 37. In consultation with Government and the Reserve Bank of India the Bank has now entered, as from January 1, 1964, on a new five-year phase

of planned expansion comprising 75 branches (to be opened before the middle of 1965 under the previous programme) and 319 branches (to be opened before the end of 1968 under the new programme), making a total of 394 or nearly 400 for the next 5 years. This is as big a project of expansion as the State Bank had undertaken on its establishment and successfully executed during 1955-60. It is at the same time more complicated in many ways. Suitable buildings are hard to come by in the smaller towns. Personnel has to be recruited and trained. Interbranch accounts and their reconciliation, if only because of the number of branches and offices involved, will present further complexities. The farther the Bank goes into semi-urban and rural areas the greater will be the need for it to evolve new techniques whether for mobilization of adequate deposits or disbursement of appropriate credit. These difficulties are real but it is my firm faith that they are not insurmountable, provided always that, in finding solutions, we are allowed a perspective that is long enough. Endeavouring to act on this assumption we have already done some planning and taken certain measures. Premises divisions have been constituted both in the central office and at the local head offices in order to devote special attention to finding suitable sites and buildings, constructing our own premises if needed and, incidentally renovating existing branches wherever that may be necessary from the point of view of improved customer service or better working conditions. A committee has recently made detailed suggestions in all these respects and the recommendations are being implemented. I have earlier referred to the larger programme of recruitment at different levels which is already in operation. Further, we have revised and expanded our scheme of training. There is now a three-level training programme for the officials and a two-level programme for the clerical staff, with special courses for different categories wherever appropriate. The three-level programme consists of a preliminary and induction course, an intermediate course and a senior course, while the two-level programme consists of an induction course and an intermediate course. We have now, apart from the staff training college at Hyderabad, 4 residential training schools at Patna, Indore, New Delhi and Nagapattinam, in addition to 3 training schools at local head offices and 10 zonal centres. With these training facilities, as also the training arrangements provided by outside agencies in India and abroad, it has already been possible to train over 1,000 clerks and about 200 officers during the year. We have taken certain steps to simplify the accounting procedures which operate in and between our branches. For devising the further measures of reform that will no doubt be called for in this context, as also for dealing in a planned manner with the long-term problems of the Bank generally, a planning, organization and methods division has been recently constituted in the central office with appropriate personnel. Lastly, in regard to the mobilization of deposits in the rural areas and elsewhere we are experimenting at several centres, keeping always in view the need, firstly, to improve customer service, secondly to employ suitable forms and media of communication and, thirdly, to ensure that the cost is commensurate with the results. I may mention in passing though this has specific reference to the subsidiaries, that a committee has been asked to investigate and report on the subject of mobilization of rural deposits in relation to the area covered by the State Banks of Mysore, Hyderabad and Travancore. The committee has recently submitted its report.

New Institutions

Against the background of wider economic planning, may I at this stage

take the opportunity of welcoming some of the new financial institutions which have been or are about to be established? I refer to the Unit Trust in its bearing on investment, the Export Credit and Guarantee Corporation from the point of view of export trade and the Development Bank in relation to industry. These will fill existing gaps in institutional assistance and I have no doubt that, in more than one context, the State Bank of India will be able to collaborate fruitfully with the new institutions as it does with those already in the field. It is pertinent to mention here that our advances are now increasingly industry-oriented, while at the same time there is no decrease in the quantum of the credit we make available for trade and commerce. In relation to the total advances of the Bank, industry accounted for 72.1% in 1962. This percentage has increased to 75.1 in 1963. Further, about 30% of the advances to the industrial sector were utilized by basic industries such as iron and steel, heavy engineering, cement, and fertilizers, and about 18% by export-based industries like jute textiles. We have not of course neglected agriculture and food. Thus the jute buffer stocks financed by us accounted for more than Rs. 7 crores and the advances to State Governments for financing the distribution of foodgrains aggregated Rs. 13.5 crores. In the important sector of small scale industry, our total credit commitments now aggregate Rs. 17.6 crores, so far as working capital is concerned. I would point out that this figure is exclusive of advances granted to small units of a traditional type such as rice and oil mills. You are aware that the facilities we now offer to small industrialists include medium term loans and instalment credit. Further relaxations have been made in granting accommodation against supply bills drawn on the Directorate General of Supplies and Disposals. Also, where small units have secured orders from Government, we are arranging to ensure, by entering into a fresh agreement with the National Small Industries Corporation, that the units can obtain further facilities from us by way of advance payment for purchase of raw materials. We are thus continuously examining the scope of increasing our assistance to small entrepreneurs and have implemented a number of measures suggested in this context by the study team to which I made a reference last year. Further, in this sphere of our activity even more than elsewhere, we have been laying stress on simplification and improvement of procedures, introducing flexibility in our operations in order to meet the varied requirements of the small entrepreneurs, training our field staff specially for this purpose, and strengthening our staff position, in branches and local head offices so that the work is attended to with efficiency and promptitude.

Financing Cooperatives

We have made some progress in the financing of co-operatives, and the total credit limits sanctioned by the Bank to all types of co-operative institutions increased from Rs. 33.4 crores

THE UNITED COMMERCIAL BANK LIMITED—Contd.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st DECEMBER, 1963.

EXPENDITURE	Year ended Dec. 31, 1963	Year ended Dec. 31, 1962	INCOME (Less provision made during the year for bad and doubtful debts and other usual or necessary provisions)	Year ended Dec. 31, 1963	Year ended Dec. 31, 1962
Interest paid on deposits, borrowings, etc. ...	Rs. 3,37,90,189 04	Rs. 3,00,88,683 04	1. Interest and Discount ...	Rs. 5,40,56,588 45	Rs. 4,83,61,784 45
Salaries and allowances and Provident Fund ...	2,09,55,369 52	1,83,02,902 00	2. Commission, Exchange and Brokerage ...	1,64,21,006 51	1,39,26,733 31
Directors' (Rs. 31,900) and Local Committee members' fees and allowances ...	52,714 00	54,000 00	3. Rents ...	9,59,732 21	9,95,049 00
Rent, Taxes, Insurance, Lighting, etc. ...	26,81,715 87	24,95,329 00	4. Net profit on sale of investments, gold and silver, land, premises and other assets (not credited to Reserves or any particular Fund or Account) ...	...	...
Law charges ...	1,10,352 71	2,54,795 00	5. Net profit on revaluation of investments, gold and silver, land, premises and other assets (not credited to Reserves or any particular Fund or Account) ...	...	...
Postage, Telegrams and Stamps ...	12,36,428 68	10,87,147 00	6. Income from non-banking assets and profit from sale of or dealing with, such assets ...	32,213 10	32,589 00
Auditors' fees for statutory and periodical audits ...	1,57,825 00	1,52,770 00	7. Other receipts ...	1,144 00	1,701 00
Depreciation on, and repairs to, the Banking Company's property and Rs. 1,50,000 Development Reserve ...	12,10,956 39	8,15,699 00	8. Loss ...	...	...
Stationery, Printing, Advertisement, etc. ...	19,06,859 56	15,29,291 00			
Loss from sale of, or dealing with, non-banking assets ...	...	...			
Other Expenditure ...	17,25,463 84	12,04,814 00			
Balance of Profit ...	76,42,899 09	73,32,626 00			
Total Rs. ...	7,14,70,744 27	6,33,17,856 00	Total Rs. ...	7,14,70,744 27	6,33,17,856 00

Note:—Particulars of total remuneration Rs. 1,06,309=81 (Tax deducted Rs. 43,514=87) relating to the General Manager (Chief Executive Officer):
(i) Salary Rs. 72,000 (ii) Allowances Rs. 12,000 (iii) Bonus Rs. 12,000 (iv) Contribution to the Provident Fund Rs. 6,000 (v) Expenditure on maintenance of a car for his official duties Rs. 3,821=97 and (vi) Medical expenses Rs. 897=84

The above Accounts have been drawn up in accordance with the provisions of Section 29 of the Banking Companies Act, 1949.

REPORT OF THE AUDITORS

TO THE MEMBERS OF THE UNITED COMMERCIAL BANK LIMITED.

We have audited the attached Balance-sheet of the United Commercial Bank, Limited, as at 31st December, 1963, and the Profit and Loss Account of the Bank for the year ended on that date, annexed thereto, in which are incorporated the Branch returns audited by the Statutory or other Auditors. The reports on the accounts of the Branches audited by the Auditors have been forwarded to us and dealt with in preparing our report in the manner considered necessary by us.

We report that:
(a) we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory;
(b) the transactions of the Bank which have come to our notice have been within the powers of the Bank;
(c) in our opinion, proper books of account, as required by law, have been kept by the Bank so far as appears from our examination of those books, and proper returns adequate for the purpose of our audit have been received from the Branches of the Bank;
(d) the Banks Balance-sheet and Profit and Loss Account, dealt with by this report, are in agreement with the books of account and the returns;
(e) in our opinion, and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required for banking companies and, on such basis, the said Balance-sheet gives a true and fair view of the state of the affairs of the Bank as at 31st December 1963, and the Profit and Loss Account gives a true and fair view of the profit for the year ended upon that date.

G P KAPADIA & CO.
K N GUTGUTIA & CO.
RAY & RAY
Chartered Accountants.

Calcutta,
14 March, 1964.

V. R. DESAI
Chief Accountant.

S. T. SADASIVAN
General Manager.

G. D. BIRLA
Chairman.

I. P. GOENKA
M. R. RUIA
Y. N. MAFATLAL
S. L. NOPANY
M. L. TAPURIAH
M. P. BIRLA

Directors

A. C. LAW
T. S. RAJAM
R. N. BANGUR
G. D. BINAN
SHRENIK KASTURBHAI
G. D. KOTHARI

Directors

Calcutta,
9th March, 1964.

'Phone: 22-3279 'Gram: KRISHISAKHA

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(b) ON SAVINGS DEPOSITS 3% INTEREST ALLOWED.

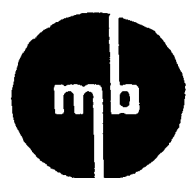
Other Offices:

15, Shyamacharan Das Street

(1st Floor) Calcutta,

(Phone: 34-3901)

& BANGURA. Phone: Bangura 248.



MARTIN THE UNITED PROVINCES
ELECTRIC SUPPLY CO., LTD.

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LIMITED

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Telegrams: "MARTINBURN", Calcutta

LONDON OFFICE

MARTIN BURN LIMITED
(LONDON AGENCY)
Martin Burn House,
12, Austin Friars, London, E. C. 2

BRANCHES

DELHI, Pearey Lal Building, 40-42 Janpath, New Delhi
Telephone: 43547. Grams: "MARTINBURN"

BOMBAY, Esplanade House, Waudby Road, Bombay 1
Telephone: 264102, Grams: "MARTINBURN"

KANPUR, Westcott Building, The Mall, Kanpur
Telephone : 32867, Grams : "MARTINBURN"

PATNA, 19, Museum Road, Patna I
Telephone : 3074. Grams : "MARTINBURN"

SECRETARIES AND TREASURERS

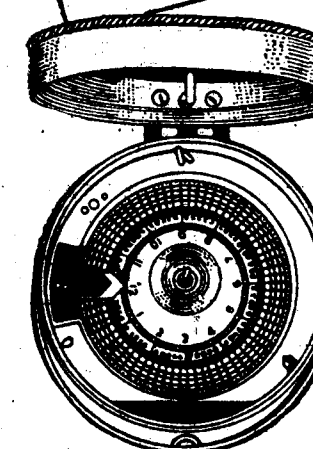
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MANAGERS AND AGENTS

THE FYZABAD ELECTRIC LICENCE, 1933.
THE JAUNPUR ELECTRIC LICENCE, 1934.

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leved if export earnings are improved. At first sight this might not appear too difficult, for international trade continues to grow, but significantly the trend is for the major part of that growth to be between the industrial countries, notably those in Western Europe. Nevertheless, in theory at least, primary producers in the developing countries should benefit from the steadily expanding demands of industry for raw materials, and the tendency for commodity prices to rise. This tendency is, however, by no means uniform for whereas tin and sugar have

found better markets the price of rubber, for example, has steadily declined, and rubber is a very important exchange earner for many South East Asian countries. The lower price of the commodity has not only had an adverse effect on export earnings but has adversely affected the government revenue needed for the local expenditure on development schemes.

There are thus grounds for anxiety that the industrial countries will continue only to expand trade amongst themselves and even to discriminate

against low-cost Asian manufactures, which would leave the developing countries further and further behind in the movement towards higher living standards. If the industrial countries allow this to happen they may not only encourage political unrest but may lose markets with enormous potential from rising living standards in these populous areas.

This problem will undoubtedly face the forthcoming United Nations Conference at Geneva on trade and development and if trade barriers are to

be removed much will depend upon the attitude of the European Economic Community (EEC) to such important matters as the preferences at present enjoyed by the former French dependencies in Africa in their trade with the Community. Help may also come from a general lowering of tariffs through what is known as the Kennedy round, but finally whether the living standards in developing countries are raised will depend upon the willingness of the industrial countries to open their markets to these new nations of the East.

New Delhi

SMALL CAR PROJECT WITH STATE PARTICIPATION

(FROM OUR NEW DELHI CORRESPONDENT)

THE Joint Secretary, Ministry of Heavy Engineering, Mr. R. V. Raman, recently visited Madras to explore the possibilities of Government participation in the capital and management of Standard Motor Products of India Ltd. During his visit he also had discussions with representatives of Leylands, who had flown from Australia for the purpose. Standard Motor Products of India, it is expected, will manufacture 4,000 motor-cars during 1964.

The Government is anxious to produce a car at a low cost. The possibilities of manufacturing such a car in the public sector have already been examined in great detail. The alternative before the Government is either to revive the old scheme of setting up a new unit in the public sector or to induce one of the existing units to come into partnership with it. Mr. Raman had been to Madras to explore the second alternative. The pattern of ownership being considered is that of the Cochran Refinery in which the Central Government has got the majority holding of 51 percent, the remaining 49 percent being shared by Phillips Petroleum, Duncan Brothers and the public. In the case of the proposed motor-car unit, the Government of India plans to take up a share of 51 percent in the equity capital, leaving the balance to be shared between the existing Madras Company and Leylands.

It is realized that an economic unit manufacturing cars for middle-income groups should produce at least 50,000 vehicles a year, for which there is no market at present. Initially, therefore, the cost of production in the proposed unit cannot be radically reduced. It is, however, hoped that by 1972, the demand for motor-cars would be high enough to warrant a production of 50,000 units a year, facilitating the desired reduction in prices. Birla Brothers, who have General Motors of the U.S.A. as their collaborators, are also examining the scheme of going into partnership with the Government, it is reported.

Reference was made in these columns to the offer of \$90 million by the World Bank to finance the manufacture of equipment for the automobile industry and other industrial and constructional equipment. This offer may be raised to \$100 million or \$120 million. Mr. R. V. Raman will be visiting Washington for detailed discussions concerning these loans. He is expected to leave India some time next month.

ALUMINIUM

Three Projects in State Sector

Definite steps have been planned to implement the three aluminium projects, two of which had originally been licensed to parties in the private sector. The Koyana project, originally licensed to Mr. Tendulkar, is being converted into a public-sector project with the Central Government and the Maharashtra Government taking the majority share in the equity capital. Mr. Khatau, who has replaced Mr. Tendulkar and his associates, will have the minority holding. The German firm of V.A.W. will be the foreign collaborators.

The Government, having revoked the licence of Mr. Murarji Vaidya, has decided to include the Mysore

project also in the public sector. Here again, the Central Government and the Mysore Government will be the major partners, if not the sole owners of the unit. So far the offer of the Canadian-backed Indian Aluminium Company appears to be the most favourable for this project.

The Madhya Pradesh project for which negotiations have been in progress with the Hungarian Government, may go to Reynolds of the U.S.A., whose offer is regarded as the most suitable one so far.

CAST IRON ROLLS

Government to Set Up Plant

The requirements of cast iron rolls corresponding to a steel production of 10 million tonnes has been estimated at about 42,000 tonnes a year. A number of schemes have been licensed in the private sector for the manufacture of rolls, but none of them has made any appreciable progress. The industry is highly capital-intensive and foreign technical know-how is essential for its establishment. The estimated demands for all types of rolls is expected to increase to about 78,000 tonnes a year by 1970-71.

In view of the importance of the industry and in view of the apparent inability of the private sector to establish capacity for it, it has been considered necessary to set up a public-sector project for manufacturing cast iron rolls.

RUSSIAN AID

Pumps and Compressors

The preparation of a techno-economic report for producing compressors and pumps in the country was one of the items included in the 112.5-million-rouble Russian credit. The Government of India entered into a contract with Prommasheexport, Moscow, for the preparation of this report. The cost of this report was about Rs. 1.5 lakhs.

The report was submitted in August 1962. It envisages the establishment of a unit for manufacturing heavy-duty compressors and pumps with a capacity of 16,700 tons a year. The examination of the report was entrusted to the National Industrial Development Corporation, which confirmed that there was scope for establishing a factory to manufacture compressors and pumps.

The Government has considered these recommendations and decided that early steps should be taken to call for a detailed project report from Russia and for selection of a site, etcetera. Accordingly, the Russian authorities have been requested to prepare a detailed project report.

RUPEE PAYMENT AREA

Grant of Technical Credits

Trade Agreements with Russia, Poland and other East European countries and the United Arab Republic stipulate that all commercial transactions between India and these countries are to be financed in non-convertible Indian rupees through the central clearing accounts maintained by each country with the Reserve Bank of India, Bombay. In order to ensure that the flow of

Indian exports to these countries is not affected by decreased imports into India from them at any particular time, the Government of India has agreed in principle to make available to these countries a technical credit in the form of a loan, partly interest-free and partly with interest at current Treasury bill rate.

The extent of technical credit to be afforded to these countries depends on the ceilings stipulated in the trade agreements with them as well as the actual volume of trade between India and these countries. A provision of Rs. 14.50 crores has been made in the Revised Estimates for 1963-64, taking into account the likely trade with the above countries during 1963-64. The trade with these countries is likely to increase during 1964-65, and as such a sum of Rs. 16 crores has been provided in the Budget estimates for 1964-65.

RUBBER

Kerala to Expand Acreage

The Government of Kerala is implementing a scheme for developing the rubber industry. Under this scheme it is proposed to plant 20,000 acres of land with rubber at a cost of Rs. 2.50 crores during the third plan period. Till September 1963, 10,000 acres have been planted with rubber. The State Government has registered a corporation called the Plantation Corporation of Kerala Ltd for implementing the scheme. The Central Government has agreed to give 100 percent loan assistance to the State Government for subscribing to the share capital of the Corporation. A sum of Rs. 31.39 lakhs was sanctioned in 1962-63. The Revised Estimates for 1963-64 has been fixed at Rs. 75 lakhs. A provision of Rs. 80 lakhs has been made in the Budget Estimates, 1964-65.

HINDUSTAN CABLES

Progress of Expansion

Hindustan Cables Ltd was incorporated in 1952 to run the Government-owned telephone cable factory at Rupnarainpur in West Bengal. The Company is engaged in the manufacture of dry-core telecommunication cables and co-axial cables under a technical consultancy agreement with Standard Telephones and Cables Ltd, U.K. The authorised capital of the Company is Rs. 3 crores and the paid up capital is Rs. 1.6 crores. Besides, the Company had also received a loan of Rs. 1.19 crores from the Government as on 31st March, 1963. The factory commenced the production of dry-core cables in 1954. The production of co-axial cables was undertaken during 1960-61. The Company produced 2,561 kilometres of dry-core cables (valued at Rs. 2.12 crores) and 776 kilometres of co-axial cables (valued at Rs. 1.19 crores) in 1962-63.

In order to meet the increasing demand of the Posts and Telegraphs department for telecommunication cables, the Company has undertaken the expansion of the factory (1) to increase the capacity of dry-core cables to 2,000 miles a year; (2) to set up a unit for the manufacture of 25 million core yards of plastic insulated cables and wires; and (3) to

set up a wire drawing plant with a capacity of 1,500 tons a year.

A provision of Rs. 3.5 crores (with a foreign exchange component of Rs. 1.2 crores) has been made in the third plan. The foreign exchange expenditure is to be met from the U.K. credit. The capital cost of the expansion programme was estimated at Rs. 1.79 crores (with a foreign exchange component of Rs. 1.31 crores). In addition, the cost of ancillary services, township and provision for water supply is expected to cost Rs. 76 lakhs.

Apert from this, the Company took up the manufacture of small tube co-axial cables at an expected capital cost of Rs. 14 lakhs met out of its internal resources.

L.I.C.

Break-down of Investment

As on 31st March, 1963, the L.I.C.'s investments in India out of the life funds amounted to Rs. 623.64 crores. They were distributed as follows:

Particulars of Investments	(In lakhs of Rs.)	Percent
Public Sector:		
1. Central Government securities	249.17.78	
2. State Government securities	136.35.72	
3. Municipal securities	19.43.28	
4. Improvement Trust loans	1.21.31	
5. Port Trust loans	3.68.82	
6. Shares and bonds of statutory corporations	15.54.73	
7. Electricity Board debentures	11.03.19	
8. Road transport debentures	68.54	
9. Shares of State Bank and its subsidiaries	22.28	
10. New Howrah Bridge debentures	18.06	
11. Debentures, preference and ordinary shares of Government Companies	87.38	
12. Loans to or guaranteed by Government (including deposits)	40.56.53	
	478.97.74	76.8
Co-operative Sector:		
1. Debentures of co-operative land mortgage banks	10.85.97	
2. Debentures of co-operative housing corporations	10.00	
3. Debentures of co-operative banks	25.91	
4. Loans to co-operative housing finance societies and sugar factories	9.06.12	
	20.28.00	3.3

Joint Sector:		
Debentures of Oil India Ltd (in which the Government holds 50 percent of the share capital)	3.37.50	0.5
Private Sector:		
Debentures, preference and ordinary shares	121.00.96	19.4
Total	623.64.20	100

During the accounting period from 1st January, 1962 to 31st March, 1963, interest and dividends on the shares and bonds of public-sector undertakings, namely, statutory corporations such as the Industrial Finance Corporation of India, the Central Warehousing Corporation and State Financial Corporations and Government companies was Rs. 72.37 lakhs and from private-sector undertakings Rs. 8.83 crores.

LEIPZIG FAIR

New Business for India

India's participation in the Leipzig Fair this month has resulted in business worth more than Rs. 1 crore so far. This covers diverse commodities, especially engineering and non-tradi-

THE CHARTERED BANK

CONSOLIDATED BALANCE SHEET 31st DECEMBER, 1963.

	£	1962	£	1962	£
Capital—					
Stock issued	6,600,000	6,600,000		87,827,871	91,049,709
Reserve Funds	8,150,000	7,700,000			
Consolidation Reserve	1,012,295	1,012,295		44,373,679	38,927,925
Profit and Loss Account	574,024	561,021			
		15,339,319	15,873,316		
Current and Other Accounts, including reserves for contingencies and taxation on profits to date	203,553,327	250,773,112			
Fixed Deposits	199,098,034	176,848,805			
Notes in Circulation against security per contra	5,950,840	5,294,778			
Bills Payable	3,081,431	2,838,839			
Proposed Final Dividend, less income tax	303,188	303,188			
		471,986,820	436,058,722		
Engagements on behalf of Customers—					
Acceptances	7,502,923	11,252,363			
Confirmed Credits, Guarantees and Indemnities	63,898,702	83,893,958			
		91,401,715	95,146,321		
NOTES:—					
(1) There are contingent liabilities on bills rediscounted, £2,569,195 (1962 £2,059,837) (of which £2,510,258 has run off at 3rd March 1964) and commitments in respect of forward exchange contracts.					
(2) Contracts for outstanding capital expenditure on premises amount to approximately £1,410,000 (1962 £370,000).					
(3) Assets and liabilities in foreign currencies have been converted into sterling at approximately the rates of exchange ruling on 31st December 1963.					
(4) Under Part III of the Eighth Schedule to the Companies Act 1948, the Group is exempted from showing the aggregate amount of its reserves and the movements therein.					
W. G. PULLEN Chief General Manager					
D. BEATH					
STAFFORD NORTHCOTE					
H. W. J. ENGLISH Chief Accountant					
		£579,724,854	£547,078,359		

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st DECEMBER, 1963.

	£	1962	£	1962	£
Allocations to Reserve Funds	450,000	450,000			
Dividends paid and proposed, less income tax—					
Interim 7½% paid 27th September 1963	303,187	303,187		1,069,376	1,076,748
Final 7½% proposed	303,188	303,188			
		606,375	606,375		
Balance proposed to be carried forward—					
The Chartered Bank	510,433	510,076			
Retained in Subsidiary Companies' Accounts	63,391	50,915			
		574,024	561,021		
		£1,630,399	£1,617,396		
Profit, after providing for taxation and after making allocations to inner reserves, out of which reserves full provision has been made for diminution in value of assets					
Balance brought forward from previous year—					
The Chartered Bank	510,071	494,010			
Retained in Subsidiary Companies' Accounts	50,943	45,738			
		561,021	540,648		
Note:— The aggregate emoluments received by the Directors of The Chartered Bank for their services amounted to £32,959 (1962 £26,400) of which £4,400 (1962 £4,400) has been borne by Subsidiaries.					
		£1,630,399	£1,617,396		

REPORT OF THE AUDITORS

TO THE STOCKHOLDERS OF THE CHARTERED BANK

We have obtained all the information and explanations which we considered necessary for our audit. In our opinion proper books of account have been kept by the Bank and proper returns adequate for the purposes of our audit have been received from the branches, which have not been visited by us. The annexed balance sheet of The Chartered Bank is in agreement with the books and returns.

We have also examined the annexed group accounts, comprising the consolidated accounts of the Bank and its subsidiaries, other than Allahabad Bank Limited, and the separate accounts of Allahabad Bank Limited, with the audited accounts of those companies, certain of which have not been audited by us. Subject thereto in our opinion the said balance sheet and group accounts give, in the prescribed manner, the information required of banking companies by the Companies Act 1948, and, on the basis indicated in Note (4) on the balance sheet, give a true and fair view of the state of affairs as at 31st December 1963 and of the profit, ascertained as indicated in the profit and loss accounts, for the year ended on that date of the Bank and its subsidiaries, so far as concerns stockholders of The Chartered Bank.

DELOITTE, PLENDER, GRIFFITHS & CO.
W. A. BROWNE & CO.

Chartered Accountants.

London, 4th March, 1964.

tional items, introduced for the first time in East Germany.

Among the commodities for which deals were made were storage batteries, electric motors, air conditioners, surgical instruments and hospital equipment, chemicals, tinned food, cigarettes and alcoholic and non-alcoholic drinks. Linoleum, handicrafts, coir products and cotton and handloom textiles were also sold. More contracts are under negotiation in Leipzig and will cover duplicating machines, refrigerators, drilling machines, etcetera.

Indo-East German trade, which has been progressively expanding since 1959, amounted to about Rs. 9 crores each way during 1963. In 1964 it is likely to be of the order of Rs. 15.5 crores each way.

TRADE

Indo-Rumanian Agreement

Letters relating to the trade between Rumania and India during 1964 were signed in New Delhi during last week.

The two Governments have agreed to extend the validity of the list of commodities enclosed with the long-term trade and payments agreement signed in Bucharest on 30th November, 1962. It is estimated that the total volume of trade each way during 1964 will amount to Rs. 7 crores as against the actual trade of Rs. 4.8 crores both ways during 1963.

Rumania will import from India during 1964 cotton textiles, jute manufactures, chemical products and pharmaceuticals, rolled steel products, various engineering goods including tools, rubber products, tinned fish and salted fish, paints, pigments, varnishes, enamelware, etcetera, apart from traditional goods like coffee, pepper, vegetable oil, shellac and iron ore.

Rumania's supply to India will continue to include oil prospecting and drilling equipment, capital goods, earthmoving and construction equipment and petroleum products.

N.C.D.C.

Second Deep Shaft Project

Work on the Monidih deep-shaft mine project of the National Coal Development Corporation in the Dhanbad area is to be formally inaugurated on 17th March. This is the second deep-shaft mine of N.C.D.C. and when completed it will produce 2 million tonnes of coking coal a year. Like the first deep-shaft mine at Sudamdih, the Monidih project is also being implemented with Polish collaboration. Shaft sinking at Monidih was inaugurated by Poland's Vice-Minister of Mines and Power, Mr. K. Fabris, who is in India on a nine-day visit. The function was presided over by Mr. C. Subramaniam, Central Minister of Steel Mines and Heavy Engineering.

The estimated capital outlay on the Monidih project is Rs. 17.5 crores, with a foreign exchange component of Rs. 4.1 crores. The Polish Government has extended to India necessary credits and technical aid facilities for developing, in all, nine deep-shaft mines and two coal washeries.

IRON ORE

Export to Poland

Pending finalisation of the 1964 contract for the supply of iron ore to Poland, the latter has agreed to buy 100,000 tons of 63-65 grade iron ore during January 1964-April 1964. Contract for the supply of iron ore has been entered into between the Minerals and Metals Trading Corporation of India and Statexport of Poland. A delegation of the Cor-

poration is visiting Poland to finalise the 1964 contract for the supply of iron ore.

NEYVELI POWER PROJECT

Capacity to be Expanded

A contract was signed in New Delhi between the Neyveli Lignite Corporation and Technopromexport of Russia for the supply of equipment, machinery and materials worth Rs. 7.75 crores in order to expand the capacity of the Neyveli hermal station from 250 M.W. to 400 M.W. The contract also provides for Russian technical assistance for erecting and putting into operation the equipment delivered. It will be financed out of the rouble credit extended to India under the Indo-Soviet Agreement of February 1960.

The Neyveli Lignite Corporation, a Government of India undertaking, is at present putting up a 250 M.W. thermal power station comprising five units of 50 M.W. each. Of the five units four are already in operation and the fifth unit will be commissioned in a month or two. The Corporation had entered into a contract with Technopromexport in February 1963 for the preparation of a detailed project report and working drawings for the expansion of the installed thermal capacity from 250 M.W. to 400 M.W. This project report was received in August 1963 and accepted by the Corporation.

Under the contract signed during the week, the delivery of equipment for the sixth 50 M.W. unit will begin during the second quarter and be completed in the third quarter of 1964. The delivery of the seventh 100 M.W. unit, which will take the total capacity to 400 M.W. will begin in the first quarter of 1965 and be completed in the last quarter of that year. This delivery schedule will enable the sixth unit to be commissioned by March 1965 and the seventh unit by about the end of the third plan period. The erection will be done by Indian personnel under the technical supervision and guidance of Russian specialists. The contract also provides for the training of Indian personnel in Russian power enterprises.

The total cost of the expansion of the Neyveli thermal station, including the rupee expenditure to be incurred on civil works is likely to be Rs. 18 crores. With this expansion, the second stage of the Neyveli power plant will be completed. It is expected that ultimately, this power station will be expanded to a capacity of 600 M.W.

U.S. A.I.D. LOAN

Methanol Plant to be Set Up

A loan to the Government of India of \$7.8 million (Rs. 3.7 crores), most of which will be used to make India self-sufficient in methanol, has been announced by the U.S. Agency for International Development. Methanol is a key chemical used in the manufacture of plastics, drugs, resins, dyestuffs, and synthetic fibres. The methanol plant will be constructed by the Fertiliser Corporation of India Ltd adjacent to its Trombay fertiliser plant, which is expected to go into production early next year. The methanol plant will use gases which are the by-products of fertiliser production.

Earlier loans from the U.S.A. totalling Rs. 27.7 crores are meeting the entire cost of the fertiliser plant, which will produce 420,000 tons of nitrogenous fertilisers annually, making it India's largest producer. It is estimated that the production of this quantity fertiliser will increase annual food production by more than 1 million tons. A portion of the new loan will make possible the instal-

lation of ancillary facilities, such as a sulphuric acid plant and an argon gas recovery plant in fertiliser production.

The F.C.I. is negotiating a contract with a U.S. firm for design, fabrication, and erection of the methanol plant, which will have an annual production capacity of 33,000 tons. At present, India's requirements of this chemical are met from imports. The total annual demand is estimated at approximately 20,000 tons. The plant's production will result in a foreign exchange saving equivalent to Rs. 4 crores a year. Argon gas, which is used primarily for arc-welding, will be obtained as a by-product in the synthesis of ammonia, a principal ingredient of nitrogenous fertilisers. The argon gas recovery plant will have an annual production capacity of 116,820 cubic metres, and will be the second plant in India. It will achieve a annual foreign exchange saving of the equivalent of Rs. 25 lakhs.

U.S. ASSISTANCE

Wheat Gift for Rajasthan

The U.S. Government has gifted 20,000 tons of wheat to the Indian Government to relieve the distress of people affected by drought in Rajasthan. The Government of India, in consultation with the Government of Rajasthan, has decided to distribute the wheat in part payment to 100,000 workers engaged in building roads and water supply projects in the districts of Jodhpur, Bikaner, Barmer and Jaisalmer. The workers will receive 60 percent of their wages in wheat. It is expected that heads of families will receive about 2 kilograms of wheat a day. The U.S. wheat gift is sufficient to cover distribution at this rate for 20 weeks, that is, until the arrival of the monsoon. A total population of 500,000, including dependents of the workers, is expected to be benefited from this programme.

The four affected districts will be benefited eventually by the Rajasthan canal, which is under construction. The United States Government has indicated that it will grant a credit of Rs. 16 crores to meet a part of the foreign exchange costs of the Beas dam, which will ensure a perennial supply of water to the canal.

The U.S. Government has also recently agreed to allocate to India 300,000 U.S. bales of cotton worth about Rs. 22.3 crores under P.L. 480.

SHIPPING

Need for Assistance Stressed

A representation has been received by the Government of India from the Indian National Steamship Owners Association urging the need for financial assistance to develop shipping, but it does not say that shipowners cannot avail themselves of loans from the Life Insurance Corporation and the Industrial Finance Corporation because of the higher rates of interest. The Association has suggested that financial institutions like the Industrial Finance Corporation of India, Industrial Credit and Investment Corporation of India and the Life Insurance Corporation should be asked

(1) to consider applications for foreign exchange loans;

(2) to agree to give suitable guarantees for foreign exchange loans arranged by the shipping companies abroad, at reasonable commission; and

(3) to provide rupee loans against adequate security at reasonable rates of interest, and of the interest payable, about 3 percent a year should

CAPITAL, 19th March, 1964.

be borne by the Shipping Development Fund Committee.

There are at present about 2,500 mechanised boats operating in Indian waters. This number is expected to increase to about 5,000 by the end of the third plan period. A more ambitious programme is contemplated for the fourth plan. To train skippers, navigators, engineers and master-fishermen, a Central Operatives Institute has been started in Cochin. The State Governments are being requested to open and expand training centres for deck hands. Foreign collaboration is being sought for boat building and deep-sea fishing with large trawlers.

Indo-Polish Shipping Service

A delegation of the Polish Ocean Lines, the State shipping company of Poland, headed by Mr. H. Barau, managing director, held discussions here with Indian shipping interests.

The Indo-Polish shipping service has assumed considerable importance and the volume of trade carried by the shipping lines of the two countries participating in this shipping service has been continuously increasing. In 1960, this service accounted for the carriage of 76,000 tons of cargoes, and in 1963 the tonnage increased to over 300,000. It is expected that in 1964 there will be further increase in the tonnage.

BHADRAVATI PROJECT

Austrian Collaboration

Mysore Iron and Steel Ltd, Bhadravati, has concluded a technical collaboration agreement with Bohlers of Austria concerning its alloy and special steels project. West German credit has been arranged for the project and the supply of plant and equipment is being negotiated.

MICA

Export Ban Relaxed

The ban on export of mica scrap and mica waste which was imposed from 1st February, 1964 has been relaxed. Mica scrap and mica waste will now be licensed for export by the Export Trade Control authorities at the ports and will be subject to a minimum f.o.b. price of Rs. 200 a tonne.

LIGHT ELECTRICAL INDUSTRY

N.P.C. Team Suggestions

Important recommendations for stepping up the development and productivity of the light electrical industry in India have been made by a study team sponsored by the National Production Council after a tour of Japan, U.S.A. and West Germany. The highlights of the team's recommendations are: Planning ahead for 5 years to 10 years; rational organisation and systematic budgeting, accounting and cost control; improvement of plant layout and modernisation of plant; decentralisation of authority; setting standards and targets; and checking up performance; quality control from raw materials to finished products and packing; scientific inventory control, and reduction of inventories; sound selling organisation with technical personnel and trained salesmen; carrying out of research and use of better technology and methodology; selection, training and education of work force; talent spotting and training for higher responsibility; encouragement of new ideas and suggestions; improved communication and industrial relations; constant endeavour to improve product-designs on the basis of customers' need for quality, style and convenience; through standardisation, simplification and specialisation; and provision of after-sale service.

CAPITAL, 19th March, 1964.

Jute

PAKISTAN TO EXPLORE AFRICAN MARKETS

THE Pakistan Jute Mills Association proposes to send a five-man trade delegation to the African countries to explore the market prospects there. The team will also study the feasibility of setting up jute mills in those countries in collaboration with local entrepreneurs. The itinerary includes Egypt, the Sudan, Uganda, Kenya, Southern Rhodesia, Nigeria, Ghana, Liberia, Senegal, Morocco, the Congo and Sierra Leone. The P.J.M.A. feels that expanding agricultural and industrial production in those countries will stimulate the demand for packaging materials in general and for heavy-duty gunnies in particular, in relation to which the Pakistani industry enjoys several advantages.

The move has been sponsored by the mill magnates of East Pakistan who plan to double the production of gunnies by 1970. The industry has been fast raising its capacity for making hessian, carpet-backing cloth and sacking. Production of jute goods increased from 271,081 tons in 1961-62 to 298,161 tons in 1962-63, out of which sacking constituted as much as 203,873 tons. During the half-year ended December 1963 the output increased at a faster rate to 165,500 tons, including 112,272 tons of heavy goods. The corresponding figures for the half-year ended December 1962 were 148,418 tons and 102,075 tons. Exports of gunnies kept pace with the increase in production. They spurted from 119,783 tons for the half-year ended December 1962 to 125,253 tons for the corresponding period of 1963.

The move for setting up jute mills in African countries is induced by the Pakistani desire to secure an assured market for the surplus fibre, which she is in a position to spare. The delegation will try to establish direct trade contacts. The present practice of routing the bulk of the exports through business houses in the U.K. is reported to be unsuitable, since it entails additional costs in the form of handling and shipment charges and normal middlemen's margins. They raise the price of Pakistani gunnies to the African consumer.

Fall in Gunny Output

Working at the maximum level for 184 hours in February, against 216 hours in the previous month, mills reporting to the I.J.M.A. produced 99,200 tonnes of gunnies last month, compared with 101,600 tonnes in January. February was a short working month, but work was interrupted during January because of communal disturbances. The output of hessian declined from 42,600 tonnes to 41,900 tonnes, of sacking from 41,400 tonnes to 38,400 tonnes and of carpet-backing cloth from 8,200 tonnes to 7,600 tonnes. But the production of miscellaneous goods increased by 1,900 tonnes to 11,300 tonnes. The sharp decrease in the output of heavy goods is ascribed to the diversion of sacking looms for the manufacture of hessian and miscellaneous constructions due to the lean offtake of sacking. The mills worked for 184 hours in February 1963, producing a total of 94,400 tonnes of jute goods—40,700 tonnes of hessian, 39,800 tonnes of sacking, 5,300 tonnes of carpet-backing cloth and 8,600 tonnes of miscellaneous goods.

Hessian Exports Rise

With the export of 52,000 tons of hessian during January 1964, total shipments of the fabric from India

during the seven months ended January were 344,200 tons, against 317,600 tons for the corresponding period of 1962-63. While hessian supplies to Russia rose from 18,500 tons to 32,200 tons, exports to east European countries declined from 7,800 tons to 7,300 tons, to the U.K. from 20,700 tons to 18,100 tons and to west European countries from 21,800 tons to 17,900 tons. Hessian offtake by the American countries showed a general improvement. Supplies to the U.S.A. rose from 143,700 tons to 151,200 tons. While Africa's offtake fell from 17,400 tons to 16,700 tons, shipments to countries in the east increased. The Far East absorbed 4,100 tons (against 3,900 tons), Australia 10,800 tons (against 10,500 tons), New Zealand 3,200 tons (against 2,700 tons) and to other countries 4,900 tons (against 4,700 tons).

THE JUTE MARKETS

Manufactured Goods: Despite the continued lull in overseas offtake and unsatisfactory turnaround of steamers in Calcutta port due to the shortage of lighters and shed berths and the six-inch cut in drafts in the Hooghly, steady conditions prevailed in the Calcutta market during the past week. The firmness was induced by scattered shipper- and short-covering in ready goods and by reports of a decline in the output during February. The large closing stocks for February included substantial lots of held-over February-shipment cargo. So market circles did not seem to be worried over the heavy carryover. Mills were, however, keen on replenishing their order-books and came out as sellers in both hessian and sacking. The week's transactions included an Indian Government tender for about 2,500 bales of B Twills for March-April delivery and odd lots of hessian business with the U.S.A. There was also some covering against the previous week's hessian deal with Russia. In the futures market, bears were active in squaring up their open positions at the lower levels in both hessian and sacking for May. Bulls booked profits as and when opportunity arose. On Tuesday, activity came to a virtual standstill due to the general strike. The week closed on an optimistic note after a moderate turnover. The undertone was firm at the close.

Wednesday's quotations were as follows:

	Mar.	Apr.- June	July- Sept.	Oct.- Dec.
40in 7½oz.	34.40	34.50	34.55	34.40
40in. 8oz.	37.10	—	—	—
40in. 10oz.	45.75	46.10	46.35	46.15
B Twills	111.75	112.85	113.90	114.25
Corn sacks	116.00	116.00	116.25	116.50
Heavy Cees (Plain)	112.25	112.75	113.40	113.75
A Twills	135.00	135.00	135.50	136.50
Liverpools	128.25	128.00	128.00	128.00

Raw Jute: Firm conditions prevailed in the raw jute market during the past week. The steadiness stemmed from the gradual decline in the stocks of quality jute with holders and mills' preference for selected grades. Against the approximate arrivals of 40,000 maunds a day in terminal markets, arrivals of white jute were very small and sellers were cautious in offering these grades. A

hardening trend in upcountry markets pushed up prices in Calcutta as well. Mills purchased moderate lots of selected grades in the agencies, generally for long positions, against their March quota. But holders of lower-grade fibre and mesta were nervous in view of the difficulty in disposing of their stocks. They were inclined to discount prices a little from the official floor levels. But mills were not inclined to accept their offers. In the futures market, transactions in Upper Assam White Bottoms for March were closed from 11th March. The price firmed up towards the close due to brisk bear-covering and higher contango charges for the conversion of March contracts into June ones. The due-date transactions were completed in the usual course. In June contracts, prices hardened on renewed bear-covering but top levels were partially trimmed due to profit-taking. Turnover was moderate and the undertone steady at the close.

Wednesday's quotations were as follows:

	Landed at Mills (Basis Bottoms)		T.S.D. Minimum Prices	
	Current Rs.	A. Qtl.	Rs.	A. Qtl.
Assam-Agartala Jute	84.39	31.50	80.38	30.00
Northern Jute	81.72	30.50	79.04	29.50
Western Desal Jute	75.02	28.00	73.68	27.50
Selected Daissee	91.09	34.00	85.74	32.00
Assam-Agartala Tossa	87.07	32.50	83.05	31.00
Mesta:				
Assam-Northern	68.32	25.50	72.34	27.00
Local Daissee	68.32	25.50	72.34	27.00
Bihar Dist.	64.30	24.00	66.98	25.00

I.J.M.A. PRODUCTION FIGURES FOR FEBRUARY

The Indian Jute Mills Association reports the total production of jute goods for February as follows:

Description	Quantity
1. Gunny bags	
(a) Hessian	5,275 tonnes (5,192 tons)
1,38.62 thousand metres	(1,51.6 lakh yds.)
1,16.3 lakh nos.	
(b) Sacking	37,287 tonnes (36,698 tons)
82,828 thousand metres	(9,05.8 lakh yds.)
4,01.3 lakh nos.	
2. Gunny cloth	
(a) Hessian	36,596 tonnes (36,018 tons)
12,52.43 thousand metres	(13,69.7 lakh yds.)
(b) Sacking	1,097 tonnes (1,080 tons)
23.27 thousand metres	(25.5 lakh yds.)
3. Carpet backing	
7,644 tonnes	(7,523 tons)
58.91 thousand metres	(64.4 lakh yds.)
4. Other manufactures	
11,314 tonnes	(11,135 tons)
5. Total production (all kinds)	
99,213 tonnes	(97,646 tons)

	Summary (000 metres and 00,000 yds.)		
	Feb. '64	Jan. '64	Feb. '63
Hessian	13,91.05	14,10.40	13,79.84
	(15.21)	(15.42)	(15.06)
Sacking	8,51.55	9,13.78	8,66.79
	(9.31)	(9.96)	(9.48)
Carpet Backing	58.91	63.70	42.10
	(64)	(70)	(46)

	(000 tonnes and tons)		
	Feb. '64	Jan. '64	Feb. '63
Hessian	41.9	42.6	40.7
	(41.2)	(41.9)	(40.1)
Sacking	38.4	41.4	39.8
	(37.8)	(40.8)	(39.2)
Carpet	7.6	8.2	5.3
Backing	(7.9)	(8.1)	(5.3)
Others	11.3	9.4	8.6
	(11.1)	(9.2)	(8.4)
Grand Total	99.2	101.6	94.4
	(97.6)	(100.0)	(93.6)

Hours Worked 184.0 216.0* 184.0
* This does not take into account hours lost due to the recent disturbances.

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

THE U.K. JUTE MARKETS

FIBRE HOLDS STEADY

(FROM OUR DUNDEE CORRESPONDENT)

THE raw jute market was quiet but steady in Pakistan during the past week. Very little change took place in prices quoted here, and most shippers were offering at the previous levels. Demand from Dundee spinners was small, but steady business was transacted with some Continental countries.

So far this season, the U.K. has secured approximately 620,000 bales and it is expected that about another 100,000 bales will be bought from the present crop. As there are no indications that prices are likely to alter much from the present levels, buying of the above quantity will likely be spread over the next three months.

The quantity of spot jute available in Dundee is small, but this will increase during the next month. This should be attractive to spinners as they can assess the quality of the fibre before buying. The quality this season has been very good, and it is hoped that this will be maintained until fibre from the new crop becomes available.

Offers were still irregular with the lowest rates at £148 for Mill Firsts, at £111 10s for Mill Lightnings, at £96 10s for Mill Hearts and at £82 10s for Grade Hearts, c.i.f. U.K., for March-April shipment. Spot parcels were available at less than the above rates. Grade Tossa-2/3 ranged from £126 10s and Grade Tossa-4 from £107. Outport Tossa-2/3 was at £96 10s and Outport Tossa-4 at £85, March-April.

Cuttings remained firm and offers were rather scarce. S.N.C. was named at £59 and N.C. at £53. Mesta was steady and unchanged at £85 for A, £75 for B and at £71 for C, c.i.f. U.K., March-April.

The Siam jute market as quiet and no buying interest was shown. Super A was at £84, grade A at £77, grade B at £69 and grade C at £65 10s delivered mill Dundee for March-April shipment.

The Calcutta goods market was easier and a little buying interest was shown. Prices were at 69s. 2d. for 40in. 10oz. and at 52s. 1d. for 7½ oz a 100 yards f.o.b. Calcutta for March shipment, at 69s. 8d. and 52s. 1d. April-June and at 69s 10d and 52s 1d July/September. B Twills were at 170s 2d, 171s 10d and 173s 7d for the respective shipment periods.

Dundee spinners were busy and supplies of yarns were difficult to obtain for reasonably early delivery. However, although many spinners were asking higher prices, these had so far not been paid. Demand from the carpet trade was steady, and this was taking up a large portion of the output in Dundee.

The cloth position was rather mixed at present. Orders were

placed for sugar and pulp bags and this would maintain steady production in some factories. The heavy end of the trade was quieter and very few new orders were received for sackings and tarpaulins during the past week.

THE PAKISTANI JUTE MARKETS

ARRIVALS STILL POOR

(FROM OUR Dacca CORRESPONDENT)

THE smallness of arrivals at all up-country stations including northern territories, continued during the past week. It was most obvious in white. In some areas, where the

arrivals even included some Export Firsts, the jute was not of much interest since moisture was apparent. The prices for loose jute continued to increase slowly, since arrivals had reached a stage where demand was overtaking supply. In pucca bale prices, there was little or no change either in cuttings or long jute.

From overseas not much was reported, although during the second half of February, 251,688 bales were bought. The U.K. bought 72,000 bales, an interesting fact if one took into consideration the stocks of warehoused jute in Dundee. The Dundee spinners, it is generally considered, have a finger on the market pulse, and such a large purchase in what is normally the slack season, can only mean that they expect

higher prices. The fact that Belgium bought 35,000 and odd bales indicates that there are still cheap offers available. The U.S.A. has purchased nearly 30,000 bales, mostly cuttings. The rest were normal purchases.

Purchases this season to-date have exceeded last season's purchases. This can only mean that buyers find these prices interesting and they are keeping their warehouses fully stocked. There is, however, a limit to their finances, and unless the next season's crop is smaller, very low prices may be seen.

In the ports there is no change, but it is reported that ample vessels will be available in Chalna shortly to lift all the U.K. Continental cargo. The weather continues dry which is seasonal.

CAPITAL, 19th March, 1964.

Books

HANDBOOK ON BRITAIN

Britain: An Official Handbook. (Prepared by the Central Office of Information, London. Price 16s, pages 590.)

This is the fifteenth in the series of handbooks prepared every year by the Central Office of Information, London. These handbooks have always served as valuable reference material on various aspects of Britain—the administration, the national institutions and the economy of the country. The data are collected from Government and other authoritative sources, and the publication is about the only volume of its kind presenting within a brief compass factual material on such a wide range of subjects.

The 1964 edition covers developments up to September 1963, and seeks to provide answers to the questions which are asked about Britain in other countries. The book provides information on such diverse matters as the country and her people, the Government and political institutions, defence, social welfare, education, planning and housing, the churches, the national economy, industry, finance, agriculture, trade, labour and employment and the Press. The appendix gives useful material for intending visitors to the U.K. The value of the publication is greatly enhanced by the inclusion of six maps—one of which shows the motorways and trunk roads—and an extensive bibliography for the benefit of those who want to know more on the subjects dealt with.

The handbook is written in simple and lucid English, and, besides providing factual information and statistics, makes very interesting reading. It is illustrated by photographs and diagrams and is well got up.

DANDAKARANYA

Development of Dandakaranya. (Compiled and published by the National Council of Applied Economic Research, 11, Indraprastha Estate, New Delhi. Price Rs. 10, pages 148.)

Dandakaranya comprises the Baster district of Madhya Pradesh and Koraput and Kalahandi districts of Orissa. It was chosen by the Government of India as the most suitable area for the speedy resettlement of displaced persons from East Pakistan. The report attempts to examine the resources position and to spell out the development possibilities. A total investment of Rs. 650 crores is envisaged for the period up to 1976, the bulk of which may have to be in the public sector for exploiting the iron ore resources. The net output from the proposed development programme is expected to be about Rs. 170 crores a year by 1976 and the employment potential about 150,000. The area holds much promise, even though the organisational problems have to be solved.

CENSUS SURVEY

Census of India, 1961, Vol. XVI Part VI, Village Survey Monograph No. 3. By J. C. Sen Gupta. (Published by the Manager of Publications, Civil Lines, Delhi. Price Rs. 2.50, pages 35.)

This monograph on Ghatampur, Hooghly district, is the third in the series that are proposed to be published on the socio-economic aspects of life in the rural areas of West Bengal and meant to help in the better appreciation of figures published in the census tables. Mr. Sen Gupta wields a facile pen, and this makes for the enjoyable reading of a difficult subject.

CAPITAL, 19th March, 1964.

Commodity Markets

MORE FOREIGN BUYING OF CASHEW KERNEL

(FROM OUR SOUTH INDIAN CORRESPONDENT)

BRISK activity is reported from the cashew market. It is said that the U.S.A. and some other buyers of the Indian cashew kernel had bought fairly large quantities in recent weeks at prices varying between 56 and 57 U.S. cents a lb. According to one report, the U.S.A. had bought over 50,000 cases of 50 lbs each for immediate shipment. Russia is also reported to have bought in a big way and the business already concluded covers about 150,000 cases for shipment up to June. The trade is generally of the view that the current year had started well. If the present trend is maintained, there is every possibility of the performance of the cashew processing industry in 1964 excelling the previous year's record. In 1963, cashew kernel exports from India amounted to 53,400 tonnes worth Rs. 22 crores.

The industry earns valuable foreign exchange for the country. During the period 1956-61, cashew exports earned for India \$142.87 million, representing 11 percent of India's earnings through exports to the U.S.A. There was a time when 80 percent to 85 percent of India's cashew kernel production was going to that country. But in recent years, there has been a diversification in India's export trade in cashew kernel. In recent years, India's exports to countries other than the United States had moved up to nearly 45 percent. This has been achieved through larger exports and without reduction in the actual amount of India's sales to the U.S.A. While the U.S.A. continues to be the largest buyer, there has been a phenomenal increase in the offtake by new buyers led by Russia.

Raw nut values are also firm at present. The imported nut from Africa is currently selling at around Rs. 800 a ton, representing an increase of Rs. 50 over the prices ruling a couple of months ago. The indigenous crop has started reaching the market. The expectations in trade circles are that the current Indian crop would be a normal one. While the normal size of the Indian crop is placed at around 60,000 tons, the official estimates put it at over 90,000 tons. According to a Kerala Government estimate, the production of cashewnuts in India last year amounted to 90,600 tons. Kerala is the largest cashew producing State in India. Imports from Africa in 1963 amounted to 161,415 tons valued at Rs. 10 crores. The average price for imported nut in 1963 was Rs. 618 a ton, against Rs. 803 a ton in 1960. However, imports in 1960 amounted to only 68,461 tons valued at Rs. 5.49 crores.

PEPPER

Stabilising Prices

Pepper growers feel happy over the recent announcement by the Central Minister for International Trade, Mr. Manubhai Shah, that the Government of India proposes to stabilise the price structure of pepper during the current year. If the Minister is thinking in terms of extending the price support scheme to pepper, as was done in the case of such commodities as cardamom and lemongrass oil, it will be a boon for pepper cultivators who are mostly small peasant holders. More than 75 percent of the

pepper grown in India is exported, so the price structure of the commodity here is to a large extent influenced by the variations in the international price of pepper. For the past few years—barring some occasional exceptions—Indian pepper has been suffering on account of competition from such producing countries as Indonesia and Sarawak. It appears that the supply has been outstripping demand also. Consequently, prices had collapsed, and the growers have been complaining that prices above become unremunerative for them. It is said that if the prices continue to remain unremunerative, the interest of growers in pepper production would diminish, so India's traditional position as the largest supplier of the commodity to the world might be lost.

The Government has been taking some measures to improve the export prospect of Indian pepper. The introduction of quality control, pre-shipment inspection and the inclusion of pepper as an export commodity from India in the bilateral trade agreements entered into with different countries were some among them.

The annual production of pepper in India is between 25,000 and 30,000 tons, and the world requirements are placed at 35,000 tonnes. India exported 11,951 tonnes of black pepper valued at about Rs. 3.77 crores during the nine-month period April to December 1963, against 13,888 tonnes valued at about Rs. 3 crores during the same period a year ago, according to the Spices Export Promotion Council in Cochin. There was a steep decline in the offtake of Indian pepper by the U.S.A. during the period. But the gap in earnings from the U.S.A. was reduced by about 50 percent due to increased offtake by the east European countries.

Pepper prices looked up a little in India last week-end because of reports that the communist countries had bought about 800 tons of Indian pepper recently. Local buying support was also visible. The week-end quotation from Cochin was garbled ready Rs. 310, March Rs. 321 and May Rs. 328 a quintal.

COFFEE

Pool Receipts Rise

Larger receipts from the new crop is reported by the Coffee Board. According to the Board's latest report, pool receipts up to the end of February last were to the tune of 40,798 tonnes, against 32,263 tonnes in the corresponding period of the previous year. The 1963-64 crop is currently placed at 60,000 tonnes, against 55,000 tonnes in the previous season.

Sales for export out of the 1963-64 crop up to 29th February, 1964, amounted to 3,517 tonnes, made up of 3,500 tonnes of Plantation and 17 tonnes of Arabica Cherry. Tenders have been invited for another 2,107 tonnes. The prices obtained in the last export sale varied between Rs. 200 and Rs. 245 a 50 kilogram. Sale through open auctions for export coffee is to commence from 8th April with a sale in Mangalore. Open auctions were abandoned after a brief period of trial in 1962. The sale at present is through closed bids. But

planters prefer open auctions to closed bid sales.

INSTANT TEA

Production from Kerala Plant

The instant tea manufacturing plant of the Tata-Finlay, near Munnar on the High Ranges of Kerala, is expected to go into production in May. The entire output of the factory is earmarked for export. The rated capacity of the plant is 1.5 million lbs a year. If this quantity is exported, India will earn foreign exchange to the tune of Rs. 2 crores. The factory is the first of its kind in India and its contribution towards promoting Indian tea exports will be valuable because instant tea has a good market abroad.

Mincing Lane auction reports for 1963 show a further decline in the prices realised by south Indian teas in the London market. South India offered only 364,594 packages for sale through London in 1963, against 380,430 chests in 1962. The lower prices realised in London auctions had been a matter of concern for the producers in south India and other interests having some stake in the south Indian tea industry. They have started thinking whether it is worth while sending their teas to this market for sale. On the other hand, sales through Cochin showed a contrary trend in 1963. Although more tea was offered, they were sold for better prices than those realised in 1962. Sale through Cochin appears to be more advantageous for south Indian producers at least for the time being.

RUBBER

Home Output and Imports

The rubber products manufacturing industry is resisting the Central Government's proposal to link raw rubber imports with the offtake of synthetic rubber from the Bareilly plant. Imports of natural rubber amounted to 24,989 tonnes in 1963. Indigenous production was as high as 37,200 tonnes, giving a total of 62,189 tonnes of natural rubber, against a total consumption of 79,509 tonnes during the year. The share of natural rubber was almost 80 percent of the total consumption. The offtake of synthetic rubber was only 11,624 tonnes and the balance was covered with reclaimed rubber, the use of which increased to 7,676 tonnes during 1963.

TEA

Greater Autonomy for Tea Board Urged

(BY A SPECIAL CORRESPONDENT)

THE Estimates Committee of the Lok Sabha, it is reported, has stated that the Tea Board has failed to increase the acreage under tea. The Estimates Committee's report on the working of the Tea Board presented to Parliament on 13th March, accused the Board of failure to discharge its functions relating to the promotion of the industry's welfare and expansion. The Committee has suggested augmentation of the Board's resources and a greater degree of elasticity and autonomy in its working. It feels this to be necessary if the Board is to discharge its responsibilities.

Some of the failures listed by the Committee concern the preparation of a programme to increase tea acreage, survey of land for expansion, compilation of cost figures for different regions and encouragement to

small units of the industry by supplying them with technical know-how and organising them into co-operatives. In the absence of cost figures, the Committee has not understood how the Board satisfied itself about the economy, efficiency and competitive position of the industry, but has recommended "very early" action in this regard.

The Committee has devoted considerable attention to the problem of replantation of over-age gardens and has concluded that the progress of replantation has been unsatisfactory and that there is no systematic programme yet. It blames the Government for not accepting the Plantation Enquiry Commission's recommendation on the creation of a fund for this purpose, through contributions from the gardens themselves. The committee has observed that replanting should be done by the industry with its own resources.

Apart from the vagaries of nature, according to the Committee, the absence of a programme for replantation, extension of gardens and lack of irrigation facilities and fertilisers have been responsible for the industry's inability to achieve a better level of production. The committee criticised the "imaginary" production targets set for the industry. It has also asked the Board to supply high-yielding planting material to the growers at a reasonable cost.

While expressing surprise as to how the board in the absence of any statistics, satisfies itself that there has been improvement in the production of quality tea, the committee felt concerned at the declining trend of exports, particularly to the traditional markets. Even more disturbing, the report says, was the failure to project the image of Indian tea favourably in the importing countries. As a result, Ceylon has stolen such a march over India that all good tea is now considered as "Ceylon Tea". The Committee has reminded the board of its duty to help boost exports and find new markets through improved campaigns.

The Committee suggests that had the board taken timely measures to step up production, India's tea exports would not have suffered because of an increase in demand in the domestic market. It notes that no unified research on tea has so far been carried out, and the achievements of research have not been widely disseminated.

With reference to the above findings, the preparation of land to increase acreage under tea is not a business proposition as costs are too high. The industry cannot finance replanting or new planting alone as profitable working on many estates can no longer be counted on and the Government's financial proposals are not economic. Long ago, the industry pointed out that the official targets were "imaginary," the Government still sticks to its figures, but have any steps been taken to supply high yielding planting material to producers at reasonable cost?

The failure to emphasise the quality of Indian tea as against Ceylon, is already being considered, and the comment that measures to step up India's tea exports should not suffer from an increase in demand in the domestic market is timely. But has there been any marked increase in the internal offtake since 1961?

Up to Sale No. 37 held during the first week of March, 91.5 million kilograms had been sold from north India at Rs. 5.20 a kilogram. The relative figures last year were 95.03 million kilograms at Rs. 5.29 a kilogram. Dust sales at 36 million kilograms at Rs. 4.82 a kilogram compared with 35.5 million kilograms at Rs. 4.89 a kilogram. To-day's average price of Rs. 4.23 compares with last year's Rs. 4.59 a kilogram. The undernoted



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62/LGA-9

figures show how prices have given way in recent weeks (Rs. a kilogram):

CURRENT QUOTATIONS COMPARED WITH
THOSE AT MID-NOVEMBER 1963
(Same types of tea)

Clean Plain Leaf	4.90 to 5.30	5 to 5.30
B. Pekoe Plain	4.10 to 4.30	4.50 to 4.60
Medium Assam C.T.C.	4.60 to 4.80	5.10 to 5.30
Best Assam C.T.C.	Not quoted	
Fannings Plain	4.10 to 4.30	4.50 to 4.80
Fannings Medium	4.50 to 4.70	5.10 to 5.50

Exports (in lbs) from 1st July, 1963 to end-February 1964 were 314,238,000 lbs compared with 318,983,000 lbs in 1962-63 and 319,456,000 lbs in 1961-62.

After two disappointing crop years, the north Indian tea season is expected to open early this year, as can be judged from a summary of crop and weather telegrams received from different districts for February 1964 by the Indian Tea Association.

COTTON TEXTILES

World Cotton Consumption Likely to Rise

WITH much scope left for standards of living to rise in many parts of the world, the long-term trend of total consumption of textile fibres must remain upwards for many years to come. There are only occasional setbacks to the increase in the total, but setbacks in one particular fibre or another are fairly frequent. In cotton, world consumption decreased in 1960-61 and the next two seasons, but the upward course is expected to be resumed this season. It seems unlikely, however, that consumption will increase sufficiently to prevent a further rise in the world carryover at the end of July.

According to statistics issued by the International Cotton Advisory Committee, total world consumption fell from 47.2 million bales in 1960-61 to 46.7 million bales in 1961-62 and

to 45.9 million bales last season. At first, the fall occurred mainly in the United States and communist China—shortage of supplies being the principal factor in the second-named country—with consumption maintained or even increased elsewhere. In 1961-62, there was a downward turn of the cotton textile trade cycle in western Europe and a further fall in consumption in China. Last season brought the unusual combination of simultaneous reductions in the United States, western Europe, and Japan, and for the first time for many years, total consumption in the non-communist countries moved perceptibly lower.

Now, however, the downward phase of the textile cycle has apparently run its course, the latest I.C.A.C. review says, and in many countries there are indications of a rise in the level of cotton textile activity. There is a slow but steady increase in consumption in the United States, which may become more strongly pronounced before the summer, while the setback has been less severe in Canada than in most other Western

countries. For several months, the trend in the U.K. has been slightly upwards, and the present state of mill order books suggests that this will persist. There is a favourable movement in France, and though some other Continental countries—particularly Italy and Western Germany, where the encroachments of the man-made fibres on cotton seem, as in the United States, to be causing much anxiety—report less satisfactory conditions.

Western Europe as a whole seems likely to return a higher total than last season's.

Expanding textile capacity in Africa is likely to maintain the increase in consumption in that continent, while in Asia, India is expected to establish a new high record if ample supplies can be obtained, and, although expansion in Pakistan appears to have flattened out, Japan should reverse its recent downward trend with a market growth in its domestic market and some recovery in textile exports. Consumption in South America varies very little from one season to another.



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COMPANY AND PUBLIC NOTICES

COMPANY MEETINGS AND DIVIDENDS
DECLARED OR PROPOSED

CALCUTTA DINNER

The 49th CALCUTTA DINNER will be held at the Connaught Rooms, London, W.C. 2. on Thursday 21st May, 1964. A. R. FOSTER, Esq. will preside and the Guest of the evening will be SIR WILLIAM LAMOND.

For tickets, price £2 12s. 6d. each (including wines as per menu) apply to W. H. Randall, Honorary Secretary, Orient House, New Broad Street, London, E.C. 2.

Telephone:

No. LONDON Wall 2431

Name of Company	Date	L.S.T. Hours
Birds Investments	19-3-64	11-15 a.m.
Punjab Minerals Co. Ltd.	20-3-64	11 a.m.
Dalmia Iron & Steel Ltd.	25-3-64	3 p.m.
New Samanbagh Tea Co. Ltd.	26-3-64	3-30 p.m.
United Bank of India Ltd.	30-3-64	11 a.m.
Martin Burn Ltd.	30-3-64	11 a.m.
National Pipes & Tubes Co. Ltd.	30-3-64	3-30 p.m.
Raza Buland Sugar Co. Ltd.	4-4-64	10-30 a.m.
United Commercial Bank Ltd.	8-4-64	4 p.m.

DIVIDENDS DECLARED OR PROPOSED.
ED.—Belsund Sugar Co. Ltd.—25p per share, subject to tax, Raza Buland Sugar Co. Ltd.—10 p.c. subject to tax: E. I. D. Parry Ltd.—10/6/7 p.c. (f) (o), subject to tax: Bank of India Ltd.—10 p.c. (f), subject to tax.

INDIAN COPPER CORPORATION LIMITED
(Incorporated in England)

The following are the returns for the quarter ended 31st December, 1963:—

Ore Milled	...	Kgs. 122267000	S/T	134775
Average grade	...	2.311%	L/T	2593
Refined Copper produced	...	Kgs. 2635000	L/T	2138
Refined Copper issued to Mines	...	" 2172182	L/T	142
Rolled Brass produced	...	" 144000	L/T	384
Y.M. Circles produced	...	" 390439	L/T	
Rolled Copper produced	...	"		

The results of development work carried out on the properties of the Corporation during the quarter under review are as follows:—

	Footage Developed	Footage Sampled	Footage Payable	£
Mosaboni	...	98	(29.9 M)	
Badia	...	1197	(297)	
Surda	...	(410.9 M)	(364.7 M)	(90.4 M)
Pathargora	...	542	(120)	
	(165.2 M)	(165.2 M)	(36.5 M)	

Gillander House,

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Calcutta.

Dated 5th March, 1964.

By Order of the Board,
GILLANDERS ARBUTHNOT & COMPANY LIMITED,
Managing Agents.

HIDES AND SKINS STEADY

The market was quietly steady. Stocks were higher than in the previous week.

Bazaar Sales

(Between 10th March and 16th March, 1964)

Cowhides: Wet salted (Ord) 13,000 pcs. on the basis of Rs. 6.62 to Rs. 9.25 and Rs. 11.25; Wet salted (Slaughtered) 39,000 pcs. on the basis of Rs. 10.50 to Rs. 16.50 and Rs. 19.50 to Rs. 28.50; Wet salted (Ord) 2,000 pcs. on the basis of 75 nP. a lb.

Goatskins: Wet salted (Patna, Daisee, Kustia) 70,000 pcs. on the basis of Rs. 250 to Rs. 275, Rs. 325 to Rs. 340 and Rs. 360 to Rs. 370; Wet salted (he-killed) on the basis of Rs. 4.00 and (she-killed) on the basis of Rs. 3.75 a piece; Dinajpur 2,000 pcs. on the basis of Rs. 335; Purnea-Kissenganj 70,000 pcs. on the basis of Rs. 325 to Rs. 340; Patna-Muzaffarpore 20,000 pcs. on the basis of Rs. 300 to Rs. 315 and Rs. 340 to

Rs. 360; Purnea-Kissenganj 7,300 pcs. on the basis of Rs. 500 to Rs. 525.

Bazaar Stocks

(16th March, 1964)

Cowhides: Wet salted 1,15,000 pcs.

Goatskins: Wet salted (Patna, Daisee, Kustia, Killed) 70,000 pcs; Assam-Dinajpur-Patna 1,93,000 pcs; Muzaffarpore-Patna-Pakur-Purnea-Kissenganj 293,500 pcs.

SHELLAC STEADY

The Calcutta market was steady during the week ended 16th March.

Rupees a package

Pure Buttonlac 138, 140 value.
Lemon One Shellac 142, 144 buyers, 146, 148 sellers.

Lemon Two Shellac 130 value.
130 buyers, 134 sellers.

Standard One Shellac 116 buyers, 120 sellers.

Pure T.N. Shellac 104 value, 100 buyers, 104 sellers.

Golden Kusmi Seedlac 220 value, 210 buyers, 214 sellers.

Kusmi One Seedlac 126 value.

Golden Bysack Seedlac 126 value.

Mandhum Fine Bysack Seedlac 94 value.

Fine Bysack Seedlac 74 value.

Genuine Bysack Seedlac 68 value.

Grade One Class B Seedlac 94 value.

Grade Two Class B Seedlac 74 value.

Shipments during March until 7th were 14,593 packages.

BOOK RECEIVED

Reappraisal of Steel Demand, Vol. II. (Published by the National Council of Applied Economic Research, Patilila Bhawan, 11 Indraprastha Estate, New Delhi 1. Price Rs. 12, pages 174.)

"CAPITAL" STOCK AND SHARE LIST
THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

Official quotations of the Calcutta Bombay Madras London Stock Exchange Associations and other sources
Figure: given after stroke (/) mean Naye Paise.

Wednesday, 18th March, 1964.

BANKS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	18-3-64	11-3-64	A year ago		18-3-64	11-3-64	A year ago		18-3-64	11-3-64	A year ago				
	1960	1961	1962	Rs.	Rs.	Rs.	Rs.		1960	1961	1962	Rs.	Rs.	Rs.	Rs.
Allahabad Bank P.	18	18	15	100	250/00	250/00	398/00	Indian Overseas Bank	14	14	..	..	146/30	146/00	150/00
Bank of Baroda	17	17	16	50	92/50	93/00	91/50	National & Grindlays Bank	13½	14	16	sh 13	sh. 31/3	sh. 31/6	sh. 32/7½
Bank of India	20	20	20	50	105/00	106/50	114/00	Punjab National Bank	20	20	20	10	19/81	19/81	17/50
Central Bank of India	20 2/5	20	20	25	44/75	45/00	55/00	Union Bank of India	11 2/5	11 2/5	11 2/5	5	6/20	6/24	6/40
Chartered Bank	15	15	15	£1	52/3	sh. 54/6	sh. 58/9	United Bank of India	4.3	6	6	10	8/28	6/31	7/19
Hindusthan Commercial	Nil	Nil	Nil	50	13/50	13/50	17/12	United Commercial Bank	12	12	12	50	72/25	72/25	73/25
Hindusthan Mercantile	Nil	Nil	Nil	50	12/37	12/37	15/62								
Hong Kong & Shanghai	£3½	£3½	£3 1/5	HK\$25	£20½	£20½	£17½								
Iranian Bank	15	15	14	100	156/50	157/00	174/50								

* 1962

JUTE MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until				NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			
	1960	1961	1962		Rs.	Rs.	Rs.	Rs.		1960	1961	1962		Rs.	Rs.	Rs.	
																	18-2-64	11-3-64	A year ago	18-2-64	11-3-64	A year ago
Agarpara P.	10	2½	2½—12*	10	9/62	9/62	9/75	Hukumchand P.	28½	28½	26½—26½*	7½	20/25	20/75	17/00		
Alexandra P.	44	15	42½	100	300/00	300/00	264/00	Inda	14	12	8—22½*	12½	15/12	15/19	17/75		
Alliance P.	6	Nil	10	100	123/00	125/00	110/00	Kamarhatty P.	5	Nil	20	100	191/00	191/00	151/00		
Anglo-India P.	20	7	10—12*	100	180/00	180/00	199/00	Kankarnarah P.	Nil	Nil	10	100	128/50	125/50	127/00		
Auckland P.	27	12	Nil—15*	100	132/00	138/00	150/00	Kelvin P.	15	15	5	100	131/00	181/00	176/00		
Bally P.	25	25	25	100	248/00	248/00	256/00	Khardah P.	20	5	12½—12½*	10	17/81	17/81	18/25		
Barnagore P.	30	10	10—10*	£5	217/00	217/00	172/00	Kinnison P.	20	7	Nil—10*	100	125/00	128/00	140/00		
Bengal P.	5	..	..	10	8/00	8/00	10/25	Lansdowne P.	Nil	Nil	Nil—Nil*	100	96/00	96/00	120/00		
Birla P.	15	15	15—15*	10	33/06	33/25	25/25	Lawrence P.	7	15	10—10*	100	100/00	101/00	102/00		
Budge Budge P.	10	Nil	12	100	138/00	138/00	169/00	Megna P.	12	12½	Nil—22*	10	12/44	12/44	13/25		
Calcutta P.	..	..	..	10	8/12	8/12	8/00	Naihati P.	..	..	..	100	104/00	104/00	81/00		
Calcedonian P.	..	..	..	100	175/00	175/00	205/00	Naskarpara	..	..	..	10	6/00	6/00	9/06		
Chandni P.	12	5	..	100	21/75	21/94	22/00	National P.	7½	Nil	10	10	21/06	21/75	25/37		
Cheviot P.	10	5	Nil—40*	10	22/00	22/00	23/62	Nellimaria P.	3	6	15	10	11/62	11/62	11/25		
Champion P.	Nil	5	25	10	22/00	22/00	11/00	New Central P.	15	15	Nil	10	12/06	12/75	12/06		
Chitvalsalah P.	5	Nil	5	10	8/69	8/94	8/37	Northbrook P.	30	30	20—35*	10	26/87	26/87	29/00		
Clive P.	..	..	..	10	9/00	9/00	145/00	Nuddea	8	6	5—10*	60	62/75	62/75	57/00		
Dalhousie P.	..	1	Nil—25*	100	131/00	131/00	145/00	Nuddea	8	6	5—10*	60	62/75	62/75	57/00		
Delta P.	7½	Nil	12	100	146/00	154/00	173/00	Presidency	8	6	5—10*	60	62/75	62/75	57/00		
Empire P.	12½	7½	12½	10	17/75	17/75	15/31	Rameshwara P.	Nil	Nil	Nil—Nil*	10	9/20	9/20	9/44		
Fort Gloster P.	25	10	12½—20*	100	276/00	276/00	320/00	Reliance P.	Nil	Nil	Nil—Nil*	10	8/00	8/00	6/44		
Fort William P.	22½	22½	10—20*	10	23/62	24/75	12/50	Shree Ambica P.	4	Nil	10	£1	10/50	10/50	10/50		
Ganges P.	10	10	13—20*	10	13/25	13/19	17/00	Soorah P.	2	25	25	10	22/50	22/50	25/25		
General Industrial	40	10	13	10	10/00	10/00	128/00	Titaghur P.	6	Nil	13	£1	10/50	10/50	10/50		
Gourepore P.	30	25	20—20*	10	22/62	22/62	128/00	Union P.	25	6	Nil—20*	100	153/00	153/00	146/00		
Hastings P.	6	6	6—6*	100	128/00	128/00	18/00	Victoria P.	6	Nil	10	£1	10/50	10/50	10/50		
Hooghly P.	10	20	7½—10*	10	18/00	18/00	20/00	Waverley P.	30	30	60	1	9/00	9/00	5/50		
Howrah P.	12½	10	Nil—10*	10	17/81	17/81	19/00										

* 1963

COAL COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		19-3-64	11-3-64	A year ago		1960	1961	1962		19-3-64	11-3-64	A year ago
Amalgamated	10	12½	15	10	23/25	24/75	21/00	Mundulpur	7½	Nil	Nil	10	2/69	2/69	2/69
Bengal P	25	21	..	100	254/00	254/00	267/00	Nazira	10	Nil	Nil	10	6/25	6/25	5/12
Bengal Bhatdee	..	..	..	10	3/48	3/48	3/48	New Beerbhoom P.	10	10	..	10	16/12	16/12	17/62
Bengal Nagpur	10	26	..	10	22/00	22/00	22/00	New Manbhoom	7½	9	12	10	11/94	11/94	13/75
Bhaigora	..	..	..	10	4/25	4/25	5/00	North West	20	20	..	7½	19/75	19/75	19/75
Bharat Collieries P.	..	..	..	10	3/37	3/37	3/53	..	..	..	..	10	13/50	13/50	12/00
Bhulanbararee	..	..	..	10	10/00	10/00	12/00	Parasea P.	6	7½	..	10	14/00	14/00	16/00
Bokaro & Rampur	..	..	..	10	11/19	11/19	11/19	Pench Valley	10	10	10	10	17/75	17/75	19/12
Borrak P.	15	15	..	10	20/25	20/25	23/87	Pure Sitapur	10	10	10	10	8/00	8/00	8/00
Burrakur P.	13	13	13	10	15/75	15/94	15/06	Rangungee	15	17	17	10	13/62	13/62	15/00
Central India	8	10	10	10	9/50	9/50	9/62	Rewa	20	20	..	10	28/50	28/50	28/50
Central Kurkend P.	..	..	..	10	3/44	3/44	8/00	Samia	10	..	..	10	8/00	8/00	10/00
Churulia	..	..	..	4	3/06	3/06	3/06	Searsale	Nil	Nil	Nil	2½	1/25	1/25	1/94
Dhemo Main	Nil	Nil	..	10	4/25	4/25	5/75	Seebpore P.	42 6/7	42 6/7	..	7	34/75	34/75	43/00
East Indian	7½	15	20½	£1	23/25	28/81	37/00	Sendra	5	3½	..	10	5/00	5/00	5/75
Equitable P.	15	10	..	10	22/44	23/50	25/62	South Karanpura	24	Nil	Nil	10	7/62	8/00	8/25
Guznick & Muslis	Nil	Nil	Nil	10	13/25	13/25	13/75	Standard	15	10	..	10	10/44	11/87	16/00
Guzdar Kajora	..	..	..	10	2/47	2/47	2/03	Union	..	..	..	10	10/25	10/25	10/37
Hurriladhi	..	..	..	10	5/75	5/75	8/12	Western Bengal	6	7½	9	10	8/75	8/81	9/19
Karanpura Development	5	5	..	100	10/31	10/31	10/50	West Jamuria	Nil	Nil	..	10	4/00	4/00	9/37
	15	15	..	10F											
Karanpura Collieries P.	7½	10	10	10	13/50	16/00	16/00								
Katras Jheriah	95	40	25	10	33/75	33/75	48/75								
Khas Kajora P.	..	..	..	10	17/62	17/62	18/70								

COTTON MILLS

NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
	1960	1961	1962		18-3-64	11-3-64	A year ago		1960	1961	1962		18-3-64	11-3-64	A year ago
Basanti P.	..	..	..	10	13/50	13/50	12/75	Elgin P.	11 1/2	17 1/2	17 1/2	10	22/31	22/19	20/89
Bengal Luxmi	..	..	..	40	30/00	30/00	28/00	J. & Cotton (Rayon) P.	12 1/2	..	..	10	11/56	12/00	12/75
Bengal Nagpur P.	Nil	..	..	10	2/44	2/44	3/00	Jay Shree	10	10	..	10	15/62	15/75	13/75
Bharat Commerce	6	15	15	10	23/12	23/50	21/75	Muir P.	..	..	..	100	74/50	74/50	135/00
Birla Cotton	10	20	20	10	27/00	27/00	22/75	New Victoria P.	Nil	..	..	2 1/2	1/47	1/47	1/62
Bowreah P.	10	20	15	10	23/25	23/69	23/81	Orissa Textiles P.	Nil	Nil	..	10	4/75	4/75	9/00
Cawnpore Textiles	7-1/5	10	10	6	7/00	7/00	6/94	Rampooria Cotton	3	Nil	Nil	10	13/00	13/00	12/00
Dehli Cloth & Genl. P.	12	13	13	25	46/50	46/00	46/12	Swadeshi (Kanpur) P.	5.51	..	..	100	11/00	11/00	11/50
Dunbar	20	20	15	10	29/00	29/00	26/87						6/62	6/62	7/00

BOMBAY COTTON MILLS

NAMES OF MILLS	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		17-3-64.	10-3-64	A year ago		1960	1961	1962		17-3-64.	10-3-64	A year ago
				Rs.	Rs.	Rs.	Rs.					Rs.	Rs.	Rs.	
Ahmedabad Advance P.	16	12	..	100	140/00	140/00	170/00	Indian	23 1/5	25	..	250	875/00	875/00	760/00
Apollo	Nil	Nil	..	2	1/70	1/90	1/92	Indore Malwa United	8 1/2	10	7 1/2	100	210/00	210/00	192/00
Beharilal Ramcharan	Nil	Nil	..	100	138/00	138/00	82/50	Khatau Makanji P.	32	16	..	100	190/00	200/00	376/75
Bombay Dyeing, etc.	14	14	14	25	61/00	62/70	63/00	Kolhapur	18	18	..	100	333/50	337/00	278/00
Bradbury P.	10	25	..	50	151/00	151/00	150/00	Lakshmi-Vishnu P.	8.7	6	Nil	100	100/00	101/00	107/50
Century	30	30	..	100	636/00	648/50	490/00	Morarijee Goculdas P.	21 1/2	24	24-20*	100	384/00	387/00	450/00
Central India P.	Nil	Nil	Nil	100	93/00	97/00	105/00	Mysore Spg & Mfg P.	14	14	..	50	40/00	42/00	46/00
Coorla	11	11	..	100	160/25	160/25	150/00	New City of Bombay	Nil	Nil	..	100	188/75	188/75	142/50
Dawn	80	30	..	80	154/00	156/50	142/00	New Great Eastern P.	Nil	12	..	100	178/00	178/00	270/00
Edward Textiles	9	9	6	200	97/00	302/00	325/00	Phoenix	15	20	..	100	221/00	231/00	206/00
Elphinstone P.	18	22	18	50	275/00	98/00	98/00	Sassoon & Alliance	Nil	10	..	10	11/00	11/00	13/00
Finlay	23	23	..	100	310/00	315/00	325/00	Sassoon Spinning	17	20	..	10	40/00	40/00	50/00
Gokak	14	18	..	100	178/00	178/50	174/00	Simplex	15	Nil	22-16*	50	131/00	131/00	143/50
Hindustan	50	50	..	250	950/00	950/00	965/00	Shree Niwas P.	18	20	14	100	255/00	263/00	220/00
India United	8	14	..	10	21/24	21/48	23/52	Swadeshi P.	17	19	17	100	245/00	249/00	258/00
	13 1/2	37 1/2	..	100	2/42	2/55	2/70	Swan	36	21 3/5	..	100	267/50	267/50	300/00
								Tata	20	22	20	25	54/50	56/50	57/20
								Western India	46 2/5	25	..	250	847/50	847/50	835/00

* 1963

BOMBAY MISCELLANEOUS COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up Share	Latest Market Quotations as available until		
	1960	1961	1962		Rs.	Rs.	A year ago Rs.		1960	1961	1962		Rs.	Rs.	A year ago Rs.
CEMENT ENGINEERING & METAL															
Associated Cement	12½	12	12	100	148/25	150/25	140/00	INSURANCE COMPANIES							
ELECTRIC LITG. POWER															
Ahmedabad Electricity	7	6	..	100	95/50	95/50	91/30	British India General	..	..	..	10	12/64	12/64	11/60
Andhra Valley Power P.	5½	5	5	1000	1,037/50	1,042/50	1,005/00	Jupiter General P.	..	..	..	15	7/00	7/00	12/52
Bombay Suburban Elec.	8	8½	8½	100	104/75	104/50	101/00	New India	38	38	..	15	45/75	46/25	55/00
Tata Hydro Elec. Power P.	5½	5	5	100	111/75	111/75	104/00	Vulcan	20	20	..	10	16/00	16/00	16/40
Tata Power P.	5½	5	5	1000	1,098/75	1,105/00	1,070/00	MISCELLANEOUS							
Alcock Ashdowns	17	22½	..	100	300/00	311/00	307/00	Belapur Sugar	58	50	..	50	225/50	227/50	200/00
Jost's Engineering	8	10	10-Nil*	50	51/50	51/50	48/00	Bombay Burmah Trading	30	33	33-33 1/5*	20	60/00	61/20	..
Larsen & Toubro P.	12½	18	14-14*	100	22/76	23/76	24/83	Hindustan Lever	26	26	12	10	47/00	47/00	45/00
Mckenzie	10	12	14	100	130/00	130/00	140/00	Industrial Invt. Trust	6½	6½	..	100	78/50	78/50	72/00
Premier Construction P.	43 1/3	33 1/3	..	300	182/50	188/00	131/00	Kemi (Chemists)	12½	12½	..	200	275/00	275/00	305/00
Tata Eng. & Locomotive P.	12½	14½	14½-14½*	100	292/00	311/50	277/00	National Rayon	22	..	..	100	387/00	416/50	353/00
Tata Iron & Steel P.	9.1	10.56	10.36-11*	750	146/50	150/50	116/75	Scindia Steam Navign.	8	8	3	20	16/04	16/24	10/40
								Shivrajpur Synd.	80	Nil	..	10	19/60	20/48	14/64
								Tata Chemicals P.	6	6½	6½	25	18/56	19/20	14/64
								Tata Oil P.	23	23	23-22*	25	64/50	68/50	56/70
								Voltas	13	14	14	100	264/00	273/00	255/00
								Western India Match	16	16	16	100	261/50	265/00	250/00

* 1963

TEA COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		18-3-64	11-3-64	A year ago		1960	1961	1962		18-3-64	11-3-64	A year ago
ASSAM GARDENS															
Amluckie	Nil	10	7½	10	17/25	17/25	20/00	Brooke Bond P.	15	10	7½-7½*	10	12/25	11/94	10/75
Anandabag P.	80	32½	20	10	33/25	33/25	33/25	Dejoc Valley	15	20	30	10	52/50	60/00	48/25
Bagnamari	Nil	15	7½	10	13/62	13/56	18/50	Dessa & Purbuttia	Nil	10	15	100	200/00	200/00	141/00
Barduar Tea	..	..	..	10	8/50	3/50	8/50	Dheakhat	12½	10	..	10	20/87	20/87	20/00
Basmatia	85	35	20	10	27/25	27/25	27/25	Dhansar P.	20	15	10	10	11/12	11/12	15/00
Batuli	80	30	..	10	15/25	15/25	18/00	Dibruagarh	40	40	30	10	32/00	32/00	32/50
Betien	40	45	3½	10	30/37	30/12	32/62	Dumkusa P.	25	20	25	10	25/25	25/25	21/87
Bishnauth	13	13	20	10	17/06	17/00	15/62	Dumkusa P.	25	25	30	10	26/12	26/12	27/87
Bokakhat	Nil	12	13	10	13/12	13/12	13/76	East India	Nil	10	10	10	15/12	15/12	13/00
Bormah Jan P.	15	15	15	10	12/87	13/00	16/12	Chilapukri	25	20	15	10	27/56	27/56	25/44
Bor Pukhuri	Nil	Nil	10	10	11/25	11/25	11/75	Chowpuri	Nil	8	20	10	14/69	14/69	13/81

* 1962

TEA COMPANIES—Contd.

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up Share	Latest Market Quotations as available until		
	1960	1961	1962		Rs.	Rs.	A year ago		1960	1961	1962		Rs.	Rs.	A year ago
Grob	6	6	6	5	7/00	7/19	7/50	Singell	Nil	Nil	Nil	100	36/75	36/75	36/75
Hoograjuli (Assam)	20	20	17	10	27/62	27/62	27/12	Singtom	2	Nil	2	10	3/50	3/50	3/50
Hoolungoree	10	7½	20	100	200/00	200/00	185/00	Soom	50	40	40	10	40/00	40/00	31/00
Jutibari	30	30	20	10	27/87	27/87	32/00	Sungama	15	15	20	10	14/19	14/19	12/75
Kingsley Golaghat P.	35	35	..	100	125/00	125/00	212/00	Teesta Valley	Nil	..	8 1/2-10*	10	14/37	14/37	12/25
Kotamullai P.	Nil	Nil	Nil	5	9/81	9/81	10/31	Tukvar	Nil	Nil	..	10	3/94	6/00	6/00
Krishnabehari	15	8	10	10	11/50	11/50	10/50	DOOARS							
Kyang Tea	Nil	..	..	10	8/06	8/06	8/06	Banarhat P.	22½	21	21	100	232/00	232/00	255/00
Ledo	Nil	Nil	Nil	10	13/75	13/75	17/25	Baradighi	30	25	25	10	23/44	23/44	23/00
Maud Tea & Seed	10	7½	7½	10	12/00	12/00	14/81	Bhatkawa	15	15	20	10	16/94	16/94	17/37
Methoni	5	14	20	10	14/94	14/94	18/50	Birpara P.	17½	12½	17½	100	162/00	162/00	149/00
Moheema	Nil	Nil	..	10	11/50	11/50	11/50	Carron	20	5	7½	100	161/00	161/00	145/00
Mothola	30	30	35	100	507/00	507/00	507/00	Choonabhatti P.	32½	20	20	100	211/00	211/00	210/00
Murphulani (Assam)	10.63	20.63	30.63	10	26/50	26/50	26/50	Ellenbarrie	5	5	10	100	184/00	184/00	184/00
					26/87	26/87	28/75	Enga	60	30	40	100	136/00	136/00	136/00
Naga Hills	10	10	10	10	21/25	21/25	22/69	Ethelbari	5	5	7½	10	11/87	11/87	13/12
Namburudoi	12	12	..	10	12/87	12/87	14/56	Gairkhata	25	20	11	10	21/50	21/50	21/50
New Cinnatollah	Nil	Nil	Nil	100	455/00	455/00	302/00	Gopalpur	12	2	10	25	20/00	20/00	19/50
Rajgarh	20	13½	17½	10	18/50	18/50	21/31	Hantapara P.	15	5	10	100	107/00	107/00	103/00
Sapoi	22½	20	10	10	19/50	19/50	19/87	Hasimara P.	17	..	18-15*	10	12/56	12/62	12/06
Seajuli	22½	15	30	10	25/12	25/12	21/12	Haldibari	10	..	19 2/7-11*	10	12/25	12/25	12/37
Teloijan	25	25	25	10	21/94	22/06	27/75	Jyuripara	25	Nil	Nil	10	9/06	8/62	11/06
Tengpani	20	30	22½	10	35/75	35/75	35/00	Killecott	10	15	15	10	15/50	15/50	16/25
Tezporo P.	30	20	..	10	14/50	14/50	15/25	Manabbarrie	10	6	10	10	90/50	59/50	59/50
Tongani	Nil	Nil	..	10	5/31	5/31	6/50	Nagasuree	25	15	15	100	180/00	180/00	169/50
Tyrcon	10	15	25	10	27/75	27/75	34/37	New Dooars P.	35	20	14½	100	234/00	234/00	258/00
CACHAR								Oodlabari	12½	7½	..	100	13/62	13/50	14/25
Arcuttipore	Nil	5	6	10	7/00	7/00	7/00	Phaskowa	Nil	Nil	Nil	100	125/00	125/00	129/00
Baitakhal	2½	2½	..	10	7/87	7/81	7/00	Rajabhat	Nil	Nil	6	10	12/00	12/00	12/12
Central Cachar	5	7½	5	100	71/00	71/00	73/00	Ranicheerra	15	15	7½	10	11/75	11/50	16/75
Eastern Cachar	Nil	Nil	..	100	4/56	4/56	4/12	Rydaek	25	20	25	10	25/50	25/75	27/31
Kallinugger Khoreel	6	2	..	100	87/00	87/00	87/00	Sarugaon	40	40	40	10	36/31	36/31	36/23
Hattikhira	Nil	8	Nil	10	7/75	7/75	9/44	TERAI							
Kunchanpore	Nil	Nil	..	10	6/00	6/00	6/00	Atal	5	..	..	10	5/50	8/34	6/75
Loobah	Nil	Nil	Nil	10	4/69	4/69	4/37	Beigachi	20	20	..	100	20/25	20/25	20/50
North Western	30	20	10	100	175/00	175/00	114/00	Gungaram	20	12½	12½	100	131/00	131/00	116/00
Pathemara	Nil	Nil	Nil	10	7/50	7/50	7/50	Hansqua	20	15	17½	10	20/00	20/00	20/00
Roopacherra	Nil	10	Nil	10	8/94	9/94	13/82	New Chumta	15	..	12 6/7-20*	10	20/37	20/37	24/62
Runkanatee	5	5	5	50	49/50	50/00	50/00	New Terai	22½	10	15	10	23/00	23/00	36/00
Sonai River	Nil	Nil	..	10	5/06	5/06	9/12	Patargoomiah	20	20	2½	10	14/37	14/37	31/12
DARJEELING								Putnabaree	14	14	..	10	45/00	45/00	45/00
Bloomfield	Nil	..	..	10	3/19	3/19	3/25	Tirrihannah P.	60	60	60	10	49/00	49/00	49/00
Chamong	Nil	10	10	10	9/00	9/00	10/25	CHITTAGONG							
Darjeeling Tea & Chin.	30	30	30	100	197/00	197/00	197/00	Kodala	Nil	Nil	..	10	9/25	9/25	9/25
Diharam	8	4	..	100	102/50	102/50	102/50	Kornafuli	Nil	Nil	..	10	9/31	9/31	13/06
Guelle	Nil	..	8 1/2-15*	10	16/06	16/06	11/69	Oodleah	Nil	Nil	..	10	8/00	8/00	8/00
Lingia P.	15	10	17½	10	14/00	14/00	14/56	SYLHET							
Longview	12½	10	10	10	8/25	8/25	11/00	Chundecherra	Nil	Nil	Nil	10	26/00	26/00	27/00
Margaret's Hope	15	15	15	10	12/09	12/09	11/62	Dauracherra	22½	22½	20	10	11/87	11/87	11/87
Mim	22½	27½	27½	100	375/00	375/00	191/50	Kaliti	Nil	Nil	..	10	10/00	10/00	10/00
Nagri Farm	30	25	35	10	29/62	29/62	27/00	New Samanbagh P.	25	Nil	Nil	10	18/37	18/37	18/37
Okayti	25	25	25	100	600/00	600/00	595/00	Patrakola	32½	40	15	100	119/00	135/00	143/00
Pashok	10	Nil	..	10	20/00	20/00	29/00	Rajnagar	Nil	Nil	Nil	10	9/56	9/56	9/56
Poobong	Nil	Nil	5	10	7/87	7/87	7/50	Teliapara	22½	22½	10	100	94/30	94/30	99/00
Pussimbing P.	Nil	Nil	Nil	10	7/62	7/62	8/80								
Runglee Rungliot	35	20	7½	100	386/00	386/00	386/00								
Seeyok	15	Nil	..	10	8/60	8/60	8/50								

MISCELLANEOUS COMPANIES—Contd.

NAMES	Dividends per cent.			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent.			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		19-6-64.	11-3-64	A year ago		1960	1961	1962		19-6-64.	11-3-64	A year ago
	Rs.	Rs.	Rs.		Rs.	Rs.	Rs.		Rs.	Rs.	Rs.		Rs.	Rs.	Rs.
ENGINEERING & METAL															
Arthur Butler (Muzafferpore) P.	Nil	Nil	10	10	21/25	21/25	14/30	J. K. Synthetics	3	Nil-10*	10	11/75	12/19	10/75	
Bhartia Electric Steel	10	10	12½	10	14/30	14/30	14/00								
Braithwaite India	25	25	14	10	32/39	32/50	36/50	James Wright P.	50		10d	2/75	2/75	2/75	
Bridge & Roof	30	30	30	10	52/25	52/25	52/25								
Britannia Building & Iron P.	Nil	Nil	Nil	10	3/20	3/20	3/65	Jardine Henderson Ltd P.	7	7	6-7½	10d	74/25	74/50	71/75
Britannia Engineering P.	10	10	10	10	10/06	10/10	9/50	Jay Shree Industries P.	14	12½	10	10	14/44	14/94	15/75
British India Electric Cons.	45	20	10	10	29/12	29/12	33/12	Kesoram Industries P.	5	12	12-13*	10	25/81	27/62	19/31
Burn P. (Engineering)	28½	28½	28½-25*	100	295/00	312/00	495/00								
Calcutta Steel	15	15	15-12½*	10	14/06	14/06	13/69	Macfarlane & Co.	50		10d	6/69	6/69	7/00	
Dalmia Iron	10	10	10	10	11/50	11/56	11/06								
Guest, Keen, Williams	16	14	14	10	25/44	26/44	30/12	Macneill & Barry Ltd P.	8	8	7½	100	95/00	95/00	93/50
Hooghly Docking	Nil	Nil	12½	50	101/00	101/00	102/00	Martin Burn Ltd P.	27½	27½	25	10	27/75	28/00	30/50
Indian Iron & Steel P.	15	16	16-15*	10	24/34	25/24	19/70	McLeod & Co. P.	15	15	18	1000	206/00	206/00	215/00
Indian Malleable Casting	Nil	..	..	50	6/00	6/00	6/00	Metal Box Co. of India Ltd P.	25	25	19	10	31/50	31/87	50/75
Indian Standard Wagon P.	28½	28½	28½-20*	10	2/06	2/06	2/50	National Insulated Cable P.	23	25	25-18*	10	23/75	23/75	25/00
Indian Steel & Wire Products	23	24	23-28*	100	37/19	37/19	30/37	National Pipe & Tubes P.	20	20	20	10	28/50	29/25	29/25
Industrial Containers	Nil	10	10	10	33/50	33/50	49/00	National Rolling & Steel Ropes	13	15	15-15*	10	20/25	20/25	19/56
Jay Engineering	17 3/20	17 3/20	15-10*	10	20/00	20/00	22/00	National Rubber P.	Nil	6½	8	10	12/69	12/69	11/62
J. K. Steel P.	20	20	10	10	19/69	19/69	24/25	National Tobacco P.	16	7	7	10	13/50	13/50	11/25
Jessop & Co. P.	8.58	8.58	8.58	10	16/25	16/56	15/75	New India Investment Corpn.	8.7	..	..	75	70/00	70/00	90/00
Kumardhul Engineering P.	10	11½	15	3	23/12	23/31	22/06								
					8/25	8/25	7/44								
Marshall Sons (India)	Nil	Nil	Nil	2	2/50	2/50	3/22	Octavius Steel P.	10	7½	7½	100	..	..	26/25
National Iron and Steel	Nil	Nil	Nil	10	6/00	6/00	4/25	Philips India	12	12	13	10	28/56	28/56	25/00
Saran Engineering	8½	10	12½-10*	4	8/12	8/12	8/00	Publicity Society	10	75	73-50*	4	22/62	22/62	26/19
Steel Containers	30	20	20	10	28/12	28/12	19/75	Rallis India P.	4	8½	8½	100	124/00	136/00	130/00
Textile Machinery	10	10	..	10	26/85	27/70	20/70	Robtas Industries P.	20	10	8-8*	10	11/87	12/47	10/75
								Sirsilk P.	Nil	..	..	10	9/15	9/15	8/06
								Sen-Raleigh Industries P.	8	8	8	10	14/94	15/10	14/00
								Snaw Wallace P.	15	15	7½	10	16/87	16/87	18/37
								Spencer's Hotel	2½	2½	..	2	1/25	1/25	0/94
								Union Carbide	18	18	12½	10	31/62	32/62	42/50
									30	20	..	1PO	2/69	2/69	2/25
									20	30	..	10	3/44	3/50	3/19
SUGAR BREWERIES ETC.															
Balrampur Sugar	8	8	4-Nil*	2½	1/85	1/85	2/00	Concord of India	20	20	20	5	10/25	10/25	10/25
Belsund Sugar P.	18½	10	6-2/3	7½	7/37	7/37	8/50	Hercules	22½	26½	26½	10	23/50	23/50	25/00
Bharat Sugar P.	..	..	..	10	16/00	16/00	13/00	Ruby General	10	13½	15*	8	10/44	10/37	8/69
Carew (Sugar) P.	Nil	Nil	Nil	10	11/50	11/50	12/50	Standard General	..	..	..	10	6/12	6/12	6/00
Cawnpore Sugar P.	Nil	Nil	Nil	10	9/12	9/12	10/75	Triton	45	50	50	25	130/00	130/00	132/00
Champanar Sugar	15	12	Nil-Nil*	5	12/62	12/62	15/87								
Durbhanga	4	Nil	5	10	8/75	8/75	8/12								
New Savan Sugar and Gur	..	..	..	10	4/50	4/50	3/62	Bengal	20	20	20	5	10/25	10/25	10/25
Purnabpur Sugar P.	..	..	..	10	10/81	10/81	11/50	Bengal	22½	26½	26½	10	23/50	23/50	25/00
Ramnugger Cane & Sugar P.	30	35	30	10	29/31	29/31	30/37	General	10	13½	15*	8	10/44	10/37	8/69
Raza Buland	12½	10	10	10	10/37	10/37	9/37	Triton	..	..	..	10	6/12	6/12	6/00
Ryam Sugar P.	..	..	..	10	4/50	4/50	8/06		45	50	50	25	130/00	130/00	132/00
Samastipur Central Sugar	..	..	..	10	3/50	4/50	9/62								
Shree Krishna Gyanodaya Sugar P.	15	..	..	10	7/25	7/12	7/50								
Shree Sitaram Sugar	..	..	..	10	7/12	7/12	7/50								
Sitalpore Sugar	4	Nil	Nil	10	3/69	3/69	6/12	Bengal	40	25	25	10	34/12	34/12	34/25
								Delhi P.	..	..	..	10	14/00	14/00	14/00
								Ganesh P.	..	..	..	12½	13/75	13/75	15/75
United Provinces	15	5	Nil	10	11/00	11/00	10/62	Hooghly	15	Nil	Nil	10	19/75	19/75	19/75
Upper Ganges Sugar P.	72½	72½	72½	10	70/00	85/00	60/00	United	85	10	7½	10	27/81	27/81	50/00
MISCELLANEOUS															
A Firpo (Restaurateur)	7½	10½	5	10	5/00	5/00	5/90	Attock Oil	13½	13½	..	£1	sh.35/10½	sh.37/7	sh.31/9
Aluminium Corporation P.	12	13	12-5*	10	12/56	12/56	12/94	Burmah Oil P.	9-2/5	..	..	£1	sh.68/4½	sh.67/7½	sh.49/6
Anderson Wright Ltd. P.	11½	11	6	10	11/50	11/50	11/50	Indo Burmah Petroleum P.	30	25	22½	10	21/25	21/50	23/12
Angelo Bros	25	28½	28	10	24/00	26/25	21/75	Lide Water Oil	30	35	35	10	33/19	33/19	26/00
Assam Match	18	20	20	10	27/37	27/37	28/75								
Assam Saw Mills & Timber	Nil	Nil	3	3	2/59	2/59	2/50								
Associated Battery	25	15	15	10	22/75	25/25	26/19								
Associated Hotels of India P.	Nil	10	10	10	10/31	10/31	10/31								
Balmer Lawrie & Co.	25	25	25	100	257/00	257/00	257/00	Bengal P.	32	27½	20	10	26/94	27/50	31/25
Baracore Coke	Nil	Nil	15-15*	10	21/56	21/56	24/00	India Paper Pulp	15	13	12-15*	10	18/62	18/81	18/81
Birds Investments P.	9½	10	10	10	10/44	10/44	11/50	Orient Paper P.	22½	22½	22½-20*	10	37/35	38/90	31/25
Britannia Biscuit P.	25	30	28-21*	10	50/25	50/25	43/87	Shree Gopal Paper P.	17-6/7	17-6/7	17-6/7	10	25/25	26/00	22/75
British India Corporation P.	4	7	9	5	8/94	8/87	9/37	Sirpur P.	6½	8½	8½-5*	10	13/00	13/00	11/00
British Paints	12½	15	10	10	21/31	21/31	20/50	Star Paper P.	Nil	Nil	Nil	10	8/87	9/12	10/00
Calcutta Silk Manufacturing P.	Nil	Nil	..	10	6/94	6/94	7/15	Titaghar P.	10	13	13-13*	2½PO	3/31	3/31	3/78
Clive Row Investment	8	7½	7½	10	8/31	8/37	8/19		25	20	10-10*	10AO	15/94	15/94	17/50
Duncan Brothers & Co. Ltd. P.	14	14	14	100	131/00	131/00	139/00		6	7½	10-10*	10BO	15/94	15/94	17/50
Dunlop Rubber Co. (India) P.	20	20	15	10	37/56	38/31	32/00	West Coast P.	6	7½	..	100	170/00	170/00	160/50
Dyer Meakin (Breweries)	25	30	..	5	31/25	31/25	28/50								
Eastern Investments Ltd. P.	14	14	12	100	117/00	117/00	129/00								
Electric Construction	10	10	10	10	12/62	12/75	12/12								
French Motor Car	20	20	..	20	31/75	31/75	35/12								
Ganges Rope	17½	20	20	100	238/00	238/00	238/00								
General Investments Trust P.	5	5	5-5*	75	43/00	43/00	43/00								
Gillanders Arbuthnot & Co. Ltd. P.	10	11	11-11*	10	14/00	14/06	13/81								
Gladstone Lyall & Co. Ltd. P.	42/5	..	..	..											
Godfrey Phillips (India) Ltd P.	9	40	30	10	28/12	28/12	33/25	Bengal Bonded Warehouse	11	8	8-8*	A500	900/00	900/00	1,050/00
Great Eastern Hotel	9	6	..	250	236/00	236/00	241/00	Calcutta Safe Deposit	..	..	..	B08½	125/00	125/00	135/00
												C100	186/00	186/00	122/00
												D12½	45/00	45/00	14/15
												100	7/75	7/75	8/00
Hindustan Aluminium P.	Nil	..	..	10	12/56	13/31	13/00	Humayan Properties P.	6	..	..	100	11/00	11/00	11/00
Hindustan Motors P.	9	12	12½-11½*	10	18/31	19/22	15/80		Nil	..	..	10d	2/10	2/10	2/15
Hindustan Pilkington	..	..	..	10	14/00	13/94	17/87		Nil	Nil	Nil	85	19/12	19/75	9/50
Hindustan Pwerts P.	..	..	..	10	13/19	13/19	14/00	Midnapore Zemindary P.	..	..	..				
Hoare Miller & Co. Ltd.	8	9	8-8*	10	5/50	5/50	6/19								
Imperial Tobacco	8	9	8-8*	10	9/44	9/65	10/25								
Indian Aluminium Co. Ltd. P.	15	15	17½	10	30/69	32/25	29/75								
Indian Cable P.	22½	22½	22½-22½*	10	36/50	37/50	34/00	Bengal Assam Steamship P.	7½	7½	..	100	128/00	128/00	108/00
Indian Oxygen	15	15	12	10	26/62	28/00	28/37	Calcutta Landing & Shipping	3½	7½	22	10	34/00	34/00	35/00
								Calcutta Steam Navigation	10	Nil	Nil	10	8/87	8/87	8/87
								Calcutta Tramways P.	..	..	..	£1	10/62		



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CAPITAL

A Weekly Journal of Commerce, Industry and Finance
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76th YEAR OF ISSUE

CALCUTTA, 26th MARCH, 1964.

Vol. CLH 3803

CONTENTS

Editorials		
Jute Industry Prepares for the Challenge Ahead ...	457	
Recession in Refractories ...	458	
A Bad Year for Currencies	458	
Current News and Comment	459-62	
Capital Issue Consents		
West Bengal Business Convention		
Budget Will Hamper Growth		
N.C.A.E.R. Reviews Foreign Aid		
Cotton Output Far Behind Target		
Foodgrains Output and Imports		
Planned Neglect of Agriculture		
Red-tape in National Laboratories		
Raising Small Savings Collections		
Paint Delegation Leaves		
A Ditcher's Diary ...	463	
Guide for Investors	465-71	
Discouraging Outlook for Cotton Textiles		
Ambica Mills		
Arbuda		
Arun Mills		
Arvind Mills		
Asoka Mills		
Attock Oil		
Bank of Baroda		
Bank of India		
Bank of Tokyo		
Blue Star-Worthington		
Dunlop Rubber		
Elgin Mills		
Indian Iron and Steel		
Krishna Industrial Corporation		
National Rubber		
Prabhat Udyog		
Saraspur Mills		
Southern Gas		
New Capital Issues		
The Stock Markets	473	
Chairmen's Statements		
British-American Tobacco ...	475	
Indian Refractory Makers Association ...	480	
Bank Balance-sheets		
State Bank of India ...	478	
Bank of Tokyo ...	482	
Bank of Baroda ...	484	
Newsletters		
New Delhi ...	487	
London ...	489	
Sections		
Money ...	477	
Jute ...	491	
Commodity Markets	492	

JUTE INDUSTRY PREPARES FOR THE CHALLENGE AHEAD

NOT often before in its long and chequered history has the Indian jute industry enjoyed two satisfactory years in succession. In terms of profitability, 1962 was probably better than 1963, but the latter was notable for two new records. First, at 1.3 million tons, the industry's production was the highest since its birth over a century ago. Secondly, at 900,000 tons its exports were the biggest in 15 years. The happy achievement was facilitated by the coincidence of a number of factors. The first and most important was that the demand for jute goods rose in consonance with the growth of world trade and industry. The second was that the supply of raw jute was plentiful throughout, if not always cheap. And the third was that the industry became more enterprising and aggressive in its marketing attitudes; if there had been a tendency once, in boom years and in the comforting era of semi-monopoly, to wait for buyers to queue up outside its salesmen's doors, there is not the slightest doubt that the happy illusions born of India's former dominance in the world jute goods trade are now firmly and irrevocably gone. Indeed, the feature of the speech delivered by Mr. J. V. Jardine Paterson, at the annual general meeting of the Indian Jute Mills Association in Calcutta last Saturday, is that it reflects a marked swerve to progressive ideas; it is a firm and down-to-earth expression of the industry's determination to win customers by offering them steadily improving standards of service and quality.

Relative prosperity of the sort the Indian jute industry has enjoyed over the past two years is productive sometimes only of cosy, motionless optimism. The Calcutta mills know, however, that while the optimism may be justified, the cosiness and immobility are not. More dangerous than ever before is the reality of growing competition from Pakistan. That country has a rapidly expanding jute industry, which has hitherto concentrated on the manufacture of sacking. The result of the expansion has been that it has captured a large proportion of the sacking markets overseas which India used to supply. India's sacking exports, correspondingly, have fallen to practically all the major markets, with the possible exception of Cuba. With the fall in exports, India has had to cut back the proportion of sacking in her total production of jute goods—a cut-back which would have been sharper but for the chance that the demand for sacking within India has been increasing.

55—The clue to Pakistan's success lies in two main elements. One is that the raw jute her mills get is not only better in quality but also cheaper in price. The second is that she operates an export bonus voucher scheme—a terminological conundrum which amounts to saying that she heavily subsidises her jute goods exports. As Mr. Jardine Paterson indicated, once the Indian and Pakistani mills have added up their plus and minus signs, the net result is that the Pakistani ones end up with a cost advantage of somewhere between Rs. 350 and Rs. 400 a ton. The Indian Government, delirious with joy over its subsidies for exporting such trifles as sugar, appears to be relatively un-

concerned about the handicaps facing what is far and away its biggest export industry. The question of helping neutralise the Pakistani industry's cost advantage is being considered. But, as the I.J.M.A. chairman said, "so far nothing definite has emerged". Which, perhaps, is a polite way of saying that the pushing of inter-ministerial files still takes precedence over the pushing of gunny exports.

The discomfiting truth is that New Delhi, instead of basking under the astrological influence of Mr. Micawber, and waiting for something to turn up, may soon find that it has to take positive action—and quickly. The Indian mills have so far been lucky that, while their sacking exports have declined, their exports of hessian and of “other goods” (especially carpet backing) have more than made up for the fall. But their luck has been due in no small measure to the happy accident whereby the Pakistani industry does not produce much of these latter commodities. As Mr. Jardine Paterson pointed out, however, the Pakistani mills are steadily acquiring the experience and the ability to increase their hessian production. They also have firm plans to increase their output of carpet-backing—an expanding market from which the Indian industry has profited well during the past year, but in which a surplus may soon be developing. The strong blast of Pakistani competition which has so far been felt mainly in the sacking markets overseas will before long be felt in hessian and carpet-backing too. The blast of competition might be stronger for the latter two commodities: they are, after all, finer fabrics requiring better quality jute, of which Pakistan has an adequate supply but India has not.

Against this background, serious rethinking has become necessary not only on the question of an export subsidy, but also on several aspects of India's raw jute policy. In purely quantitative terms, the country has achieved self-sufficiency in fibre, for which credit is due partly to the Government of India and partly to its sworn enemy, the weather. The supply of good-quality jute, however, is still inadequate. For the time being, therefore, it will have to be imported (so will cuttings) ; it is important that the imports should be prompt and liberal enough to take advantage of market conditions. The longer-term problem of growing better jute within India then remains. One way of tackling it is to increase the supply of better seeds, fertilisers, pesticides and water—particularly retting water. An equally important way, however, is to modify the minimum price scheme for raw jute. As Mr. Jardine Paterson pointed out, in spite of reservations the industry has done all it could to make the present scheme a success. The fact nevertheless remains that, because of the scheme, the Indian industry has been paying, on average, Rs. 6 a maund more for its raw material than its powerful Pakistani competitor. Furthermore, jute standards in India have been debased ; as a result, for the same classification of fibre, the mills now have to pay Re. 1 or Rs. 2 more than they would have done some years ago.

The poor quality of jute, as Mr. Jardine Paterson pointed out, tends to raise production costs.

because additional processing is required and the percentage of wastage is higher. What is worse, it lowers the quality of jute goods—at a time when buyers are becoming more discriminating and the demand for the better quality fabrics is increasing. An essential part of the programme for improving the quality of jute grown in India, therefore, would be to reduce substantially the minimum prices fixed for the lower grades, and in the process to widen the differentials between them and the higher grades. The Government has botched the north Indian sugar economy by succumbing to the pressure of the farm lobby and refusing to widen adequately the price differentials for the various qualities of sugarcane. It makes little sense to repeat the performance by botching the jute economy through a price policy that stuffs the mills up with a huge surplus of inferior, unusable fibre.

Many of these problems—evolving a realistic pricing policy for raw jute, and devising a subsidy to offset the Pakistani export bonus voucher scheme—are familiar ones, even if the relative prosperity of the past two years has enabled the Government to postpone positive remedies for the time being. But a less familiar, and wholly wel-

RECESSION IN REFRACTORIES

THE Indian refractory industry is facing a recession since the supply of its products is in excess of the demand. The difficulties of the industry have increased because the prices of refractories have changed little since 1960, while production costs have risen substantially. It is thought that by the end of 1966 the industry will have a total installed capacity of 1.6 million tons a year, but the demand is not expected to be more than 1 million tons even by 1970-71. In fact, the demand has tended to decline in recent years. The trend is understandable in view of the change in the pattern of offtake. The steel industry is about the biggest consumer of refractories. With the advances in steel technology, economies have been effected in the use of refractories. For instance, the introduction of the basic open-hearth furnace has reduced the consumption of silica. Similarly the development of the L.D. process and other processes using oxygen have brought about changes in the pattern of demand, leading to economies in the use of refractories. Although the output of steel may rise to 18 million tons by 1970-71, something like 10.5 million tons may be produced by the L.D. process. It is almost certain that the existing capacity for refractories will be sufficient to meet the entire requirements in the future. By the end of this year, the installed capacity of the refractory industry should amount to 960,000 tons. Foreign exchange has already been sanctioned for installing further capacity during the next couple of years. So there is little doubt that the problem of excess capacity will continue to worry the industry for many years to come.

Mr. N. S. Gilani has taken a realistic view of the outlook for the industry in his chairman's address at the annual general meeting of the Indian Refractory Makers Association, held in Calcutta last Friday. He has mentioned that the cost-price squeeze affecting the industry is not likely to be relieved until the Bokaro steel plant comes into existence. (A fuller version of his speech is printed on a later page in this issue of *Capital*.) So it is time to concentrate attention on diversifying the activities of the industry. It is no use wasting resources and energy on expansion because the existing capacity will be enough to meet all the requirements in the foreseeable future. The Government should not encourage any large-scale expansion of the refractory industry on the basis of the projected steel targets. It should not be forgotten that a steel plant usually takes five years or seven years to go into production. But the output of refractories can be expanded substantially within a short time without incurring much capital expenditure.

The importance of the refractory industry in sustaining the industrial base cannot be exaggerated since the supply of adequate refractory materials is essential for all high-temperature furnaces. Mr. Gilani stated that "refractory technology embraces a wide field including pure oxide for jet

come, feature of Mr. Jardine Paterson's address this year is its account of the ways in which the industry is gearing itself to meet the requirements of its customers more adequately. More attention is being paid to cost studies, technological improvements, quality control, product development, market research and sales promotion. There is a hint that more attention might even be paid to that ghastly necessity called public relations. A quality control and inspection scheme has been launched; new measures are being devised for promptly settling complaints from buyers; and work continues on the problem of drawing up standard specifications. The abolition of the Working Time Agreement will no doubt inspire to greater effort those mills whose achievements on these counts have so far been less than wholly admirable. The picture of the industry conveyed by Mr. Jardine Paterson's address is thus, on the whole, an encouraging one. It shows the Calcutta mills, collectively, as an enterprise which is vigorous and progressive in its outlook; and which, given a measure of realism in Government policy, has every intention of winning its share of the slowly expanding market for jute goods the world has to offer.

propulsion, nitrides and carbides for critical service conditions and a range of specialities to serve nuclear plants and space ships now literally reaching out for the moon and beyond." Although the use of refractories for more sophisticated purposes is remote as far as this country is concerned, the refractory manufacturers have to keep abreast of the changing technology in the iron, steel, chemical and other industries, and must diversify their production. In view of the encouraging working of the refractory industry in recent years, it is hoped that the Government will give the former all support for future development. The domestic producers should be able to manufacture a wide range of products if they are granted foreign exchange to import balancing equipment.

The importance of research in the field of refractories has become more urgent in view of the change in the demand pattern. The demand for

A BAD YEAR FOR CURRENCIES

THE recent recurrence of rumours that the deutschemark will be revalued again presages more trouble in the currency markets in 1964 than they experienced in 1963. It seems that this year attention will be focussed mainly on the West German currency, not, as last year, on the French franc, nor, as in some bad years, on the British pound, nor, as in many years, good and bad, on the U.S. dollar. Speculation in favour of the deutschemark persisted for some months after the value of the West German and Dutch currencies was modestly increased by 5 percent early in 1961. Speculators imagined that a charge of 5 percent could solve no basic problem, so they anticipated a further revaluation. But gradually the situation changed: inflationary tendencies in West Germany caused some anxious questioning at home whether the value of the deutschemark should have been raised at all. Last year the French franc obtruded as the currency that attracted too much foreign money. But inflation gained strength in France, and the tide turned again in favour of the deutschemark.

The movements of currencies have become more complex in recent years, and a development that arouses no more than intermittent comment in one situation may cause serious disturbance in another. The French franc exerted its magnetic pull when sterling was firm and anxiety concerning the U.S. payments deficit was being gradually relaxed. This comparatively favourable situation continues but for how long will it do so? The U.K. payments account is slowly deteriorating. President Johnson, like President Kennedy before him, has accorded high priority to the dollar problem, but the combined efforts of the two Presidents have not yet solved it. Both

non-clay refractories has steadily increased throughout the world and the trend is also noticeable in this country. The wider use of chemically-bonded bricks is welcome in so far as it reduces the need for large capital outlays and helps manufacturers to increase their production from existing facilities. There are enough natural resources in this country to expand the production of high-alumina bricks which are capable of giving longer service.

Mr. Gilani takes a fairly optimistic view of the prospects for exporting refractories. If the Government includes these products in its trade agreements with other countries and publicises them in trade journals, exports should be promoted. The domestic industry is capable of manufacturing refractories in accordance with international standards. The Government should, therefore, assist the industry in its export drive. An adequate supply of good-quality raw materials to the industry needs to be ensured. It is hoped that the Geological Survey of India will take vigorous steps to locate areas which may provide quality raw materials. The domestic industry has, for the time being, been handicapped by the shortage of high-alumina clays. It has, therefore, been obliged to rely greatly on bauxite. But the supply of good-quality bauxite is short. Although rich bauxite deposits have been located in Saurashtra, they cannot be used economically since most of the refractory plants are situated in eastern India. It is, therefore, hoped that the railway authorities will offer concessional freight rates to transport bauxite from Saurashtra. The existing mining rules and regulations have not always helped manufacturers to exploit raw material deposits. Whenever good properties are located, they tend to pass into the hands of speculators. The Government should take steps to rectify the situation.

Attention has been drawn to the need for improving the productivity of the refractory industry. The managers of the existing plants need to take a progressive view and develop their own in-plant training facilities to stimulate productivity. It is hoped that workers too will take a realistic view of introducing rationalisation. Ceramic technology has not yet received the attention it deserves. The Government could encourage engineers and scientists to take greater interest in this branch of technology.

Britain and the U.S.A. have entered a period of economic expansion, and experience has shown that economic expansion, in the intermediate phase, strains a country's currency. So a magnetic pull of funds into West Germany this year could cause much more trouble than did the attraction of France last year.

It should be observed, however, that the strengthening of the deutschemark and the weakening of the French franc are to some extent complementary developments. West German exporters have been particularly successful in both France and Italy since inflation pushed up prices in those countries, and a considerable proportion of the funds that have flowed into West Germany on trade account has come from those countries. The dollar and sterling are not necessarily improved in the movement unless the idea of revaluation of the deutschemark gets a firm hold in the world's money centres. However, at present, apparently, not much of the capital that is moving into West Germany is speculative: the German economy looks healthy for investment. And not all of the export surplus that is swelling the West German reserves is attributable to trade with Common Market partners. The techniques of international currency regulation that have been developed since the revaluation of the deutschemark in 1961 are probably capable of halting a speculative movement such as the one which partly caused that revaluation: and the Germans themselves are aware that the inflation that has erupted most obviously, in France and Italy, can spread to other parts of the European Economic Community. In any case, on trade account, a financial surplus is the counterpart of a physical deficit—less imports than exports—which is inflationary.

The problem of the deutschemark may substantially solve itself.

A more serious possibility—it would be irresponsible at this stage to describe it as a danger—is that sterling will relapse into its familiar malaise. London bankers are not deeply impressed by the authorities' confidence (real or simulated) that the effects of accelerated economic activity will be different this time. They note that, while the U.K.'s visible trade figures for the whole of 1963 were healthy enough, because in the first half-year exports were more buoyant than imports, the trends of the second half-year showed a decidedly unfavourable divergence between exports and imports. The timing of this development, a year or so after the start of an expansionary period, has uncomfortable precedents. If these precedents are relevant to the next phase one must expect a rapid deterioration in the U.K.'s balance of payments. So far as the currency is concerned, the situation is complicated by the Government's declared intention to let expansion proceed. (The present Government may be replaced before the situation becomes critical, but an alternative Labour Government, too, would be committed to

continuous expansion.) London bankers reserve judgment on the Government's resolve to steer an unrestricted economy through financial difficulties: when the difficulties arise the authorities' reactions will be watched with more than usual interest.

The British authorities emphasise, however, that their new policy on the use of external aid represents a new and important factor. Assistance from the International Monetary Fund will be requested not as an emergency measure but almost as a matter of routine; and the U.S.A.-U.K. currency exchanges and the central bankers' arrangement for "neutralising" surplus currencies will be strong reinforcements. Nonetheless, it should be recognised that a situation where the two slow-growing developed nations are simultaneously growing comparatively fast presents new problems. For it is not simply by coincidence that the nations managing the reserve currencies have been slowing down in the past. The obligations of managing reserve currencies are necessarily restrictive. The process of spreading these obligations over a wider international range has perhaps not yet gone far enough.

Current News and Comment

Capital Issue Consents

The Government has released the statistics relating to capital issues for the nine months ended September 1963. But they are not useful as a guide for judging the present trend in capital issues. Although the trend up to the end of September 1963 was fairly encouraging, it has taken a turn for the worse during recent weeks. The deterioration has been accentuated since the presentation of the Central Budget. The financial proposals of Mr. T. T. Krishnamachari have greatly impaired investment confidence. Apart from the extra tax burden imposed by the Budget, the psychological effects of the dividend tax of 7½ percent and the levy of the capital gains tax on bonus shares have been adverse. The harmful effects are evident since companies like Elgin Mills and T. Maneklal have already taken steps to cancel their bonus issues. It is feared that many companies will now be restrained from issuing bonus shares.

Although the Finance Minister has hinted at the possibility of modifying the capital gains tax on bonus shares, which are issued by capitalising premiums on shares, the relief will be far too meagre. The existing tax of 12½ percent on bonus shares is not only a heavy burden but is also iniquitous in principle. Since these shares are issued by capitalising reserves, which have already borne the brunt of the full company tax, there is no justification for further penalising the issue of bonus shares. Since reserves of companies are built because shareholders agree to forgo the payment of bigger dividends, the present fiscal system which penalises the issue of bonus shares should be regarded as a disincentive to corporate savings.

Consents by the Controller of Capital Issues during the nine months ended September 1963, amounted to Rs. 456.97 crores, compared with Rs. 298.62 crores for the corresponding period of 1962. The rise has been attributed to the liberal official attitude towards applications for capital issues. Nearly 88.1 percent of the amount of capital issues applied for have been sanctioned. For the corresponding period of 1962, the amount consented to formed only 54 percent of the amount applied for. It has been stated that consent was refused only when the applicant did not get an industrial licence or when a company had too big a loan or insufficient reserves.

Of the total consents during January-September 1963, more than 59 percent were accounted for by Government companies. Consents to non-Government companies amounted to Rs. 186.31 crores, compared with Rs. 156.70 crores for the corresponding period of 1962. About 84 percent of the consents related to industries. So there was a slight fall in the relative share of industries,

compared with the corresponding period of 1962. Non-industrial companies accounted for 14.7 percent of the consented amounts, against 7.5 percent for the corresponding period of 1962. The share of public companies against private companies showed a decline. Public companies accounted for 30.9 percent of the total consents, compared with 50.6 percent in the corresponding period of 1962.

The relative share of consents of initial and further issues declined from three-fourths to two-thirds, although they continued to be predominant. Loans which accounted for only 6.5 percent in the corresponding period of 1962, amounted to 31.8 percent during January-September 1963. The rising share of loans is understandable because the glamour for equities has greatly diminished. Consents for bonus issues declined from Rs. 12.25 crores in January-September 1962 to Rs. 6.93 crores during January-September 1963 due to the levy of the tax on these shares. Although most of the consents were given for ordinary shares, their position declined from 77.6 percent to 63.9 percent. But consents for preference shares improved from 1.7 percent to 1.9 percent. The trend is due to the drift from equities and because of the bigger dividends given on preference shares. Among the total consents, iron and steel accounted for Rs. 173.20 crores, water transport Rs. 56.33 crores, miscellaneous machinery Rs. 35.39 crores, electrical machinery Rs. 15.92 crores, crude petroleum and natural gas Rs. 1.67 crores, chemicals and fertilisers Rs. 13.60 crores, manufacture of cement Rs. 11.02 crores, cotton textile Rs. 10.27 crores, industrial chemicals Rs. 8.69 crores and motor-vehicles Rs. 8.42 crores.

West Bengal Business Convention

The first general session of the West Bengal Business Convention was held in 1959 in Calcutta, and after five years, the second was held last week. Mr. K. K. Birla in his presidential speech said that the problem of growing unemployment in the State and of the increasing concentration of people in Greater Calcutta, could not be solved unless there were more facilities for younger people to come up in industry and trade in different parts of the State. The aim of the Convention is to bring organised industry to play a leading part in this effort. During the past five years, the Convention, through a permanent organisation it has set up for the purpose, has been trying to do this, firstly, by organising small traders and industrialists in mofussil areas, secondly, by helping in the establishment of new enterprises there through technical and other assistance and thirdly, by bringing both big and small business men together on a common plat-

form to exchange ideas on how larger industries may help smaller concerns. There is a big field for developing modern small-scale industries as feeders and ancillaries to the larger ones. Mr. Birla said that the Convention had started some work in this direction.

Prospects for trade and industry in the State necessarily depend upon the speed with which West Bengal's economic problems are solved. Mr. Birla pointed out that while the population had increased by 33½ percent during the past decade, the State had lost its top position in the matter of new company registrations. It is, in fact, now lagging behind Madras and Maharashtra. The three main industries—jute, tea and engineering—are facing many difficulties. Pakistani competition is posing a big threat to the jute mills; the tea industry's production has not only fallen but its share in world exports has also somewhat declined. There is substantial idle capacity in the engineering units which are unable to get their raw materials in time and in adequate quantities. Food shortage has become chronic, and power and transport bottlenecks have been hindering the growth of industries, particularly in the districts where the network of roads is most inadequate and power supply is not only short but expensive. The port of Calcutta needs to be modernised and handling facilities have to be improved. These are problems which the State Government cannot solve by its own efforts. A generous measure of help from the Centre is necessary. Mr. Birla pressed West Bengal's case for further Central aid by pointing out that the State occupies an important place in the economy of the country and its strategic importance has increased in view of the current developments.

The Deputy Chairman of the Planning Commission, Mr. Asoka Mehta, who inaugurated the Convention, commended its objectives in so far as they helped the process of "deconcentration of industry and ownership", but he observed that unlike the southern and western parts of the country, he saw no growth centres in West Bengal. Calcutta still continued to be the focus of all development. Diffusion of industrial power was necessary to bring about a balanced development of the country, and industrial development had to be linked to the "totality of economic growth" which the country's plans aimed at. Mr. Mehta explained the strategy of planning to justify the present emphasis on heavy industries. Because of Chinese hostility and the current tension around India's borders due to the understanding between Pakistan and China for the common purpose of creating difficulties for this country, the burden of sacrifice must increase. Mr. Mehta visualised an annual fresh taxation of around Rs. 150 crores for the next few plans at least.

The Chief Minister of West Bengal, Mr. P. C. Sen, addressed the Convention on the concluding day. He maintained that the conditions in the State were favourable for further industrial development and felt an urgent probe was necessary to ascertain the causes as to why the economy was not moving forward faster, when this had become the supreme need due to the great influx of refugees in recent months. The Convention passed a number of resolutions one of which has urged the rationalisation of the existing sales tax laws and other regulations such as the Shops and Establishments Act which particularly affect smaller concerns.

Budget Will Hamper Growth

In his speech at the annual general meeting of the Bombay Chamber of Commerce and Industry last Saturday, the incoming president, Mr. P. L. Tandon, doubted if the Central Budget would accelerate economic growth. In a growth-orientated economy, the Budget should not be looked upon merely as a fiscal instrument, but as a positive promoter of growth. The Central Budget, however, has been half-hearted in its approach, much of its beneficial proposals having been negated or watered down by other measures. According to Mr. Tandon, India is still about the most heavily taxed country in the world, and it is worth considering whether incentives and relaxation will not achieve more for the economy than the ever-increasing fiscal levies. In particular, he drew

attention to four damaging aspects of the Budget. First, the tax on inter-corporate dividends, which still continues in a diluted form, discourages the diversification of activity and the development of management resources. If corporate bodies were encouraged to undertake new activities through separate companies, economic growth would be much faster. Secondly, the tax on unrealised capital gains in relation to bonus shares will hit a large number of genuine investors. An investor may not sell his bonus shares for many years, and when he does sell the price may well be lower than that at which he was taxed. Mr. Tandon suggested that tax-free sales of "old" shares after a bonus issue could be prevented by operating the L.F.O. (last in, first out) method, whereby whatever shares are sold will be deemed to have been sold out of the latest issue or purchase. The sale of part holding after a bonus issue will thus be treated as a sale of bonus shares, and so the gain will be taxable. Thirdly, the new surtax too is a levy on the efficient use of capital, when efficiency should be encouraged in a capital-scarce country rather than penalised. Lastly, the tax on dividends is no way to stimulate growth; the more constructive method, according to Mr. Tandon, would be to allow a tax rebate on profits which are ploughed back.

The outgoing president of the Chamber, Mr. Akbar Hydari, referred to the problems of Bombay city. It is the industrial and commercial metropolis of western India, and its port handles about 40 percent of the country's exports and imports. But the dock facilities have not kept pace with requirements. With the assistance of the International Development Association, a scheme has been drawn up to increase the number of berths for dry cargo ships, to extend Ballard Pier, to acquire more tugs and harbour craft and to formulate a master plan for providing other facilities. Mr. Hydari emphasised the need for cutting down delays suffered by vessels, which had become chronic over the past two years and might increase as the dock expansion scheme puts certain berths out of use. Mr. Hydari also called attention to the other problems of Bombay and suggested the setting up of a high-powered co-ordinating authority for evolving an integrated plan. The Chief Minister of Maharashtra, Mr. V. P. Naik, in his reply disclosed that a reconstituted committee under the chairmanship of the State's Minister for Industry would soon be asked to look into the city's problems.

N.C.A.E.R. Reviews Foreign Aid

A recent review of foreign aid for the period 1962-64 conducted by the National Council of Applied Economic Research shows some interesting trends. According to it, India's uncovered requirement of foreign exchange during the remaining period of the third plan is likely to amount to Rs. 1,600 crores, including Rs. 650 crores for maintenance imports. The achievements of the third plan have been below targets in almost all sectors. The Council points out that there will be a further shortfall in achievements during the third plan period and delay in implementing the projects at the beginning of the fourth plan if the aid-giving countries are unable or unwilling to pledge the required amount of foreign aid for India. Although at the recent two-day Paris session, the 12 aid-giving countries did not indicate the amount of aid they would provide to India during 1964-65—this would be done at the forthcoming meeting of the Aid-India Club in Washington in May—the chances for increased aid, especially for the amount of untied aid, are sufficiently bright.

The really disquieting trend indicated by the review is that although India's national income in the last year of the third plan, at 1960-61 prices, could be expected to total Rs. 17,200 crores, the rate of growth in national income over the third plan period would be of the order of 21 percent, against the plan target of 30 percent. A still more disquieting fact is that, due to the population explosion, the increase in the per capita income—from Rs. 327 to Rs. 350—would be only of the order of 7 percent, against the plan target of 17 percent. As far as the industrial sector is concerned, the rate of growth would be less than the plan target of 11 percent due mainly to the short supply of raw materials, power and coal and the shortage of foreign exchange for maintenance as well as capital goods imports. But with some effort, it

should be easy to accelerate the rate of industrial growth during the fourth plan period and to bridge the gap left in the third plan.

The really difficult problem is to accelerate the rate of agricultural growth which, on average, has been of the order of 4 percent a year since the end of the second plan, against the third plan target of 10 percent. The poor progress of the agricultural sector has been due to the halting manner in which farm development has been planned. A more determined pursuit of the objective during the fourth plan period should show better results. The N.C.A.E.R. has estimated that by 1971, the minimum nutritional requirements of a population of 555 million would be 136 million tons of foodgrains. But with the best of efforts it may not be possible to achieve this level of production by the end of the fourth plan period. So the conclusion emerges that although every possible effort should be made to increase foodgrain production during the remaining period of the third plan and during the fourth plan period, the country should arrange to import a sufficient quantity of foodgrains from abroad even though it may mean the expenditure of valuable foreign exchange resources.

Cotton Output Far Behind Target

The 89th session of the Indian Central Cotton Committee, held in Bombay on 21st March, was not very different from the earlier ones. It is about the same sad story that the Committee has to tell every time. Despite Central assistance for the package programmes and the useful research done by the Committee, cotton production continues to lag far behind the plan targets which themselves are not ambitious. India has the largest area under cotton in the world, but its yield is about the lowest—hardly one-quarter or one-fifth of the yield obtaining in some of the important cotton-producing countries like the U.S.A., the U.A.R. and Russia. Production during the third year of the current plan is estimated around 5.8 million bales which is nearly 400,000 bales less than the target set for the year.

In view of the halting progress during the first three years of the current plan, the Central Minister for Food and Agriculture, Mr. Swaran Singh, was understandably pessimistic when he stated in his inaugural speech at the I.C.C.C. meeting that there was little prospect of fulfilling the third plan target of 7 million bales, "unless extraordinary and unrelenting efforts are made by all concerned." A study of cotton production levels in different regions of the country shows wide fluctuations in the Vidarbha tract of Maharashtra, the Malwa and Nimar tracts of Madhya Pradesh and Rayalaseema area of Andhra Pradesh. The Minister urged the Committee to study these areas closely in order to find out which of the factors—the rainfall, the pattern of its spread during the cotton growing season, soil types and their moisture retentivity, soil drainage, etcetera—were responsible for causing the wide fluctuations. One should have thought that after 13 years of planning, the authorities were at least fully seized of the nature of the problem, even if they did not have the administrative ability to remove the obstacles to production. It does little credit to the authorities concerned that the package programmes have not been executed in the desired manner despite the fact that several facilities in the form of additional staff, provision of subsidies on seeds and other input requisites had been offered. Full use of these benefits had not been made by all the States, Mr. Swaran Singh said.

The point is often made that an upward revision of floor and ceiling prices—particularly the ceilings—would go a long way in promoting cotton production. The Central Minister for Food and Agriculture reminded the growers' representatives that Indian cotton prices were already quoted substantially above world parity, which in turn has seriously undermined the competitive strength of the Indian cotton textile industry in export markets. The Minister said that adequate incentives to cotton growers could be provided even on the basis of the existing basic maxima and minima if the floor and ceiling prices were determined with reference to technical considerations such as spinning capacity and other quality factors rather than basing them on mere staple length

or the so-called trade practices. Such an approach will not only lead to a scientific basis of price determination, but also place every cotton in its rightful position on the basis of its intrinsic quality, thereby meeting fully the present criticism about inappropriate classification of different varieties. It will also obviate all troubles of the type witnessed in the case of Deviraj cotton of Maharashtra last year and that of Digvijay cotton of Gujarat this year. Mr. Swaran Singh said that if the grower was to get the maximum share of the cloth consumer's rupee, it was of the utmost importance that all-out efforts should be made to establish co-operatives of growers for the marketing of cotton on a much wider scale in all cotton-growing States. The Minister also drew the Committee's attention to the indiscriminate mixing of different cotton varieties and said that the malpractices continued despite enactment of the requisite legislation against it by a majority of cotton growing States. He urged the Committee to make recommendations which would ensure the enforcement of anti-mixing and other legislation relating to the cotton crop. But these are essentially administrative matters and there is little that the Committee can do about them. The view is widely shared that the evil of mixing is due largely to controls over the past several years. It does not follow that all controls must go; but they should if they cannot be administered honestly and efficiently.

In his welcome address, the president of the Indian Central Cotton Committee, Mr. A. D. Pandit, emphasised the need for organising regulated cotton markets with a view to ensuring adequate facilities to the farmer in getting him the real value for his produce. He said that "all the work of the agricultural scientist will be set at naught if there is no improvement in the marketing and if the farmer is not enabled to get for himself a fair proportion of the increased return from the land out of his additional investment he makes on the land." Mr. Pandit said that there was no dearth of knowledge on agronomy, soil chemistry, irrigation and so on. But what was lacking was a proper organisation to make adequate use of the available knowledge. The I.C.C.C. president said that all the varieties grown in the country were not responsive to high doses of fertilisers and there were also physiological problems. Due to boll shedding, 80 percent to 90 percent of the bolls were lost. Such waste must be avoided if the yield is to be stepped up. The problem of raising the output of cotton, as of other agricultural commodities, is essentially one of administration, and not of raising farm prices,

Foodgrains Output and Imports

The Government of India has recently decided to seek an extension of the period for imports under the present P.L. 480 agreement (which expires at the end of June 1964) and the conclusion of a new P.L. 480 pact permitting the import of 15 million tons of wheat and rice during a further period of four years from July 1964 to June 1968. It is now clear that foodgrains production under the third plan was overestimated. The present indications are that it would be difficult to realise even the revised target of 95 million tons and that the output by the end of the third plan would not exceed 85 million tons. The rise in foodgrain prices has been mainly responsible for an increase of nearly 8 percent in the general index of wholesale prices in 1963-64, which indicates a much greater rise in retail prices. An increase in the supply of foodgrains is, therefore, absolutely necessary if the rising prices are to be checked. India imported over 4.50 million tons of wheat at a cost of Rs. 183 crores in 1963. Imports of wheat in 1964 are likely to exceed 5 million tons, involving a heavier cost. But if the Government of India wants to build a buffer stock of 4 million tons of wheat and 2 million tons of rice and remove the shortage of foodgrains, it will be necessary to increase imports even if it means the spending of foreign exchange.

But the country should not be complacent about the food problem by depending on imports for building up buffer stocks and for overcoming acute shortages in the immediate future. The problem, in the ultimate analysis, would be solved

satisfactorily only if the production of foodgrains is increased. Although it may not be possible to produce more than 85 million tons of foodgrains by the end of the third plan period, against the original target of 100 million tons and the revised plan target of 95 million tons, it should certainly be possible to produce 125 million tons a year by the end of the fourth plan period provided proper efforts are made from the very commencement of the plan. In order to secure an increased output, it will not only be necessary to increase the use of better seed and more fertilisers and to intensify efforts to increase the country's irrigation potential, but it will also be necessary to improve the organisational and administrative set-up for agriculture in the States. There is at present a multiplicity of officials in most of the States, at both village and higher levels. It is, therefore, necessary to bring about a proper co-ordination in the activities of different officials. Moreover, it should be possible to achieve increased productivity of land if at the village level all the persons in charge of the work are placed under a single authority and if individual officers at the block and district levels are made personally responsible for achieving higher levels of production. Another important thing—as the experience of the package programme has shown—is to reduce the official element in the programme for increasing foodgrains production and to create interest and enthusiasm among the cultivators.

The Government has placed reliance on the policy of price support for agricultural commodities and on maintaining some sort of a parity between the prices of agricultural commodities and those of goods consumed by the cultivator to provide incentives to the latter for increasing the production of foodgrains. But as U.P.'s Minister of Agriculture, Mr. Charan Singh, recently pointed out both these methods were unsuitable for India. So it is not surprising that they have failed to produce satisfactory results. Mr. Charan Singh thinks that in the "free market" which prevails in India, it is impossible for the Government to maintain a price parity between agricultural prices and other prices in the market in any worthwhile sense. Besides, the policy of agricultural price support cannot possibly work satisfactorily in a country where cultivators are in a majority. Such a method has succeeded in the U.S.A. where some 8 percent of the people live on land and the remaining 92 percent of the people have enough resources to subsidise the production of agricultural commodities.

Planned Neglect of Agriculture

Agriculture has been correctly described as the Cinderella of the plans, although much lip-service is paid to its key rôle in the development of the country. Investment in this sector has been not only inadequate, but due to poor co-ordination of the activities of the various agencies concerned, it has not been possible to get much value for the money spent on farming. When crops fail, the usual official answer is to blame the weather or some other natural calamity. In fact, as more funds have been spent on agriculture in the successive plans, the return has steadily declined. Mr. M. J. Edwards, president of the Madras Chamber of Commerce, pointed out in the course of his address at the Chamber's annual general meeting last week in Madras, that agricultural production in India improved at an annual rate of 2.8 percent in the first plan, at the rate of 4 percent a year in the second, but the average of the extra farm output during the first two years of the third plan was a negative figure, as production during these years had actually fallen by 1 percent.

The economy as a whole is also showing a similar trend. The average annual outlay in the first plan was Rs. 41.16 crores, Rs. 54.29 crores in the second, Rs. 175.9 crores in the first year of the current plan and Rs. 212.1 crores in the second year. Yet the increase in the national income shows a disturbingly declining rate. Mr. Edwards stressed that this unsatisfactory rate of progress called for a searching enquiry whether all the money that was being spent was expended wisely. Equally it is necessary to adopt realistic policies in the matter of industrial expansion. Mr. Edwards gave the example of fertilisers to suggest that although

private enterprise could do much more in this field it has not been doing so. In the first place, the Government allowed the private sector to enter this line rather late, and now, the latter is not allowed to take any worthwhile part in the distribution of the commodity. This inability of the Government to take timely and correct decisions has led to waste and lost opportunities in other fields also. In spite of its profession to create an environment of growth for industries, Mr. Edwards said, most business men in India and would-be foreign investors visiting the country complained of a sense of frustration. New industrial schemes take not months, but two to three years to obtain all the clearances necessary. Mr. Edwards cited the instance of certain parties who wanted to promote a project of Rs. 30 crores, to show how frustrating it could sometimes be to start an industrial venture in India. They applied to a statutory body for a lease of the land for erecting their plant, but were told that the maximum period for the lease could be only 25 years, at the end of which "the buildings and plant would pass to the body at their written down value." The matter was still being pursued in Delhi. The project concerned would have a great import-saving value for India, he added.

Red-tape in National Laboratories

The work of the National Laboratories has recently come in for scathing criticism from the survey and planning unit of the Council of Scientific and Industrial Research. The main charge, it appears, is that while the expenditure has more than doubled between 1958 and 1962, there has been a "consistent decline" in the number of research papers a worker during the period. Apart from this quantitative deterioration in output, there has also been a fall in the quality of papers. This is particularly disappointing when one remembers that the expenditure on the laboratories increased from Rs. 50 lakhs in 1946-47 to over Rs. 8 crores in 1961-62. The increased expenditure has obviously led to diminishing returns. Much of the taxpayers' money, which was to be spent on improving the facilities at the laboratories, has been wasted. When the laboratories were established, it was hoped that they would provide a fillip to research. But bureaucracy has spread its tentacles so fast that the spirit of research in the laboratories has been stifled, if not totally destroyed. There are many a Dr. Joseph in these laboratories who because of the lack of opportunities, have succumbed to red-tapism and bureaucracy.

The fact that in 1961-62, the expenditure on the laboratories exceeded Rs. 8 crores, against Rs. 3.5

crores in 1957-58 when the output a worker in terms of papers was the highest, is an eye-opener. The authorities of the laboratories should be asked why the expenditure was infructuous and to cut it down as early as possible. It is small consolation to taxpayers to be told that the publication of a number of papers in foreign journals indicates that the standard of some papers is going up. Another serious charge against the laboratories is that a good number of patents developed in them have not been properly used. It has, therefore, suggested that this aspect should be examined carefully with a view to ensuring proper planning and better use of the results of research.

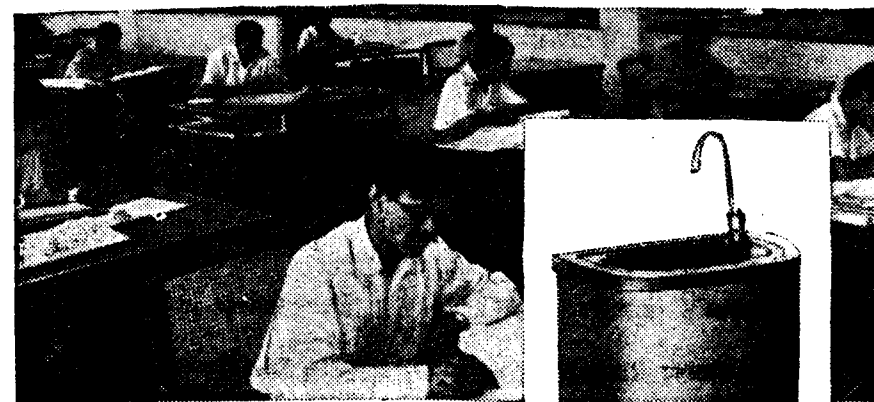
It appears that nothing short of a complete overhaul of the administrative system of the laboratories will produce any worthwhile result. The spirit of enquiry—and not self-advancement through manoeuvres—should be encouraged if scientists and research workers are not to get frustrated. The Council has criticised the low pay of a large number of scientists and the system of promotions based on age and seniority. That the National Laboratories do not appreciate the services of qualified and promising young scientists and research workers is evident from the fact that only four scientists below the age of 30 get a salary exceeding Rs. 1,000. It is small wonder, therefore, that India's budding scientists and research workers consider patriotism as secondary to self-interest when they are asked to come back from abroad.

The Council has also pointed to the large number of grades in the laboratories "without any clear demarcation of work". Clearly, Parkinson's law is in operation there as in other departments of the Government. Moreover, the large number of B.Sc.'s and under-graduates pose a serious problem for the laboratories. In some institutes, the Council points out, their percentage is as high as 77.4. Their presence affects the atmosphere of the laboratories, and they cannot be easily promoted to higher ranks. It is also not possible to use them in research. But if this is so, why were they recruited in the first place and maintained for so many years, causing a needless drain on the resources of the laboratories?

Raising Small Savings Collections

Small savings collections during the first ten months of the current financial year have been satisfactory, but indications are that this has given rise to undue complacency in the Government. The special factors which have so far helped to swell small savings have now spent their force

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and there is every likelihood that the tempo of collections may be difficult to maintain during the coming weeks. Renewed efforts are, therefore, necessary to boost collections by introducing new ideas and schemes.

Collections amounted to Rs. 81.2 crores in the first ten months of 1963-64, compared with Rs. 37.09 crores for the corresponding period of 1961-62. Subscriptions to national defence certificates and defence deposit certificates have been substantial. The popularity of these certificates has increased greatly since the interest rates on them were raised. The decision to raise the interest rate on post office savings bank accounts has been amply rewarded since these deposits have risen to Rs. 12.1 crores during the first ten months of 1963-64 from Rs. 9.9 crores during the same period of 1962-63. The introduction of cheque facilities has also helped to increase the collection.

Two factors are responsible for the good response to small savings schemes. The people contributed to these schemes on patriotic grounds. However, the patriotic urge to invest in small savings has now diminished to a large extent as the sense of emergency has disappeared. Secondly, the increase in interest rates under various savings schemes has been helpful in attracting funds. But these rates have again become unrealistic and under present circumstances are rather unattractive. The market rates of interest have gone up steadily, and the trend has been given a boost by the recent credit squeeze introduced by the Reserve Bank. If small savings are to be promoted, it is essential to raise the interest rates on the various savings schemes in line with market standards. It should not be forgotten that competition for deposits, particularly from small savers, has been greatly intensified during recent months. Commercial banks are likely to increase

their rates of interest on savings bank accounts since the Reserve Bank has virtually asked them to do so. The competition from commercial banks has been the greater, because in addition to the interest which they pay savings accounts depositors now virtually enjoy all the facilities which are given to current account holders. If post office savings banks intend to compete with commercial banks they have to provide the same facilities as commercial banks do. It is, therefore, necessary for post offices to introduce the cheque system more widely. It needs to be pointed out that the services rendered to depositors by post offices are poor, and they should be immediately improved. The present practice of harassing depositors in the matter of signatures at the time of withdrawing money from savings bank accounts should be given up. Unless depositors are allowed to deposit and withdraw funds more freely without unnecessary bother, the popularity of savings bank accounts will not increase.

If the present rate of collection is maintained, the total for 1963-64 may amount to Rs. 116 crores or so, which rate is about 50 percent higher than that of collections in the first two years of the third plan. Encouraged by this performance, the Central Finance Minister, Mr. T. T. Krishnamachari, has budgeted for a total collection of Rs. 125 crores for 1964-65. Even assuming that this optimistic expectation is fulfilled, it is almost certain that the third plan target of Rs. 600 crores will not be achieved. The annuity scheme for the higher-income groups would adversely affect their contributions to small savings. They will be lucky if they do not have to cut their existing rate of savings. As far as the small income groups are concerned, the Budget has no doubt allowed them to take a bigger take-home pay, but the extra money will be, it is feared, more than absorbed

by the rise in the price level. If prices continue to rise, the margin for savings will substantially shrink. In the circumstances, the campaign for small savings should concentrate attention on tapping savings from the working classes and the rural people, since a substantial part of the benefits of planned development has gone to these classes.

Paint Delegation Leaves

A six-member paint delegation is visiting the Middle East and east African countries for a period of six weeks to assess the market possibilities for Indian paints. The delegation, which is sponsored by the Chemicals and Allied Products Export Promotion Council, is led by Mr. P. C. Chanda. It is felt that the Middle East and African countries offer a big market for paints and related products. Apart from studying the market, the delegation will try to effect on-the-spot sales of such items as decoration and industrial finishes, marine paints and pigments. The Council points to the progress in production and exports of paints. The industry consists of about 53 major organised units and about 250 to 300 small-scale ones. About Rs. 20 crores to Rs. 25 crores worth of paints are being produced annually by the organised units. Exports of paints, pigments and related products from India during April-December 1963 totalled Rs. 30.4 lakhs, against only Rs. 29 lakhs during the whole of 1962-63. It is expected that exports of paints and varnishes will rise to Rs. 40 lakhs during 1963-64. While India's main markets for paints and related products are Afghanistan, Burma, Ceylon, East and West Pakistan, her exports to the Middle East and African countries have increased substantially during the past three years.

THE CALCUTTA INVESTOR

A REMARKABLE feature in commercial and industrial development in Calcutta is the extreme difficulty which exists for financing relatively small concerns. There is nothing sounder—using the word in its financial sense—than the small enterprise if properly managed; and yet to raise money in Calcutta except in lakhs of rupees and through the medium of the big Agency Houses is almost an impossibility. There are no real financial brokers, and the first thing the ordinary capitalist does if approached is to consult his solicitor whose verdict, as often as not, founded on sheer ignorance of the particular business in hand, is naturally of very little value. There are people, it is true, in Calcutta who have the effrontery to pose as financial links between capital on the one hand and industry on the other; but as a rule, these individuals are of a kind which the man who wants to borrow money would assiduously give a wide berth to. Their ideas of interest are appalling; their views on brokerage and commission ditto, and in fact their whole point of view is that of the money-lender—and an extremely usurious money-lender at that. The peculiar part of the situation is that the capitalist is ready enough, it would seem, to put his money into concerns which call for lakhs of rupees; though many instances could be cited in which these enterprises enrich nobody except the Managing Agents. There are a number of industrial concerns in Calcutta which have not paid a dividend for years; and as far as I can see never will. This is a strange condition of affairs truly. Little sympathy, however, is to be felt for the investor. Approach him with a perfectly genuine but small concern wanting perhaps anything from Rs. 10,000 to 25,000 to finance it offer him a personal control and stake in the venture and he consults—his solicitor! If he doesn't do this, or possibly after he has done so, he wants a very big rate of interest, raise all kinds of quite impractical and unnecessary objections to the enterprise in question, declines, in fact, to part with his money at any price and then possibly straightaway puts his capital into something connected with a big name and has the profound satisfaction of getting no dividend for years on end. He richly deserves his fate. There are scores and scores of enterprises in Calcutta which only want a reasonable amount of capital to bring a handsome return to those who have the courage to invest in them. There may be no remedy in sight for this state of things; but it is just possible that what we have written may set people thinking.

FROM

CAPITAL
31st March, 1964

A Ditcher's Diary

NOT FOR ONE MOMENT AM I PREPARED TO BELIEVE that students were responsible, wholly or even mainly, for the disgraceful display of hooliganism in colleges and schools in Calcutta last week. Unrest had been simmering for several days; anger over Bhudev Sen's death was growing, even if among some it was mainly simulated; and the students of this city have not always been the models of sobriety and discipline one would like them to be. The scale of the vandalism, however, and the uniformity of its pattern, suggest that the organisation behind the disturbances was more expert and more powerful than a disgruntled minority of students could, on their own, ever manage. After the communal rioting in January, there came explanations galore from Writers' Building that stern action had not been immediately possible because the police force was lacking in strength, organisation and leadership. Accompanying the explanations were assurances that, with the arrival of the army, and with a little reshuffling in the higher ranks of the police hierarchy, the deficiencies had been entirely corrected. Sooner than the Government might have expected, the past week's events have now shown the assurances for what they were worth. Soothed, evidently, by promises from the police, several schools and colleges were persuaded to hold classes, although they had sensed the danger of possible trouble; several, subjected to hooliganism in which students were not the only participants, thereupon found police protection rare, or forthcoming only after the damage had been done.

THE CONCATENATION OF EVENTS, STARTING WITH THE clashes in Belghoria on Monday and leading through the hartal on Tuesday of last week to the subsequent disorders in the university area, confirms a general impression that the root of the trouble lay in a deliberate display of governmental pusillanimity. The leaders of the West Bengal Government may or may not be moved by the fact that some are beginning to look upon them as sheep in wolves' clothing; others as mice wrapped in snake-skins. They may console themselves with the thought that insults and degradation are the stock-in-trade of politics; and, therefore, to be accepted with equanimity. It may still take a long time explaining why the lives and limbs of children, many far short of their teens, should have been endangered by a Government intent from the start upon a display of low cowardice. The question of instituting a judicial enquiry into the death of Bhudev Sen is, to my mind, of no great importance. I should be surprised if many of the gentlemen who organised last week's vandalism, osten-

sibly to renew their demand for an enquiry, considered the issue of any great importance either. The harsh truth, it is more than likely, may be that the question of whether a judicial investigation should or should not have been held came in handy as an excuse for settling other, unrelated political scores. The state of the Congress Party in India today is such that scores are not settled always with the opposition groups alone; no less often, they are settled among Congressmen themselves. Not all may have forgotten the reports published some weeks ago, for instance, of Congressmen lining up outside the courts' doors to offer bail for hooligans the Congress Government of West Bengal itself had taken into custody after the January riots. The minds and lives of students, in the final analysis, are shaped by the social and political milieu in which they live. The line of distinction between politics and gangsterism, never very clear, has over the years been increasingly blurred. In a country where the entrenchment of politics in education has become dangerously firm, can the steady encroachment of gangsterism now be a great surprise?

THIS YEAR MARKS THE QUATER-CENTENARY OF William Shakespeare's birth, and thanks to the enterprise of our local amateur dramatic groups, the event will by no means go unmarked. The Amateurs propose to present *Much Ado About Nothing* early in May and the Dramatic Club of Calcutta will stage *Othello* later the same month. In Britain, I gather, the Shakespeare industry—for that is what it has become—is all set for the most profitable season in its history, during which it plans to relieve over a million tourists, and many more native Britons, of a staggeringly large sum of money, much of it in foreign exchange. Not that there is anything wrong in that; Shakespeare would have heartily approved, being no insignificant operator in the money-making business himself. But voices have been heard—none of them from Stratford-on-Avon it may be added—protesting that all this should not be going on when the question of whether or not Shakespeare actually wrote those plays has still to be settled. This seems to me to be taking altogether too purist a view of things; if the problem were ever satisfactorily solved, it would be a miracle. In the meantime, nothing is more certain than that somebody wrote the plays, so why should it not be Shakespeare? And having chosen the most likely culprit, if only temporarily, well then, he has to have a quater-centenary some time just like the rest of us. I have always regarded the controversy over the authorship of the plays as something of an

irrelevancy. I suppose it is possible that Shakespeare did commission them from Bacon, who preferred to remain anonymous for reasons of his own; but certainly it does not seem likely anybody else was involved. I know, too, that this theory is supported by the fact that there is no record of Shakespeare having had any education at all; by the odd coincidence that not a single original manuscript has ever been discovered; and by the evidence derived from the five available examples of Shakespeare's signature, that he appears to have found writing something of an effort. There is also some doubt as to whether he ever married Anne Hathaway, who almost certainly did not live in the cottage in Stratford which bears her name. But all this apart, I cannot see what good it does to question something which can never be satisfactorily proved one way or the other. So, as far as I am concerned, good luck to the Shakespeare celebrations. What puzzles me, though, is that so much fuss is being made of one Elizabethan dramatist while another, Christopher Marlowe, who by an odd chance has his quater-centenary this year too, goes relatively unsung. At least in his case there are no doubts about authorship, any more than there are about the genius which went into his work.

IT HAS BEEN A FREQUENT COMPLAINT OF MINE THAT Calcutta crowds will persist in regarding the results of Test matches with much the same spirit of nationalistic rivalry as they would the outcome of a war. Especially does this seem to be true where the M.C.C. is concerned—as if defeating the British at cricket could expiate all the lingering humiliations of imperialism. What a lot of nonsense; cricket should be played for sport not politics, whatever they may say in Lancashire and Yorkshire. The Australians, of course, have always been the worst offenders in this business of taking cricket too seriously. To them it represents a test of endurance and efficiency rather than nationalistic supremacy, but the consequences can be equally dismal for those who like to watch the game for its own sake. That is why I am glad to see the Australian cricketing authorities have decided to discourage this unsportsmanlike dedication, and interestingly enough they recommend that their men should aspire to the same standards of entertainment as the West Indian cricketers do. Readers may remember that I quoted a correspondent from London, who wrote to me after last season's concluding Test there, to say that Britain had never experienced a more interesting series, thanks to West Indian exuberance. Not that I am suggesting cricket should become pure entertainment, although fortunately the professionalism of the West Indians and their obvious love of the game prevented that happening in Britain. But I am all in favour of it being played with at least some consideration for the feelings of the spectators. Anything else would be just too purist; and after all cricket must live. I suppose there is a happy

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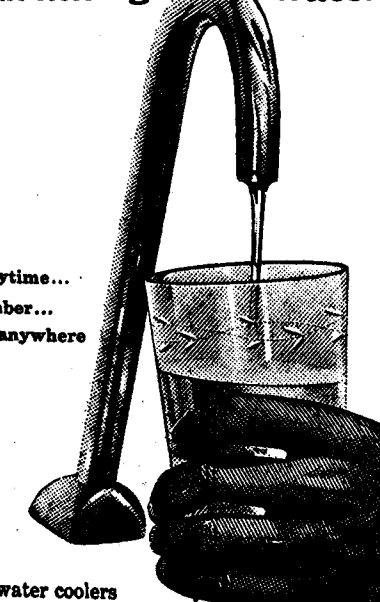
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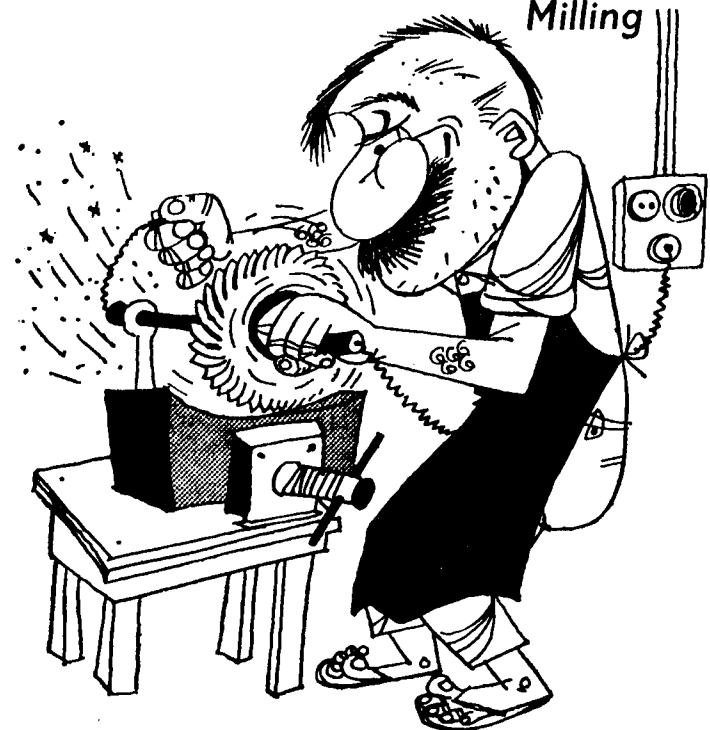
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HOW SHALIMAR WORKS ? ...No. 8 Milling



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*Note: The Author likes the melodious ring of the words "Historical Research Work", so please excuse its repetition.

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medium in all this. Cricket is a sophisticated taste at the best of times. To exaggerate either the nationalistic or the professional aspects is to reduce it to absurdity, as indeed would be any movement to introduce something resembling the Harlem Globe Trotters' approach to baseball. It is all a matter of good sense really. Which is one of the most appealing features of cricket. Perhaps because it makes so little sense itself, it does eventually seem able to evoke the most sensible feelings in men.

THE ANNUAL HOT-WEATHER EXODUS FROM THE TOP echelons of the Calcutta business world has been in train for some time, and will soon be approaching its climax with the retirement of Mr. A. R. Foster from the chairmanship of I.C.I. (India) early next week. Dick Foster's retirement follows the completion not only of thirty-one eventful years of service in India, but also, more recently, of an exceptionally successful tenure as president of the Associated Chambers of Commerce. The business world has for some years now acknowledged the force of the truism that the outlook for industry, and the harmony of Government-business relations, depend in no small measure on the personality of the Assocham president. Journalists are prone to believe that they would die if bluntness died; but, in India, business men know that, for them, success lies in the art of gentle persuasion and quiet diplomacy. Dick Foster's supreme achievement lay in the fact that he practised that art with great finesse and effectiveness. Circumstances have necessitated clearer recognition of the growing need for foreign private investment; of the interdependence of industrial and agricultural progress; and of the highly promising future for petrochemicals as catalysts in the new industrial technology. But if these shifts in attitudes conform in many ways to Dick Foster's own basic thinking, the coincidence cannot be dismissed as entirely fortuitous or negligible. Not the least of his achievements during the past few years has been his success in spreading a wider recognition of the need for productivity techniques and scientific management practices that must determine India's future as an industrial nation. But stoic seriousness and dedication to duty apart, Dick Foster enriched his life with a wide variety of human interests. The gay informality and lavish hospitality of the Fosters' home will remain as a byword in Calcutta society. He was a familiar figure on the golf course, at polo matches and at the Turf Club. From their many friends in those institutions, and from innumerable others outside, Dick and Nancy Foster will be taking with them the warmest good wishes for a long and happy retirement.

A CONSCIENTIOUS READER OF *Capital* COMPLAINED to me last week that the Diary is nowadays getting to be in the nature of an imprecise warbling on everything in general and nothing in particular. An engineer by profession, he offered the gentle reminder that we are now in the age of the technocrats; and journalists, if no one else, must move with the times. For a tentative offering, I have been in search of technical intelligence which might be of interest to faithful readers elsewhere who too may perhaps feel that this Diary has bereaved them of attention to the scientific achievements of the Nuclear Age. The following is my first gleaning by way of technical wisdom which I hope will be duly appreciated by those whose curiosity about linear accelerators may be slightly greater than my own:

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As the serials say, further instalments will follow. May readers survive long enough to enjoy them.

THE DITCHER

Guide for Investors

DISCOURAGING OUTLOOK FOR COTTON TEXTILES

(BY A SPECIAL CORRESPONDENT)

THE president of the Ahmedabad Millowners' Association, Mr. Kanchanlal Parikh, recently stated that the cotton mill industry had been crippled by the burden of increasing taxation and the rising cost of production. Unless an immediate reappraisal was made and steps were taken to save the industry, a majority of the units would find it hard to survive. Over the past three years, cloth prices have remained pegged under the voluntary price regulation scheme while the production cost has gone up by more than 11 percent. The assessable profits of the textile industry in Ahmedabad, said Mr. Parikh, had been reduced from Rs. 10.91 crores in 1961 to Rs. 5.20 crores in 1962 and for 1963, there was likely to be a further fall of 25 percent. What is true of Ahmedabad is true of the entire textile mill industry.

The working results of cotton textile mills in 1962, barring a few exceptions, showed a substantial setback over the previous year's performance. With mill cloth output down by about 150 million yards during 1963 and production costs continuing to rise, the industry's performance during 1963 cannot be expected to show any improvement; it could well be worse in most cases. The industry's export performance has, no doubt, recorded a small improvement, but exports have rarely brought prosperity to the mills. Exports are in fact being subsidised through various incentives. The basic truth is that the Indian cotton mill industry is fighting a losing battle with its obsolete machinery, the progress of modernisation being disappointingly slow. The industry has today some 14 million spindles and 200,000 looms, and the total outlay on the expansion, rehabilitation and modernisation programme is estimated at between Rs. 450 crores and Rs. 475 crores—a staggering sum indeed.

Mounting production costs have steadily undermined the industry's profitability which is already so low that it is unable to do full justice to shareholders, let alone build up adequate reserves for modernisation and rehabilitation. The increase in the contributions under the Employees' Provident Fund Act, the re-adjustment in the working class consumer price index and rising costs of stores, fuel and power and raw cotton, have placed further burdens on the industry which is consequently being obliged to take to newer and newer varieties in order to circumvent the voluntary price regulation scheme.

More from Dunlop Rubber

THE ordinary shares of Dunlop Rubber Co. (India) Ltd have dropped from Rs. 38.12 to Rs. 36.12 in spite of the decision of the Company to increase the taxable ordinary dividend from 15 percent for 1962 to 17.5 percent for 1963. At the present price, the yield works out to 4.8 percent. The stock market has reacted bearishly to the Company's decision to increase the authorised capital by Rs. 5 crores to Rs. 12.5 crores by creating 5 million unspecified shares

of Rs. 10 each. It is generally thought that these new shares have been created in order to issue rights shares in due course for raising funds to finance expansion. The market psychology has now changed, and any rights share issue tends to be interpreted bearishly rather than bullishly due to the deterioration in investment confidence. The Budget for 1964-65 has impaired the outlook for equities by two new measures. Firstly, a dividend tax of 7½ percent has been levied. Secondly, the Finance Minister has decided to impose capital gains tax on the issue of bonus shares.

There is, nevertheless, no reason to overlook the importance of Dunlop shares in the long term. The Company is a leading manufacturer of tyres, tubes and various other products. It has a record of excellent performance over many years. The shareholders have already been remunerated in the form of good dividends and by the issue of bonus shares. The financial position is very impressive. The ordinary share capital at present amounts to Rs. 4.50 crores divided into shares of Rs. 10 each. The preference share capital amounts to Rs. 70 lakhs divided into shares of Rs. 100 each. According to the balance-sheet for the year ended December 1962, reserves and surplus amount to Rs. 5.32 crores and fixed assets stand at Rs. 6.09 crores.

Elgin Mills Cancels Bonus Share Issue

THE earlier support for the ordinary shares in the Elgin Mills Co. Ltd. Kanpur, has disappeared with sellers predominating. The price of the scrip has dropped from Rs. 22.50 to Rs. 21.75 due to the disappointment over the Company's decision to cancel the issue of bonus shares in view of the Budget proposals. It was earlier decided to issue bonus shares in the proportion of one bonus share for every two shares held by capitalising reserves, and an application was submitted to the Controller of Capital Issues for his consent. It is reliably understood that the directors have now decided to withdraw the application.

The decision has obviously been provoked by the proposal of the Central Finance Minister to levy capital gains tax on bonus shares. This new levy, combined with the existing tax of 12½ percent on bonus shares, has been considered burdensome. Since the issue of bonus shares under present conditions will do good neither to the Company nor to shareholders, it is difficult to criticise the decision.

The move is nevertheless unfortunate from the standpoint of healthy company management. It should not be forgotten that a good company generally ploughs back profits into the business to conserve and employ funds for the use of the business. The shareholders concerned make the sacrifice by not taking bigger dividends, so they hope to be rewarded in due course by the issue of bonus shares. As a result of the use of reserves over a number of years, the gap between the share capital and assets, particularly fixed assets, becomes larger. At a stage when the fixed assets of a company get out of

alignment with the share capital, it is a sound principle to increase the latter by issuing bonus shares through the capitalisation of reserves. Elgin Mills is one such Company. Its share capital amounts to Rs. 78.20 lakhs divided into ordinary shares of Rs. 10 each to the extent of Rs. 63 lakhs and preference shares of Rs. 100 each for Rs. 15.20 lakhs. Reserves amounted to Rs. 2.11 crores as on 30th September, 1962. Fixed assets stood at more than Rs. 95.40 lakhs. So the issue of bonus shares, as was earlier decided upon by the directors, was more than justified.

Kasturbhai Textile Group Results

CONSIDERING the sad plight of the industry and with the profit margin gradually squeezed by the rising cost of production, the working results of the Kasturbhai group of textile mills for 1963 can be regarded as fairly encouraging although they have failed to please the stock market. Of the seven mills, namely, Asoka, Arvind, Arun, Ahmedabad, New Cotton, Nutan, Raipur and Saraspur, Arun, Nutan and Saraspur have reported a modest setback in the gross profit; others have registered small gains. Except for New Cotton, sales have been maintained or have shown a rise. Of these seven mills, Asoka has raised the dividend from Rs. 24 to Rs. 27 a share; elsewhere, the dividends have been maintained at the previous year's levels. Ahmedabad New Cotton has, in addition, announced a rights issue on the basis of one share at par for every two held.

The Asoka Mills has fared the best. Its sales are up from Rs. 2.53 crores to Rs. 2.63 crores and the gross profit has risen from Rs. 25.82 lakhs to Rs. 39.63 lakhs. Improved results are due primarily to the renovation and modernisation of the mills and the change in the pattern of manufacture made during the year. The Company spent Rs. 11.58 lakhs on the installation of machinery and equipment and extension of building under the reorganisation programme. The Company has been permitted to install additional 3,402 spindles and 96 looms raising the total to 44,770 spindles and 979 looms. Of the 96 looms, it has already installed 26 looms. Appropriations of the year's profit include depreciation Rs. 20.39 lakhs (against Rs. 20.28 lakhs), development rebate Rs. 5.77 lakhs

(against Rs. 5.82 lakhs), taxation Rs. 4.50 lakhs (against nil) and donation Rs. 1.22 lakhs (against Rs. 65,000). The proposed dividend absorbs Rs. 8.07 lakhs (against Rs. 7.71 lakhs).

Sales of Arvind Mills are virtually unchanged at Rs. 4.40 crores, against Rs. 4.39 crores, and the gross profit is slightly higher at Rs. 1.07 crores, against Rs. 1.01 crores. The dividend has been maintained at Rs. 30 a share. Allocations include depreciation Rs. 36.57 lakhs (against Rs. 32.29 lakhs), statutory development rebate Rs. 9 lakhs (against Rs. 12 lakhs), taxation Rs. 22 lakhs (against Rs. 24.77 lakhs), donation Rs. 2.68 lakhs (against Rs. 1.54 lakhs) and dividend Rs. 30 lakhs (the same).

In spite of an increase in the sales from Rs. 1.65 crores to Rs. 2 crores, the gross profit of Nutan Mills is slightly lower at Rs. 21.72 lakhs, against Rs. 22.31 lakhs. The dividend has been maintained at Rs. 22 a share. Appropriations include depreciation Rs. 8.13 lakhs (against Rs. 7.62 lakhs), development rebate Rs. 1.44 lakhs (against Rs. 1.36 lakhs), taxation Rs. 6.48 lakhs (against Rs. 6.99 lakhs), donation Rs. 87,450 (against Rs. 54,495), preference dividend Rs. 23,000 (the same) and equity dividend Rs. 5.49 lakhs (the same). The directors have had to withdraw Rs. 2.20 lakhs from the reserves to meet part of the dividend liability.

Arun Mills has maintained the dividend at Rs. 24 a share. Sales are slightly higher at Rs. 2.48 crores, against Rs. 2.45 crores, and the gross profit is a little lower at Rs. 40.85 lakhs, against Rs. 41.98 lakhs. The provision for depreciation has been reduced from Rs. 8.77 lakhs to Rs. 8.07 lakhs, and development rebate reserve gets Rs. 1.10 lakhs, against Rs. 2.25 lakhs. The amount set aside for donation is higher at Rs. 1.41 lakhs, against Rs. 76,156. Taxation accounts for Rs. 15.19 lakhs, against Rs. 14.70 lakhs and allocation to general reserve has been maintained at Rs. 4 lakhs. Preference dividend absorbs Rs. 50,000 (the same) and equity dividend Rs. 7.18 lakhs (against Rs. 7.16 lakhs).

The sales of Saraspur Mills have gone up from Rs. 2.22 crores to Rs. 2.68 crores, but the gross profit is a little lower at Rs. 25.01 lakhs, against Rs. 26.04 lakhs. The dividend has been maintained at Rs. 24 a share. Allocations of the year's profit include Rs. 9.69 lakhs (against Rs. 9.28 lakhs) for depreciation, Rs. 65,000 (against Rs. 3 lakhs) for development rebate, Rs. 1.13 lakhs (against Rs. 61,000) for donation, Rs. 7.83 lakhs (against Rs. 7.35 lakhs) for taxation and Rs. 7.42 lakhs (the same) for preference and equity dividends. The directors have withdrawn Rs. 2.90 lakhs from general reserve to meet part of the dividend liability.

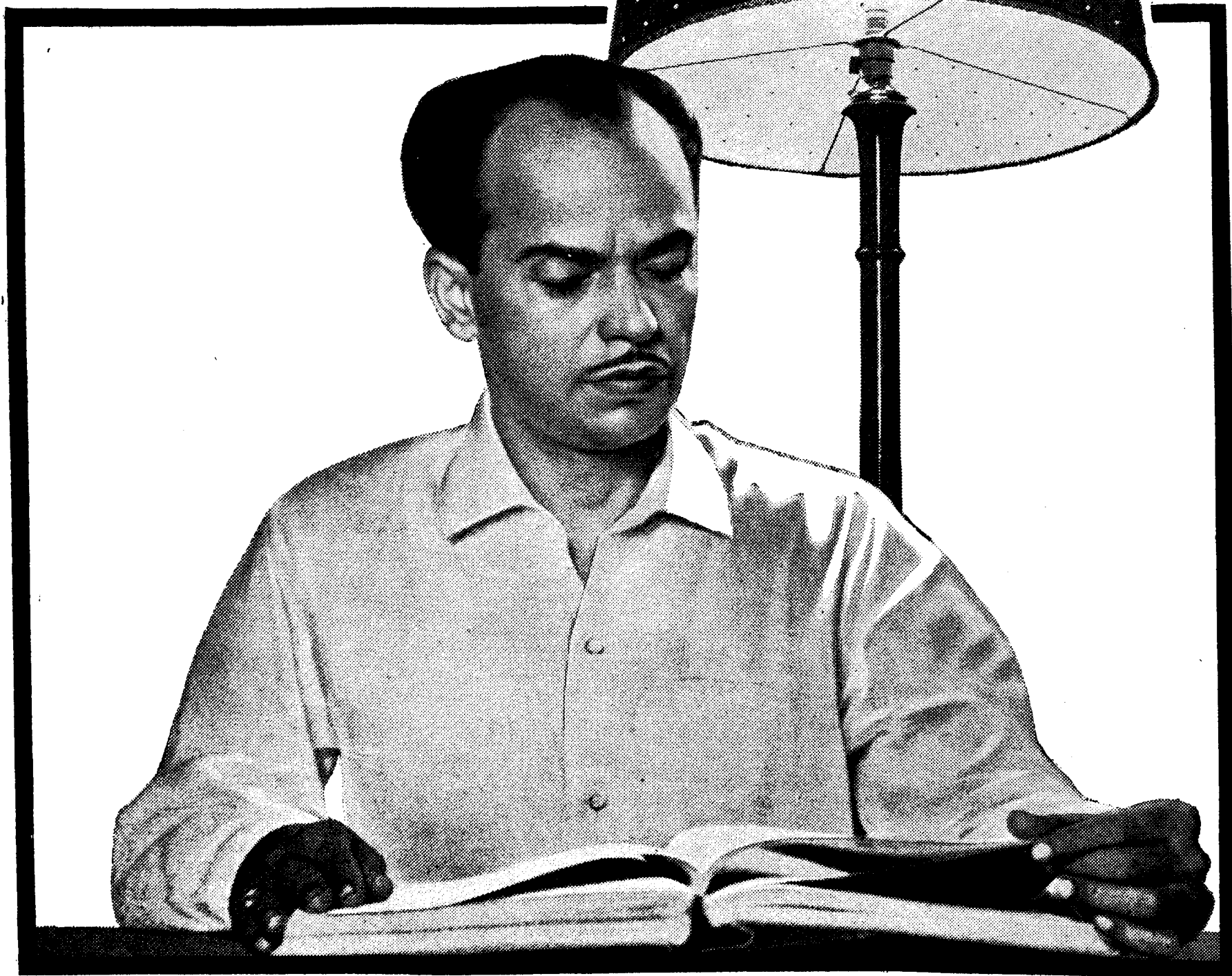
In spite of a slight fall in the sales from Rs. 2.10 crores to Rs. 2.07 crores, the gross profit of the Ahmedabad New Cotton Mills has recorded a good rise from Rs. 19.85 lakhs to

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Sarin burns the midnight oil...looking into oil



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Rs. 21.82 lakhs. The dividend has been maintained at Rs. 20 a share. The directors also propose to issue 10,000 equity shares at par. These are being offered to existing shareholders in the ratio of one share for two held. Appropriations of the year's profit include depreciation Rs. 14.88 lakhs (against Rs. 10.96 lakhs), development rebate reserve Rs. 5.90 lakhs (against 5 lakhs), taxation nil (against Rs. 2.10 lakhs), donation Rs. 82.951 (against Rs. 53.900), preference dividend Rs. 49,000 (the same) and equity dividend Rs. 3.99 lakhs (against Rs. 3.97 lakhs). The directors have had to withdraw Rs. 5.10 lakhs from general reserve.

The Raipur Mills has made a gross profit of Rs. 44.16 lakhs, against Rs. 39.96 lakhs in 1962. The dividend has been maintained at Rs. 24 a share. The provision for depreciation has been raised from Rs. 8.76 lakhs to Rs. 11.96 lakhs, and that for the development rebate from Rs. 3.10 lakhs to Rs. 5.45 lakhs. A sum of Rs. 10.50 lakhs (against Rs. 12.85 lakhs) has been set aside for taxation and another Rs. 1.43 lakhs (against Rs. 1.62 lakhs) has been provided for short provision for tax concerning the previous year. Donations account for Rs. 1.16 lakhs (against Rs. 67,000) and dividends absorb Rs. 12.45 lakhs (the same).

on 12th March, 1964. The production of crude oil amounted to 2.4 million barrels, against 2.3 million barrels.

The subsidiary Company, Pakistan Oilfields Ltd., has produced 307,552 barrels, against 182,166 barrels. The oil exploration programme is continuing. It has been mentioned that the policy of the Government of Pakistan is to encourage the use of indigenous fuel, so it has actively supported the formation of a new Company called Sui Northern Gas Pipelines Ltd. The object of this Company is to transport Sui gas to northern Pakistan. In view of the wishes of the Pakistani Government to control all indigenous gas distribution, it has been decided to sell the gas pipelines to Sui Northern for Rs. 45 lakhs under an agreement, which guarantees Attock Oil an outlet for all its gas at the existing ex-field price, but subject to a reduction for quantity. The system has already been taken over by Sui Northern from 1st January, 1964.

Bank of India Expanding

THE chairman of the Bank of India, Mr. A. D. Shroff, has devoted the major part of his annual statement to the shareholders to the controversy over the nationalisation of commercial banks. This is hardly surprising because despite the Central Finance Minister's firm stand

against the bank takeover, uncertainty continues about the future of the banking industry due to the increasing political pressure for the nationalisation of banks. Mr. Shroff says that a close study of the use to which bank deposits have been put will convince any objective student of the subject that commercial banks in India have been responsible for providing substantial resources, for both working and medium-term capital to industry, trade and commerce. Mere nationalisation of banks will not automatically provide additional funds for the development of the country. As long as the private sector is to continue to exist and play an important role in the economic life of the country, an agency has to be provided for the smooth running and expanding activities of the private sector. The most effective agency for that, Mr. Shroff says, is the commercial banks. In recent years, the latter have started playing an important rôle in providing medium-term finance to a number of industries. Besides, banks are making no small contribution towards Government, local self-Government bodies and public utility services in their borrowing programmes.

Mr. Shroff has refuted the allegation that big commercial banks cater only to big business and that they are owned and controlled by a limited number of persons. Of the total number of about 11,500 borrowers of the Central Bank as on 31st Decem-

ber, 1963, about 4,450 borrowers and sanctioned limits up to Rs. 10,000 and about 4,970 had sanctioned limits between Rs. 10,000 and Rs. 100,000. This means that nearly 82 percent of the total number of borrowers of the bank had sanctioned limits below Rs. 100,000. Of the over 12,000 shareholders of the bank, 11,179 are said to own shares between one and 100 each. Again, under the recent amendments to the Banking Companies Act, the voting rights of an individual shareholder, irrespective of his holding, are restricted to only 1 percent of the total voting rights. Mr. Shroff has expressed the hope that ultimately wiser counsels will prevail and that the political demand for nationalisation will yield to a better appreciation of the vital rôle played by banks in the developing economy of the country.

Referring to the operations of the Bank of India in 1963, the chairman says that they were quite satisfactory, with deposits increasing from Rs. 157.1 crores to Rs. 173.9 crores and advances moving up from Rs. 127.2 crores to Rs. 135.9 crores. After making provision for taxation, the profit of the bank increased from Rs. 1.11 crores to Rs. 1.25 crores. The bank opened 37 new branches in different parts of the country, bringing the total number of branches to 137. It has a programme of opening 20 to 25 new branches during 1964. Recently, the directors have decided to make an experiment of providing

Progress of Indian Iron Expansion Scheme

THE price of Indian Iron shares has dropped to Rs. 24.48 mainly due to the general deterioration in sentiment. The corporate news has in the meantime been fairly encouraging. The Company has launched a large-scale expansion scheme for raising the production of coal in the Jharia area from 240,000 tons to 1.5 million tons a year. The entire production will be used in the Company's steel works in Burnpur. The World Bank has agreed to provide the necessary foreign exchange for the project. An order worth more than £13 million has been placed with the General Electric Co of India (Private) Ltd. in conjunction with the G.E.C. (Engineering) Ltd. A substantial part of the winding installations will be executed locally while the remainder will be made in the U.K.

The installation will comprise all the necessary equipment to handle coal, materials and men. The G.E.C. expects to begin delivering the equipment towards the end of 1964, but the completion of the entire order may be spread over three years. Two sites, namely, Jitpur and Chasnalla in the Jharia area, are likely to benefit from the expansion scheme. The coal from mines in Jitpur will be transported by an aerial ropeway to a coal-preparation plant in Chasnalla, where together with the Chasnalla colliery coal, it will be washed and graded. Later it will be transported by an aerial ropeway over a long distance to the Burnpur steel works.

Prospects for Attock Oil

IN a statement issued by the Attock Oil Co. Ltd., it has been stated that the profit for the year ended December 1963, may not be as large as that for 1962, although production has been about 3 percent higher. The selling prices of the Company's products were reduced on 1st August, 1962, by the elimination of the remaining freight protection. The directors have declared an interim dividend of 1s. free of U.K. income tax, for each £1 unit of stock payable

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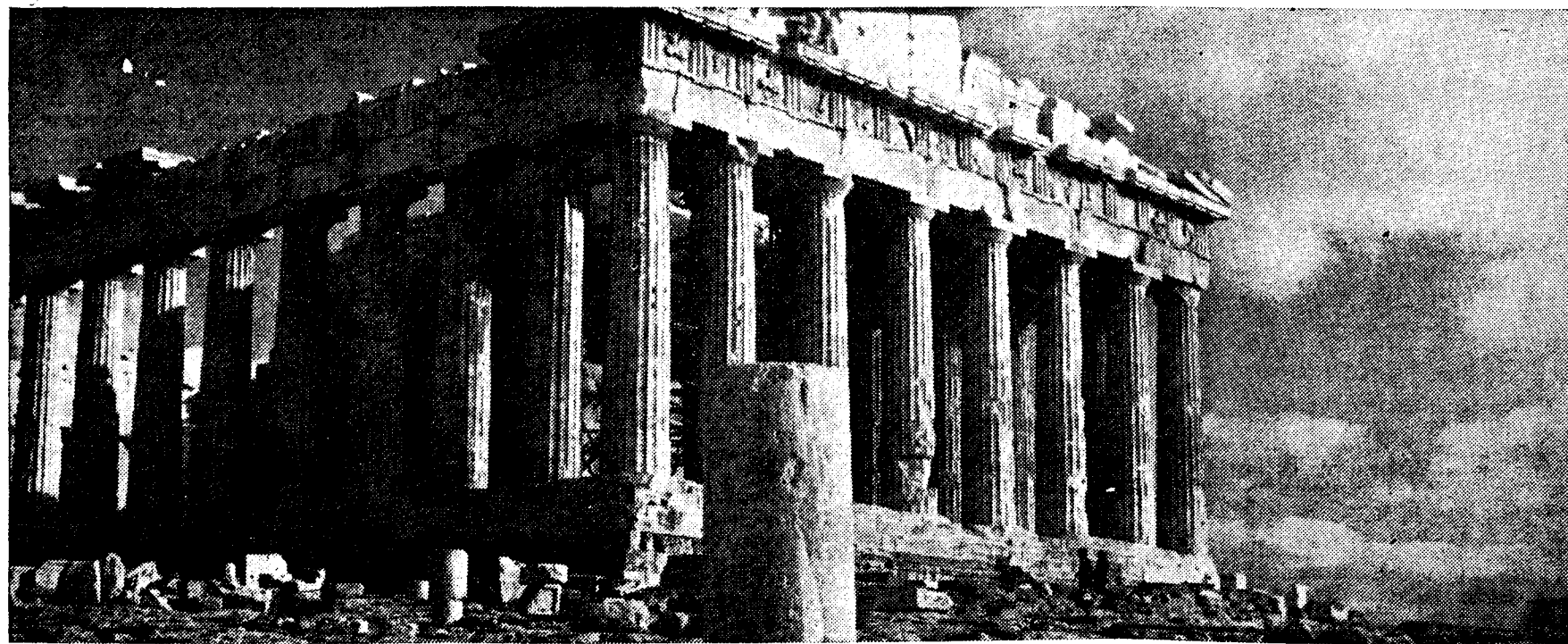
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1. A KLM DC-8 jet leaves for Europe on Saturdays from Calcutta, on Tuesdays from Delhi and on Mondays, Tuesdays, Thursdays, Fridays, and Saturdays from Karachi.

2. KLM's flight from Calcutta leaves on Saturday at 20.30 hrs., arriving Athens on Sunday 05.30 hrs.

3. From Athens, this flight goes to Zurich on its way to Amsterdam, providing you with yet another attractive possibility! Arrival: Zurich Sunday at 08.00 hrs. Arrival: Amsterdam Sunday 09.55 hrs.

4. KLM's flight from Delhi to Amsterdam leaves on Tuesday at 21.55 hrs., arriving Athens on Wednesday at 05.55 hrs. Arrival: Amsterdam (via Frankfurt) Wednesday at 10.05 hrs.

5. Both these KLM flights from India can easily be connected at Karachi by passengers from Bombay and also from Delhi and Calcutta.

6. In Amsterdam, these services link up with daily non-stop KLM flights to New York and with frequent flights to Houston, Montreal and Mexico City.

7. On the Amsterdam-New York route, KLM will have 24 DC-8 jet flights a week during the peak season—17 non-stop, 5 via Glasgow and 2 via Shannon.

8. Between Amsterdam and Montreal, KLM operates five/six DC-8 jet flights a week, with three of them continuing to Houston and Mexico City.

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9. KLM has its own air-conditioned resthouse at Karachi airport, called "Midway House". It has spacious, comfortable rooms with shower baths and provides many facilities such as a supervised nursery, a barber shop, a souvenir and carpet shop and a floodlit tennis court. The service there matches the standards of a good European hotel.

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11. Make your choice of a number of attractive organised tours, planned to provide visitors to Greece with comfortable and easy means of access to every point of interest in the country. Contact KLM for full particulars regarding the number of days involved and the routing.

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Frankfurt, Dusseldorf, Brussels, Paris, London, Amsterdam—all for the price of your ticket to New York. Ask KLM for details of other stopover possibilities.

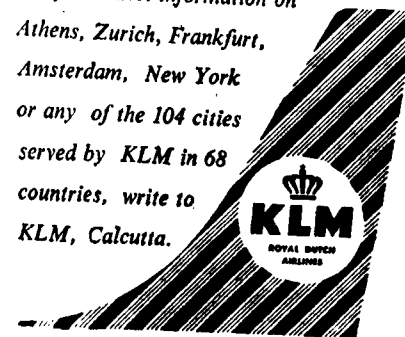
14. When flying via Amsterdam, you can do a lot of interesting things at the airport. Shop for luxury bargains at the Tax-Free Shopping Centre. Buy a tax-free car at ShipSide Showroom. Take a Minotour of Amsterdam. Visit the airport's fascinating aeronautical museum.

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16. Your Travel Agent will tell you more about the advantages of flying KLM. Get in touch with him or contact the nearest KLM Office, Calcutta—7, Chowringhee Road; Delhi—9A, Connaught Place; Bombay—Taj Mahal Hotel.

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banking facilities through mobile banks, to start with, in Gujarat and Delhi.

Ambica Mills Sales Up, Profit Down

THE directors of Shri Ambica Mills have deferred a decision on the dividend for 1963 as they wish to await the Finance Minister Mr. Krishnamachari's verdict on various representations against the tax proposals, especially the dividend tax. The Company's working results for 1963 show a setback from the previous year. In spite of some 13 percent increase in the sales from Rs. 5.56 crores to Rs. 6.29 crores, the gross profit is lower at Rs. 1.41 crores, against Rs. 1.50 crores. Appropriations include depreciation Rs. 19.39 lakhs (against Rs. 15.15 lakhs), development rebate reserve Rs. 11.13 lakhs (Rs. 4.67 lakhs), taxation Rs. 57.40 lakhs (against Rs. 67.20 lakhs), donation Rs. 1.03 lakhs (against Rs. 6.80 lakhs) and general reserve Rs. 45 lakhs (against Rs. 13.53 lakhs).

National Rubber to Issue Rights

NATIONAL Rubber Manufacturers Ltd has increased its profit from Rs. 11.41 lakhs for 1962 to Rs. 22.44 lakhs for the year ended December 1963. Bringing in Rs. 75,633, there is an available balance of Rs. 23.20 lakhs for distribution. The taxable ordinary dividend has been increased from 8 percent to 10 percent to absorb Rs. 5 lakhs. The yield amounts to 8 percent at the present price of Rs. 12.50 a share of Rs. 10 each. Development rebate reserve is allocated Rs. 53.265 (against Rs. 46.307), taxation Rs. 11.80 lakhs (against Rs. 5 lakhs), dividend equalisation fund Rs. 2.50 lakhs (against Rs. 1 lakh) and general reserve Rs. 2 lakhs. The carry-forward amounts to Rs. 58,629. The Company has been granted an industrial license to expand the production of bicycle tyres and tubes, v-belts and fan-belts. It will set up a factory to reclaim rubber. It proposes to issue rights ordinary shares for Rs. 50 lakhs in the proportion of one new share for every share held on par to finance expansion.

Arbuda Skips Dividend

ARBUDA Mills—a subsidiary of Shri Ambica Mills—has again skipped the dividend for 1963 in order to reduce the brought forward losses. The Company's working results for 1963 are, however, better than in 1962. Sales have gone up from Rs. 2.07 crores to Rs. 2.49 crores and the gross profit is up from Rs. 16.98 lakhs to Rs. 17.51 lakhs. After providing Rs. 8.09 lakhs (against Rs. 7.66 lakhs) for depreciation, Rs. 1.27 lakhs (against Rs. 1.77 lakhs) for development rebate reserve and Rs. 31.450 (against Rs. 63,000) for donation, the net profit amounts to Rs. 7.82 lakhs, against Rs. 6.92 lakhs in the preceding year. This has been carried forward to reduce the past losses to Rs. 26.01 lakhs.

Krishna Industrial Corporation Repeats

THE working of Krishna Industrial Corporation Ltd for the year ended September 1963 has resulted in a net profit of Rs. 3,75,815, compared with Rs. 3,85,843. With the amount of Rs. 2,389 brought forward, and

with Rs. 59,307 being excess provisions written back, the total available for appropriation comes to Rs. 4,37,511. Out of this, the provision for tax amounts to Rs. 1,70,000 (against Rs. 1,85,000). Short provision for taxation in the previous year amounted to Rs. 10,548. Contribution to the National Defence Fund amounts to Rs. 5,000. A sum of Rs. 50,000 is transferred to general reserve (against nil). A sum of Rs. 2,01,750 is transferred to dividend reserve (against Rs. 2,52,000). The balance of Rs. 213 is carried forward. The directors have recommended a dividend of 8 percent (the same), and this dividend will be paid out of the dividend reserve.

The directors' report says that due to keen competition from new producers of carbon dioxide, the profit from the Vuyyuru unit has undergone a further reduction. A sum of Rs. 1,11,312 was received during the year from the Jeypore Sugar Company Ltd, being 25 percent of the profits of their Chagallu unit for the year ended June 1963, due to this Company, according to the arrangement. The erection of the Company's sulphuric acid and superphosphate plants in Nidadavole has been completed and this unit, it is expected, will go into production during March 1964. The workshops section of this unit worked to full capacity and contributed Rs. 1,38,713 to the profits of the year of account. Since the close of the financial year, the Company's appli-

cation to the Andhra Pradesh State Financial Corporation for a loan of Rs. 20 lakhs was sanctioned.

Bank of Tokyo Earns Less

THE Bank of Tokyo Ltd has earned a profit of Rs. 5.73 lakhs for the year ended December 1963, compared with one of Rs. 6.04 lakhs for 1962. Interest paid on deposits and borrowings rose from Rs. 46.63 lakhs to Rs. 59.84 lakhs while interest and discount earned improved from Rs. 77.73 lakhs to Rs. 91.83 lakhs. Deposits rose from Rs. 4.74 crores to Rs. 9.89 crores. Advances increased from Rs. 11.68 crores to Rs. 14.87 crores and investments from Rs. 1.33 crores to Rs. 3.35 crores. Cash stood at Rs. 1.02 crores, against Rs. 63.94 lakhs.

Bank of Baroda Profit Up

THE Bank of Baroda Ltd has declared a taxable dividend of 20 percent, including an interim of 8 percent, for the year ended December 1963. The profit has risen from Rs. 63.19 lakhs to Rs. 75 lakhs. Interest and discounts earned improved from Rs. 5.07 crores to Rs. 6.12 crores and interest paid on deposits and

borrowings rose from Rs. 2.97 crores to Rs. 3.47 crores. Deposits amounted to Rs. 140.17 crores, against Rs. 113.96 crores. Cash rose by Rs. 4 crores to Rs. 14.78 crores. Investments were up from Rs. 26.09 crores to Rs. 30.60 crores and advances jumped from Rs. 84.79 crores to Rs. 105.81 crores. The bank opened several branches during 1963. The total number of branches amounts to 189 in India and 15 in foreign countries. The bank took over the banking business of the Umbergaon People's Bank (Private) Ltd on 1st January, 1964. Out of the profit, the reserve fund is allocated Rs. 15.50 lakhs (against Rs. 12.75 lakhs), special reserve Rs. 20 lakhs and the bonus to staff Rs. 24 lakhs (against Rs. 22 lakhs). (The balance-sheet of the bank is printed on a later page in this week's issue of Capital.)

Maiden Dividend from Prabhat Udyog

THE Rs. 100-paid share of Prabhat Udyog Ltd is currently quoted around Rs. 70.30. This reflects essentially the continuing slump in the capital market. The Company's working results for the year ended August 1963, are not unencouraging and the shareholders have every reason to feel happy over the 6 percent maiden dividend. In spite of labour strike for about eight months during



ANNOUNCEMENT

HINDUSTAN ALUMINIUM CORPORATION LIMITED has pleasure to announce that its Rolling Mill and Extrusion Press are in the process of installation at Renukoot (Dt. Mirzapur) Uttar Pradesh and will soon come into production.

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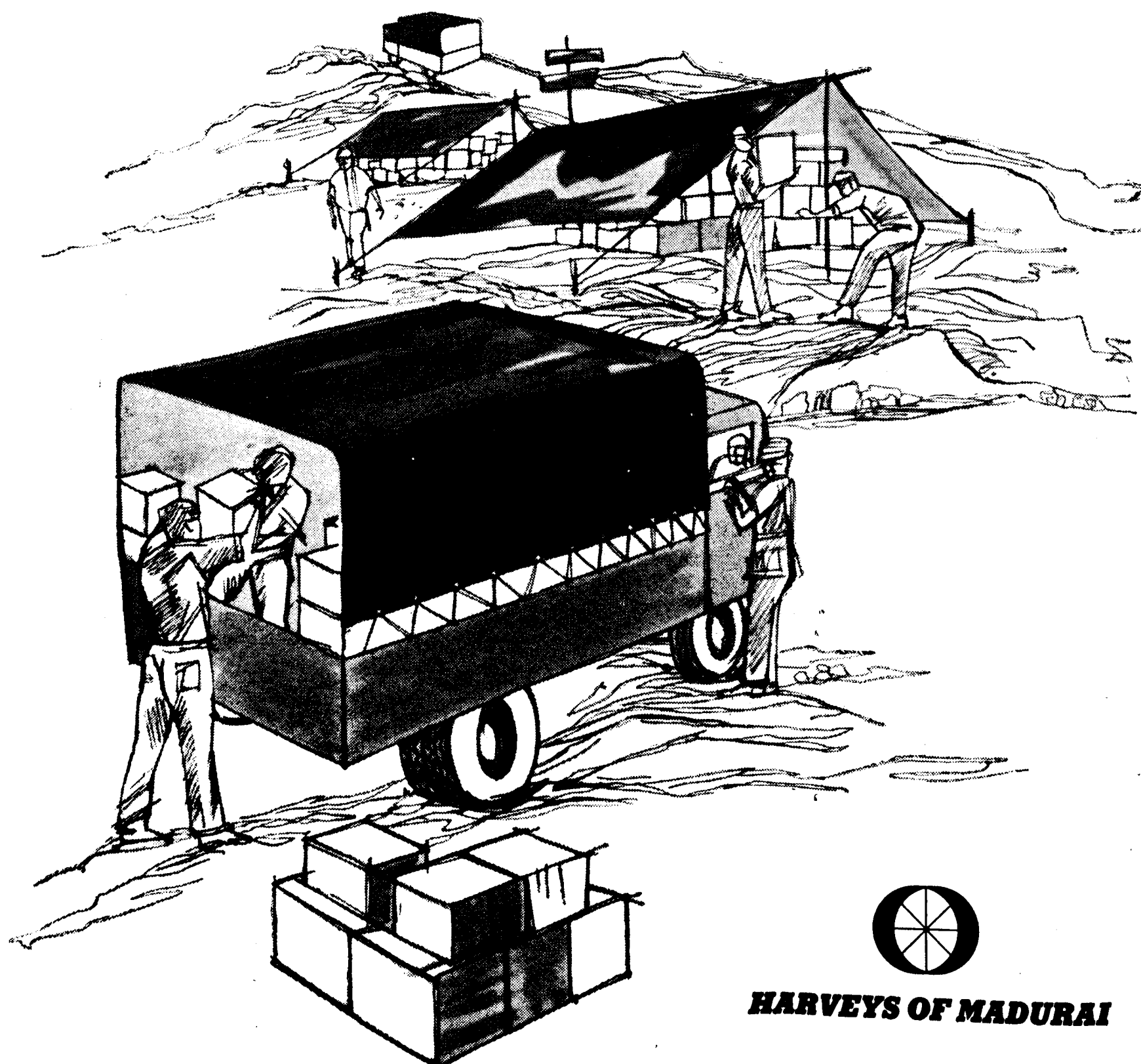
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83-MMC-7C

26th March, 1964.

the year, the Company's total sales amounted to Rs. 82.16 lakhs on which it made a profit of Rs. 10.31 lakhs after writing off the preliminary and share issue expenses amounting to Rs. 34,031.

The directors have provided Rs. 1.34 lakhs for depreciation, Rs. 9,380 for development rebate and Rs. 4.05 lakhs for taxation. The proposed 6 percent maiden dividend absorbs Rs. 3.60 lakhs. After adjusting the deficit of Rs. 9,413 brought forward from the previous year, there remains a surplus of Rs. 1,366 to be carried forward. Prabhat Udyog Ltd. it might be noted, took over the business of Prabhat (Stove and Lamp) Products Pvt. Ltd. as a going concern in June 1961, and it raised Rs. 29.40 lakhs from the public in June 1962 for the expansion of its activities.

Southern Gas to Enter Market

THE Southern Gas Ltd which proposes to set up a factory in Udyog Mandal in Ernakulam (Kerala State) for the manufacture of oxygen and dissolved acetylene, will soon be in the market to raise Rs. 12.50 lakhs of equity capital through public subscription. The Company has been licensed to manufacture 60 million cubic feet of oxygen and 12 million cubic feet of dissolved acetylene a year. Initially, the Company proposes to establish a plant for compressing 30 million cubic feet of oxygen and 10 million cubic feet of dissolved acetylene. The total cost of the project is estimated around Rs. 40 lakhs, of which Rs. 31 lakhs is likely to be spent on land, building, plant and machinery and cylinders.

The import content of the Company's manufacturing programme is placed around Rs. 29 lakhs and it has already been given an import licence for Rs. 25 lakhs. The cost of the project is proposed to be met by the issue of share capital of Rs. 22.50 lakhs, loans of Rs. 14.50 lakhs and deposits of Rs. 3 lakhs. Machinery worth Rs. 6.30 lakhs is being imported from East Germany and cylinders worth Rs. 9 lakhs are being secured from Yugoslavia. The Company has an authorised capital of Rs. 50 lakhs, of which Rs. 22.50 lakhs is being issued for the present. Of the issued capital, shares worth Rs. 10 lakhs have been taken up by the promoters, directors and their associates. The balance of Rs. 12.50 lakhs to be offered for public subscription has been underwritten.

Blue Star-Worthington Share Offer

BLUE Star Engineering Company of Bombay and the Worthington Corporation of the U.S.A. have joined hands to undertake the manufacture of a wide variety of industrial refrigeration and air-conditioning equipment. The project is estimated to cost Rs. 45 lakhs, and it will be financed by share capital of Rs. 25 lakhs and borrowings of Rs. 20 lakhs. The Company has been licensed to import plant and machinery worth Rs. 14.43 lakhs. If all goes well, the factory will be ready for production by about the middle of next year. The construction work is likely to start soon. A new Company known as Blue Star-Worthington Ltd has been set up to implement the project. It will have an authorised capital of Rs. 50 lakhs—all in equity shares of Rs. 10 each. The issued capital will be Rs. 25 lakhs. Of this, Rs. 12.80 lakhs will be taken up by the U.S. firm. Shares worth Rs. 6 lakhs are being taken up by the directors, friends and employees of Blue Star.

The balance of Rs. 6.20 lakhs will soon be offered for public subscription.

New Capital Issues

FIVE companies have been authorised to raise fresh capital exceeding Rs. 2.33 crores. Of these, two are issuing bonus capital to existing equity shareholders in the proportion of one bonus for every five shares held. One company is floating debentures, another equity shares and the fifth equities plus preference shares. The debentures will be offered to the public for cash at par. One of the companies is a Central Government undertaking. The consent of the Controller of Capital Issues is valid for 12 months in all cases. The following are the details:

Century Spinning and Manufacturing Company Ltd, Bombay, is to issue Rs. 50,98,200 bonus capital in 50,982 equity shares of Rs. 100 each on capi-

talisation of the Company's reserves to a like extent. The bonus shares will be allotted to existing equity shareholders in the proportion of one bonus for every five shares held.

Bachhraj Factories Private Ltd, Bombay, is to issue further capital of Rs. 3 lakhs in 600 equity shares of Rs. 500 each, as bonus shares on capitalisation of reserves. The shares will be issued in the proportion of one for every five equity shares held.

Indian Drugs and Pharmaceuticals Ltd, Delhi, a Central Government undertaking, will be issuing further capital of Rs. 1 crore divided into 10,000 equity shares of Rs. 1,000 each for cash at par. The money will be utilised for financing the drugs and surgical instruments plants.

Dishergarh Power Supply Company Ltd will be issuing Rs. 30 lakhs debenture stock in units of Rs. 1,000 each carrying 7 percent rate of interest and redeemable in 1976. All the debentures will be offered to the public for cash at par. The capital will be used for the extension and

augmentation programme of generating station and distribution system.

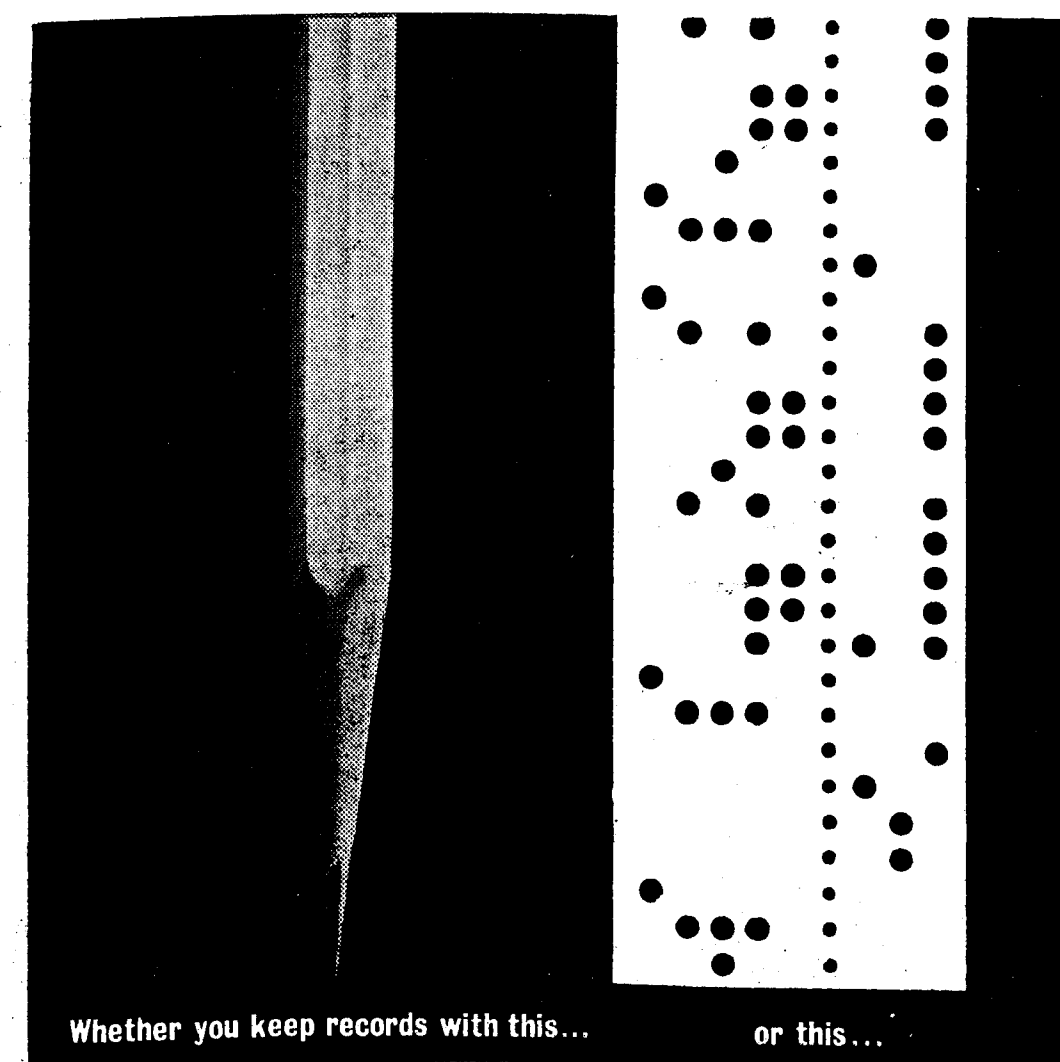
Gujarat Insulators and Ceramics Ltd are to issue Rs. 50 lakhs capital in 400,000 equity and 100,000 preference shares of Rs. 10 each. All the shares will be issued for cash at par. The money will be used on the Company's project for the manufacture of H.T. and L.T. insulators.

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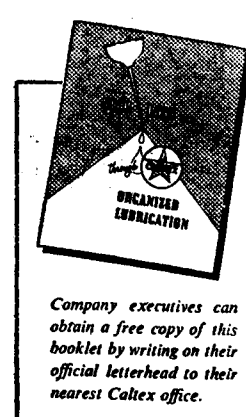
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AEI is India's largest supplier of electrical equipment and the Commonwealth's biggest. 60 AEI factories and 100,000 employees the world over manufacture every type of equipment for the generation, distribution, control and use of electricity. Many of the important men in electrical engineering in India and abroad who buy and use AEI equipment were originally apprenticed in AEI factories. They are unanimous on one point: they owe a great deal to the intensive training given by AEI.

Remember how the acorn grew into an oak

From a small start in 1941 with 150 workers and an output of Rs. 1.5 lakhs annually, the AEI factory in Calcutta has grown into an important manufacturing unit. Today, it employs 726 men



and produces a wide range of electrical equipment. AEI also markets lamps and fans in India and plans to extend its lines of industrial and domestic appliances. 'The aim,' says Works Manager C. M. Meek, 'is to increase productivity using the same manpower and machinery.'

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AEI helps in the training of engineers the world over. In AEI's British factories more than 6,000 apprentices are undergoing training. 250 AEI U.K. trained engineers are now working at Heavy Electricals (India) Limited, Bhopal, where AEI are consultants; another 150 Bhopal-destined engineers are under training with AEI U.K. In addition 500 Indian engineers have taken their training in AEI's U.K. factories. This is a record believed to be unsurpassed by any other electrical engineering company operating in India. AEI's factory near Calcutta takes on 6 to 12 graduate engineers every year on a two year course. It also trains, by special arrangement with the Government, senior officers from defence services like the Navy. The training school at Bhopal, for which AEI are consultants, can train 3,000 men at a time. 6,200 trainees have registered so far; 4,200 have completed training; the rest are still under training. On graduation, some will be absorbed by the project; others will work at similar projects in different parts of the country. The Bhopal training school is fast becoming an important seat of technical learning in India.

40 years is a responsible age

In India, AEI's activities date back about forty years and include contributions to the Bhakra Dam power project (Punjab's latest and India's largest), the steel works at Durgapur and the 720 mile oil pipeline in Assam. Worldwide, AEI has many impressive achievements to its credit—the largest generating sets ever made for British power stations; locomotives and traction equipment for British and Indian railways; switchgear, cable and generators for the vast hydro-electric schemes at Kariba and Owen Falls in Africa; a large rectifier installa-

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BIGGER CARRYFORWARD CHARGES FOR LEADING SCRIP

Wednesday Evening.
THE Calcutta stock market has again been dull and quiet during the past week. Selling pressure has decreased slightly, but support has been lacking. The carry-forward charges, particularly for a few leading scrip, have been bigger than at the previous settlement. Indian Aluminium and Dunlop Rubber have been subjected to higher carry-forward charges due to the closing of books. The bigger carry-forward charges are responsible for a decline in the price of Birla Jute.

Lyons Range continues to be depressed since the outlook for equities has suffered greatly due to the latest Central Budget. At the annual general meeting of the Calcutta Stock Exchange Association held last Tuesday, the chairman pointed to the harmful effects of the new levies on the corporate sector. The replacement of the super profits tax by the surtax on profits is unlikely to give any relief to the corporate sector. In fact, some companies which have hitherto escaped the S.P.T. will have to bear the burden of the surtax. The provisions in the S.P.T. to make an initial deduction of 10 percent and carry forward any deficiency in profits have been scrapped in the case of the surtax. The changes in gift and wealth tax and estate duty will affect investment.

In the circumstances, investors have preferred to hold off. Weak holders have been compelled to sell to cut their losses. So share prices have dropped. Towards the close, selling pressure has declined mainly due to purchases by the Life Insurance Corporation and the Unit Trust.

Operators have also been disturbed by unfavourable political developments. The tension between India and Pakistan has been growing. Although the recent meeting of the Aid India Club has encouraged the hope that India will be given generous foreign assistance, sentiment continues to be depressed. The worry of investors centres on the dividend tax of 7½ percent and the levy of capital gains tax on bonus shares. In view of these two levies, it is difficult to see how the stock market will improve to any great extent in the near future.

Indian Iron have fluctuated narrowly. The news that the Company has begun implementing its programme to increase coal output for meeting the requirements of the steel works in Burnpur has been overlooked. Except for Texmaco, which have met with short-covering, engineering shares have generally declined. Guest, Keen, Williams, Burn, Jessop and Indian Standard Wagon have quoted lower. Scattered business has been transacted in Dalmia Iron.

Attention has centred on clearing shares in the miscellaneous section. Dunlop Rubber have dropped considerably on the news that the Company will increase the authorised capital by Rs. 5 crores to Rs. 12½ crores through the creation of 5 million unspecified shares of Rs. 10 each. The object is to raise funds to meet the needs of the expanding business. Union Carbide, Indian Oxygen and Metal Box have declined. India Steamship have weakened appreciably on a predominance of sellers. New shares have been depressed and most of them have quoted below par. Paper shares have been quiet and

turnover has largely been confined to Orient. Seshasayee, Titagur and Bengal have also lost. Bank shares have been neglected and stray business has been done in United Commercial and United Bank. Sugar shares have been difficult to transact in the absence of buyers. The poor outlook during the current season has been a major disincentive.

Jute shares have weakened and turnover has declined. The sluggishness of foreign enquiries for jute goods has caused a great deal of concern. The decision to force mills to cern. The decision to force mills to buy more mesta has been disturbing because they are already having large stocks of inferior and unusable fibre. Coal shares have slipped back. Interest and prices have been slack. The decline in the demand for coal is being interpreted bearishly. Prices of cotton mill shares have weakened, Elgin in the absence of support. Elgin have been offered freely on the decision to cancel the issue of bonus shares. Stray business in selected tea shares has been done and fluctuations have been narrow. It is feared that dividends for 1963 may have to be reduced, compared with those for 1962.

Government securities have been dull and quiet. Institutional support has been lacking in the belief that the Government may increase the rate of interest on its new borrowings. The 3 percent Conversion loan 1966 has quoted Rs. 63.05.

Bombay

SELLING PRESSURE DECREASES COMPANY NEWS HELPS SENTIMENT

Wednesday Evening.

THE Bombay stock market has started the new account in a slightly steadier mood mainly due to the abatement of the selling pressure. Purchases of selected shares by the Life Insurance Corporation and the Unit Trust have helped to reduce the size of floating stocks. Good corporate news has contributed to some short-covering. Hindustan Lever has announced a higher final taxable dividend of 80p a share, ordinary dividend of 14 percent making a total dividend of 14 percent for 1963, against 12 percent for 1962. For 1963, against 12 percent for 1962, Kohinoor Mills has increased the final taxable ordinary dividend from 11 percent to 14 percent, making a total of 21 percent for the previous year. 18 percent for the previous year. The Killick Industries has raised the taxable ordinary dividend from 5 percent to 7½ percent.

Buyers have nevertheless been cautious and reluctant to extend commitments. It is generally thought that the Central Budget has weakened investment confidence to a great extent. The decision of the Reserve Bank to retreat to a stringent credit policy has been bearishly interpreted. It is feared that commercial banks will reduce their credit supplies to the stock market.

Tata Steel ordinary have recovered to Rs. 146.75 after an earlier decline. Tata Engineering, Premier Construction and Mukand Iron have lacked interest in the engineering section. Motor-vehicle shares, like Hindustan

Motors and Premier Automobiles, have lost. Cotton mill shares have rallied slightly towards the close mainly due to short-covering after an earlier decline. Kohinoor have been steady on declaring a higher dividend. Century have recovered on prospects of a bonus issue which has been sanctioned by the Controller of Capital Issues. Bombay Dyeing, Svadeshi, Standard and Morarjee have closed with small gains. India United ordinary have weakened on a predominance of sellers.

Turnover in miscellaneous shares has declined considerably. In the sugar section, scattered interest has been taken in Belapur and Phaltan. Among steamship company shares, Scindia Steam have recovered due to short-covering. Mining shares have been subdued, and Shivrajpur Syndicate have been sold freely. In cement shares, Associated Cement and Digvijay have been about steady. Chemical shares have been quiet, and Tata Chemical have lost. Indian Dyestuff have been weaker, but interest has been shown in Polychem. Rayon shares have on the whole been quiet. National Rayon have recovered slightly after a sharp fall earlier.

Interest in cash scrip has been negligible. In banks, scattered support has been extended to Central Bank and Bank of Baroda. Among electric companies, Ahmedabad and

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SWT-8C.1912

Bombay Suburban have been transacted at lower prices. Tata Power have been about steady.

Madras

SELECTIVE SUPPORT TO PLANTINGS

PROSPECTS OF DEARER MONEY CAUSE WORRY

Tuesday Evening.

DULL conditions have prevailed in the Madras stock market during the past week. Reports of a mild recovery in Dalal Street have been overlooked. Turnover has shrunk considerably. Investors have been worried by the prospect of dearer money. It is also feared that the shortage of funds for the stock market would be aggravated in the near future. Except for scattered support to selected planting shares, investors have preferred to sit on the sidelines. Government securities have been dull, and stray business has been transacted in selected State Government loans.

In banks, Indian Overseas have quoted Rs. 146.50 and Canara Banking Rs. 73. Selected electric company shares have been steady on institutional support. Negapatam have been done at Rs. 10.70 and Vellore at Rs. 15.62. Sugar shares have been easier, and Deccan have declined to Rs. 11.87. E.I.D. have been available at Rs. 36.50 and K.C.P. have been about steady at Rs. 24. Madura have been offered down to Rs. 9.44; the Company has changed its name from Madura Sugar and Allied Products Ltd to Madura Sugars Ltd.

In the planting section, Ouchterlony have quoted Rs. 4.40 on declaring a taxable ordinary dividend of 12½ percent. Blue Mountain have been sold at Rs. 2.38 and Cochin Malabar at Rs. 6.40. Consolidated Coffee have come to hand at Rs. 20.50 and Periakaramalai at Rs. 3.41. Peermade have been steady at Rs. 20.62 on good crop reports. Interest has been taken in Thamarappally up to Rs. 16.40. Nenmeny have changed hands at Rs. 22.55, T.R. and Tea at Rs. 10.20 and Nonsuch at Rs. 23. Kil Kotagiri have been transacted at Rs. 4.90, Chembra Peak at Rs. 4.75 and Kumergode at Rs. 4.

Among textile shares, Bangalore Woollen have been steady at Rs. 246 on declaring a higher final taxable ordinary dividend of 18 percent. Buckingham have been quiet at Rs. 292. South India Viscose have recovered slightly to Rs. 130.50 and Travancore Rayon to Rs. 24.50. Madura have lost at Rs. 35 and Lakshmi have quoted Rs. 134.50. Anglo-French have changed hands at Rs. 153.50 and Adoni at Rs. 9.60. Ramnarayan have quoted Rs. 93 and Tirupati Rs. 10.15.

Business in miscellaneous shares has been small. Aluminium Indus-

tries have dropped to Rs. 19.40 and Ashok Leyland to Rs. 6.85. Cement shares have been weaker. Dalmia Cement have been available at Rs. 12.95 and India Cement at Rs. 5.60. Among engineering shares, Indian Steel Rolling have quoted Rs. 9.95 and Southern Structure Rs. 11. Mettur Chemical have declined to Rs. 13.45, while Seshasayee Paper have met with support up to Rs. 8. Standard Motors have been barely steady at Rs. 10.33 and Tube Investment have been done at Rs. 214. Business has passed in Binny at Rs. 282 and in Aspinwall at Rs. 8.60. Kirloskar Electric have weakened to Rs. 18.40 and Madras Rubber to Rs. 14.37. Parry's Confectionery have been wanted at Rs. 3.31 and Spencer have gained at Rs. 22.37. Textool have quoted Rs. 42.50 and Mysore Paper Rs. 12.40.

THE WEEK'S TRANSACTIONS

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

CLEARED SECURITIES

Birla Jute—Rs. 33/50—33/62—32/94—33/19—(25/00).
Burrakur Coal—Rs. 15/87—16/19—15/87—16/12—(14/87).
Dunlop Rubber—Rs. 37/81—38/12—35/56—36/37—(32/00).
Guest, Keen, Williams—Rs. 25/25—25/37—24/62—25/06—(30/00).
Hindustan Motors—Rs. 18/34—18/44—18/00—18/37—(15/90).
Howrah Jute—Rs. 16/25—17/50—16/25—17/12—(19/00).
Indian Aluminium—Rs. 31/12—31/62—30/87—31/56—(29/75).
Indian Cable—Rs. 36/06—36/31—36/00—36/19—(32/00).
Indian Copper—Rs. 3/46—3/54—3/38—3/52—(4/10).
Indian Iron—Rs. 24/64—24/72—24/38—24/62—(19/70).
J. K. Cotton—Rs. 11/62—12/06—11/50—12/00—(12/81).
Jaipur Udyog—Rs. 11/62—11/69—11/50—11/69—(10/50).
Kesoram Industries—Rs. 26/00—26/81—25/81—26/69—(19/31).
Orient Paper—Rs. 37/50—37/65—37/00—37/30—(31/25).
Orissa Cement—Rs. 13/69—13/81—13/62—13/75—(14/50).
Rohtas Industries—Rs. 11/94—12/00—11/78—11/87—(10/75).
Shree Gopal Paper—Rs. 25/31—25/37—25/25—25/25—(22/75).
Textile Machinery—Rs. 27/00—28/20—26/75—28/10—(20/30).

GILT-EDGED

3 % Loan (1986)—Rs. 63/10—63/15—62/95—63/15.
3 % " (1966-68)—Rs. 97/90—97/90—97/90—97/90.
3½ % " (1964)—Rs. 99/90—99/90—99/90—99/90.
3½ % " (1969)—Rs. 97/07—97/10—97/07—97/10.
3½ % " (1968)—Rs. 99/43—99/43—99/40—99/40.
4 % " (1969)—Rs. 99/45—99/55—99/45—99/55.
4 % " (1972)—Rs. 99/25—99/25—99/25—99/25.
4½ % " (1973)—Rs. 100/00—100/00—99/95—99/95.
4½ % West Bengal (1974)—Rs. 99/50—99/50—99/50—99/50.
4½ % Loan (1986)—Rs. 100/30—100/30—100/30—100/30.
4½ % Madras (1972)—Rs. 97/98—97/98—97/98—97/98.
U.P. Zemindary Rehab. Grant Bond—Rs. 34/00—34/00—34/00—34/00.

RAILWAY

Arrah-Sasaram—Rs. 29/00—29/12—29/00—29/12—(27/00).

BANKS

United Bank of India (Rs. 10/- paid)—Rs. 8/20—8/31—7/81—7/81—(17/19).

United Commercial—Rs. 71/50—71/50—71/00—71/00—(72/50).

TEXTILES

Bharat Commerce—Rs. 22/00—22/31—22/00—22/31.
Cawnpore—Rs. 6/75—6/75—6/40—6/50—(6/94).
Jagatjit—Rs. 15/00—15/00—15/00—15/00—(15/25).
Jay Shree—Rs. 15/31—15/44—15/25—15/31—(12/81).
New Victoria—Rs. 1/44—1/47—1/41—1/41—(1/62).
Shree Madhusudan—Rs. 13/00—13/00—13/00—13/00.
Sutlej—Rs. 70/00—93/00—70/00—93/00.
Swadeshi (P.O.)—Rs. 6/50—6/50—6/50—6/50—(7/00).

COALS

Associated Karanpura—Rs. 5/12—5/12—5/12—5/12.
Do. (Pref.)—Rs. 39/50—40/00—39/50—40/00.
Bengal—Rs. 248/00—250/00—248/00—250/00—(265/00).
Bharat Collieries—Rs. 3/44—3/44—3/44—3/44—(3/53).
Burrakur (1st Pref.)—Rs. 98/00—98/00—98/00—98/00—(93/00).
Central India—Rs. 9/19—9/19—9/19—9/19—(8/75).
Ghusick & Muslia (Pref.)—Rs. 100/00—100/00—100/00—100/00.
Gourangdi—Rs. 7/25—7/25—7/25—7/25.
Pench Valley—Rs. 17/00—17/00—17/00—17/00—(19/12).
Rewa—Rs. 25/37—25/50—25/37—25/50—(28/50).
Western Bengal—Rs. 8/62—8/62—8/62—8/62—(7/50).
West Ghusick—Rs. 14/37—14/75—14/37—14/75.

JUTES

Champdany—Rs. 21/44—21/62—21/44—21/62.
Cheviot—Rs. 20/12—20/12—20/12—20/12—(23/62).
Dalhousie (Pref.)—Rs. 89/50—89/50—89/50—89/50—(88/00).
Fort William—Rs. 23/25—23/37—23/25—23/37—(26/00).
Fort Gloster—Rs. 251/00—253/00—251/00—253/00—(399/00).
Ganges—Rs. 13/25—13/37—13/12—13/37—(11/62).
Hukumchand—Rs. 19/44—19/75—19/44—19/75—(18/00).
Do. (Pref.)—Rs. 93/00—93/00—93/00—93/00—(92/00).
Kankarrah—Rs. 136/00—136/00—136/00—136/00—(127/00).
Kannath—Rs. 173/00—179/00—173/00—179/00—(151/00).
Kinnison—Rs. 121/00—121/00—118/00—118/00—(165/00).
Northbrook—Rs. 26/00—26/00—25/62—25/75—(29/00).
New Central—Rs. 11/94—11/94—11/81—11/94—(12/00).
Nuddea—Rs. 60/00—60/00—60/00—60/00—(57/00).
Presidency—Rs. 4/50—4/56—4/25—4/44—(5/12).
Reliance—Rs. 7/50—7/62—7/50—7/50—(6/25).
Union—Rs. 144/00—144/00—144/00—144/00—(146/00).

MININGS

Risra Stone Lime—Rs. 19/75—19/75—19/75—19/75.
Metal Corp.—Rs. 7/19—7/31—7/19—7/31—(7/25).

CEMENTS

Ashoka—Rs. 6/75—7/06—6/75—7/06—(7/00).
Bengal Potteries—Rs. 4/56—4/56—4/56—4/56—(5/66).
Dalmia (Bharat)—Rs. 12/81—13/06—12/81—12/87—(13/00).
Sone Valley—Rs. 4/19—4/31—4/09—4/25—(4/22).

CHEMICALS

Phosphate—Rs. 176/00—177/00—176/00—177/00.
Smith Stanistreet—Rs. 13/50—13/50—13/50—13/50—(13/37).

PUBLIC UTILITIES

Calcutta—Rs. 14/12—14/19—14/06—14/19—(14/25).
Cutack—Rs. 10/19 s.t.—10/44—10/19—10/44—(12/62).
Do. (Pref.)—Rs. 7/81—7/81—7/69—7/69.
Mirzapur—Rs. 7/40 s.t.—7/56—7/40—7/50—(12/00).
Patna—Rs. 10/12—10/12—10/00—10/12—(10/48).

CAPITAL, 26th March, 1964.

Upper Jamna—Rs. 18/25—21/25—18/25—21/19—(14/00).

ENGINEERING

Bharat Ball Bearing—Rs. 12/94—13/00—12/75—12/81—(12/37).
Binani Metal—Rs. 12/56—12/62—12/50—12/50.
Britannia Eng.—Rs. 9/81—10/00—9/73—9/94—(8/94).
Burn & Co.—Rs. 290/00—296/00—290/00—292/00—(495/00).
Bridge & Roof—Rs. 65/00—65/00—65/00—65/00.
Bhartia Elec. Steel—Rs. 14/75—14/75—14/75—14/75—(14/00).
Calcutta Steel—Rs. 13/62—13/87—13/62—13/87—(13/69).
Dalmia Iron—Rs. 11/44—11/75—11/44—11/75—(10/00).
Hindustan Wire—Rs. 9/56—9/62—9/56—9/56.
Indian Iron & Steel (Pref.)—Rs. 80/00—80/00—80/00—80/00—(84/50).
Indian Standard Wagon—Rs. 36/25—36/37—36/25—36/37—(30/37).
Jessop & Co.—Rs. 22/87—23/00—22/69—23/00—(21/06).
J. K. Steel—Rs. 16/44—16/44—16/31—16/37—(15/75).
Kumardhubi—Rs. 5/00—5/19—4/94—5/19—(6/87).
Marshall's—Rs. 2/44—2/50—2/34—2/34—(3/22).
Machinery Manufs. (Pref.)—Rs. 54/50—55/00—54/50—54/50.
National Iron & Steel—Rs. 5/75—5/87—5/75—5/87—(4/25).
Raymon Eng.—Rs. 4/37—4/56—4/37—4/56.

INSURANCES

New Asiatic—Rs. 7/31—7/31—7/31—7/31.
Ruby General—Rs. 10/44—10/44—10/44—10/44—(9/69).

MISCELLANEOUS

Aluminium Corp.—Rs. 12/25—12/37—12/25—12/37—(12/75).
Do. (New)—Rs. 12/06 s.t.—12/06—12/06—12/06.
Albion Plywood—Rs. 7/00—7/00—7/00—7/00.
Angelo Brothers—Rs. 23/75—24/00—23/75—24/00—(21/75).
Asiatic Oxygen—Rs. 12/00—12/06—12/00—12/06—(8/44).
Associated Battery—Rs. 23/75—23/75—23/75—23/75—(24/25).
Balmer Lawrie—Rs. 260/00—265/00—260/00—261/00—(257/00).
B. I. Corp.—Rs. 9/06—9/19—8/87—8/94—(8/69).
Calcutta Tramways—Rs. 10/56—10/62—10/56—10/62—(11/00).
Clive Row Investment—Rs. 8/25—8/37—8/25—8/37—(8/19).
Dunlop Rubber (1st Pref.)—Rs. 103/00—103/00—103/00—103/00—(103/50).
Eastern Investment—Rs. 107/00 x.d.—107/00—107/00—107/00—(129/00).
Electric Construction—Rs. 12/50—12/62—12/50—12/62—(12/12).
English Electric—Rs. 13/87—13/87—13/87—13/87.
Fort Gloster—Rs. 251/00—253/00—250/00—251/00.
General Tyres—Rs. 8/31—8/37—8/25—8/25—(8/37).
Gillanders Arbuthnot—Rs. 14/06—14/06—14/06—14/06—(13/81).
Hindustan Aluminium—Rs. 12/62—12/87—12/62—12/87—(11/87).
Do. (Pref.)—Rs. 110/00—110/00—110/00—110/00.
Hoare Miller—Rs. 5/25—5/25—5/20—5/20—(4/75).
Hindustan Twyford—Rs. 12/87—12/94—12/75—12/75—(13/50).
Hindustan Development—Rs. 3/75—4/00—3/50—3/87.
Hindustan Pilkington Glass—Rs. 14/00—14/00—14/00—14/00.
Indian Tack & Nail—Rs. 9/81—9/81—9/81—9/81.
Indian Forge & Drop Stamping—Rs. 7/25—7/25—6/94—7/25.
Indian Oxygen—Rs. 26/62—26/62—26/25—26/50—(26/75).
Imperial Tobacco—Rs. 9/62—9/75—9/62—9/75—(10/12).
India Carbon—Rs. 15/37—15/37—15/37—15/37—(20/37).
Indian Wood Products—Rs. 28/37—28/55—28/25—28/50—(31/25).
Isaac Holdens—Rs. 13/00—13/25—13/00—13/12—(15/75).
Jardine Henderson (Pref.)—Rs. 55/50—55/50—55/50—55/50.
Jayshree Tea Industries—Rs. 14/56—14/75—14/50—14/75—(15/25).
J. K. Synthetics—Rs. 11/50—11/56—11/50—11/50—(10/25).
Khandelwal Udyog—Rs. 6/00—6/00—6/00—6/00.
Metal Dist.—Rs. 4/19—4/25—4/10—4/25.

CAPITAL, 26th March, 1964.

Martin Burn—Rs. 27/87—27/87—27/87—27/87.
Do. (Pref.)—Rs. 80/00—80/00—79/50—79/50—(84/00).
Macfarlane & Co.—Rs. 6/06—6/19—6/06—6/19—(7/00).
Madhya Pradesh—Rs. 8/56—8/62—8/56—8/62.
Metal Box—Rs. 30/50—30/75—30/50—30/75—(42/00).
McLeod (2nd Pref.)—Rs. 59/50—59/50—59/50—59/50—(77/50).
National Standard Duncan—Rs. 76/50—78/50—76/50—77/50.
National Insulated Cable—Rs. 22/62—22/62—22/44—22/44—(25/00).
National Rubber Mfg.—Rs. 12/50—12/50—12/50—12/50—(11/62).
Nav. Bharat Vanija (Pref.)—Rs. 60/00—60/00—60/00—60/00.
National Pipes & Tubes—Rs. 28/12—28/12—28/12—28/12.
New India Investment—Rs. 65/00—65/00—65/00—65/00.
Phillips Carbon Black—Rs. 14/31—14/31—14/25—14/25.
Rohtas Industries ('B' Pref.)—Rs. 55/75—55/75—55/75—55/75—(52/50).
Sirsilk—Rs. 8/00—8/00—7/69—7/69—(8/06).
Schrader Scovill Duncan—Rs. 13/31—13/31—13/31—13/31.
Universal Cables—Rs. 11/44—11/75—11/44—11/69—(8/87).
Usha Martin Black—Rs. 16/31—16/31—15/75—15/87.
Union Carbide—Rs. 31/00—31/00—30/25—30/25—(29/00).
Universal Electric—Rs. 8/06—8/06—7/94—7/94.
Walford Transport—Rs. 3/41—3/44—3/41—3/44—(3/19).

PAPERS

Bengal—Rs. 27/12—27/12—27/00—27/00—(31/25).
India Paper Pulp—Rs. 18/56—19/00—18/56—19/00—(16/12).
Orient (2nd Pref.)—Rs. 62/00—63/00—62/00—63/00.
Do. (1st Pref.)—Rs. 91/00—91/00—91/00—91/00.
Shree Gopal (2nd Pref.)—Rs. 98/50—98/50—98/50—98/50—(98/25).
Srirup—Rs. 12/50—12/50—12/50—12/50—(10/81).
Star—Rs. 9/12—9/12—8/81—9/12—(10/00).
Do. (1st Pref.)—Rs. 91/00—91/00—91/00—91/00.
Seshasayee—Rs. 7/62—7/62—7/62—7/62—(7/44).
Straw Products—Rs. 9/87—9/87—9/87—9/87.
Titaghar—Rs. 15/69—15/75—15/31—15/50—(16/50).

PRESSING

Camperdown—Rs. 110/00—110/00—110/00—110/00—(104/00).

REAL PROPERTIES

Bengal Bonded Warehouse ('A' Share)—Rs. 995/00—995/00—995/00—995/00—(1,050/00).
Do. ('D' Share)—Rs. 45/00—45/00—45/00—45/00.
Hindustan Building—Rs. 3/25—3/25—3/25—3/25.
Hindustan Housing & Land Development—Rs. 60/00—60/00—60/00—60/00.
Midnapore Zemindary—Rs. 19/50—19/50—19/50—19/50—(9/25).
India Steamship—Rs. 6/87—7/03—6/72—7/03—(5/84).

SUGAR

Shree Krishna Gyanoday—Rs. 7/25—7/31—7/19—7/31—(7/00).

TEAS

Bormah Jan—Rs. 12/00—12/00—12/00—12/00—(16/12).
Baradighi—Rs. 23/31—23/31—23/19—23/25—(23/00).
Banarhat—Rs. 230/00—231/00—230/00—231/00—(255/00).
Bishnupur—Rs. 17/05—17/12—17/00—17/06—(15/62).
Grob—Rs. 7/00—7/00—6/87—6/94—(7/50).
Hantapara—Rs. 106/00—107/00—106/00—107/00—(103/00).
Methoni—Rs. 14/75—14/75—14/75—14/75—(18/50).
Min—Rs. 434/00—434/00—434/00—434/00—(101/00).
Malhatti—Rs. 16/50—16/50—16/50—16/50—12/25—12/25—(11/62).
Margaret's Hope—Rs. 9/75 s.t.—10/00—9/75—10/00—13/75—13/75—13/75—13/75—(14/25).
Pathemara—Rs. 7/69—7/81—7/69—7/81—(7/50).
Rydak—Rs. 25/19—25/19—25/19—25/19—(27/31).

BRITISH-AMERICAN TOBACCO CO., LTD.

EFFECTS OF HIGH OVERSEAS TAXATION

The following is an extract from the speech of Sir Duncan Oppenheim, Chairman of British-American Tobacco Company Limited at the Annual General Meeting held on 19th March, 1964.

The growth that might be expected in the markets of the less developed countries is often inhibited by the high rates of excise duties charged and such growth as we have been able to achieve has not brought a proportionate contribution to the Group's profits because of the increasing rates of Company taxation.

We appreciate the difficulties that these developing countries have to face in financing development programmes which are essential if they are to improve their standards of living. It is all too easy, however, for governments to treat taxation of company profits as a ready source of income capable of unlimited expansion and to lose sight of the fact that unreasonably high rates of company and personal taxation, while providing much needed finance in the short term, must inevitably discourage the overseas capital which these countries need to attract if they are to attain their objectives. The growing practice of imposing additional taxes on dividends either upon the shareholder or upon the company itself is to be deprecated, particularly when, as in some recent instances, these taxes have been imposed at specially high rates on dividends paid to non-resident shareholders. This is a form of discrimination which is immediately discouraging to the flow of risk capital and the consequences of such a policy do not take long to show themselves.

Balance of Payments Deficit

The increasing deficit in the balance of payments of developing countries, taking into account inter-governmental aid, exports and all other available measures, can only ultimately be met by substantial investment of private

capital, the demand for which is higher now than it has ever been. The chances of attracting it depend very much on the commercial, fiscal, monetary and administrative policies of the country requiring it, for—being a scarce commodity—it will flow to the places which show the best promise of net profitability as a reward of efficiency and enterprise. The availability of pioneer and other concessions to new investors will not in itself be effective in attracting overseas capital if the prospect is that taxation will be too onerous when the pioneer period expires. Thus the maintenance of a reasonable level of taxation on existing investments is as essential for a country wishing to attract foreign capital as is the assurance of political stability, fair and non-discriminatory treatment and freedom to remit dividends and to repatriate capital eventually. Indeed, I regard excessive taxation, whether in the form of excise duties or in the form of profits taxation as a greater threat to the Group's expansion in the developing countries than the political risks that have attracted so much attention in recent months.

I am, of course, very much aware of the great economic difficulties facing those developing countries which, understandably, want to expand and diversify their economies as rapidly as possible. The difficulties are bound to be considerable and call for positive solutions, which should be arrived at by agreement between the developing and the industrialised countries. An important part of our business is bound up with the prosperity and economic welfare generally of the developing countries and accordingly we shall be watching with interest the proceedings of the United Nations Conference on Trade and Development which opens in a few days' time in Geneva, in the hope that positive results will come out of this Conference which will go some way towards helping these countries to achieve their objectives.

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BALANCE SHEET OF THE STATE BANK OF INDIA AS AT 31st DECEMBER, 1963—Cont'd.

THE LIABILITY OF THE MEMBERS IS LIMITED

As at 31st December, 1962		PARTICULARS OF ADVANCES	As at 31st December, 1963	
	Rs.	nP.		Rs.
234,96,09,979	37	(i) Debts considered good in respect of which the Bank is fully secured	246,45,93,589	15
4,16,31,439	51	(ii) Debts considered good for which the Bank holds no other security than the debtors' personal security	6,11,72,349	03
31,36,06,636	80	(iii) Debts considered good, secured by the personal liabilities of one or more parties in addition to the personal security of the debtors	37,57,85,495	02
...		(iv) Debts considered doubtful or bad, not provided for	...	
270,48,48,055	68		290,15,51,433	20
25,30,305	26	(v) Debts due by Directors or Local Board Members or Officers of the Bank or any of them either severally or jointly with any other persons	29,84,795	39
72,80,99,984	75	(vi) Debts due by companies or firms in which the Directors or Local Board Members of the Bank are interested as directors, partners or managing agents or, in the case of private companies, as members	70,69,46,680	89
27,26,687	68	(vii) Maximum total amount of advances, including temporary advances made at any time during the year to Directors or Local Board Members or Officers of the Bank or any of them either severally or jointly with any other persons	30,00,564	22
76,20,64,915	08	(viii) Maximum total amount of advances, including temporary advances granted during the year to the companies or firms in which the Directors or Local Board Members of the Bank are interested as directors, partners or managing agents or, in the case of private companies, as members	86,27,21,551	95
10,71,40,237	08	(ix) Due from banking companies	9,40,46,011	39

[illegible]

PARTICULARS OF REMUNERATION RELATING TO THE YEAR 1967-68											
	Salaries		Allowances		Sitting fees		Bonus		Employer's contributions to provident fund, pension fund or any other super-annuation fund	Payments by way of gratuities, pensions or otherwise, in excess of the employer's contributions and interest thereon	The monetary value of any other benefits or perquisites
	Rs. (i)	nP.	Rs. (ii)	nP.	Rs. (iii)	nP.	Rs. (iv)	nP.	Rs. (v)	Rs. (vi)	Rs. (vii)
Chairman	41,333	28	...	...	...	...	...	...	2,066	64	5,168
Managing Director	87,000	00	900	00	...	...	...	...	18,608	00	5,625

REPORT OF THE AUDITORS

TO THE PRESIDENT OF INDIA.

We, the undersigned Auditors of the State Bank of India, appointed under Section 41(1) of the State Bank of India Act, 1955, do hereby report to the Central Government upon the Balance Sheet and Accounts of the Bank as at the 31st December, 1963.

We have examined the above Balance Sheet and the Profit and Loss Account and the Accounts relating thereto of the Central Office and the Local Head Offices at Bombay and Calcutta and the Returns submitted and certified by the Secretaries and Treasurers of the Local Head Offices at Madras and New Delhi, by the Manager, Pakistan Branches and by Branch Agents, which Returns have been incorporated in the above Balance Sheet and Accounts, and report (i) that, in our opinion, the Balance Sheet is a full and fair one, containing all the necessary particulars and properly drawn up so as to exhibit a true and correct view of the position of the Bank, according to the best of our information and the explanations given to us and (ii) that the transactions of the Bank which have come to our notice have been within the powers of the Bank; (iv) that the Returns received from the Local Head Offices at Madras and New Delhi are in conformity with the Balance Sheet and Profit and Loss Account as required by law; (v) that the Profit and Loss Account shows a true balance of profit for the period covered by such account; (vi) that, in our opinion, the Balance Sheet and Profit and Loss Account are drawn up in conformity with the law; and (vii) that, in our opinion, the Balance Sheet and Accounts have been kept by the Bank as required by law.

The audit of the Books and Accounts of the Central Office has been carried out jointly by Messrs. S. B. Billimoria & Co. and Messrs. Ray & Ray. The audit of the Books and Accounts of the Local Head Offices at Bombay by Messrs S. B. Billimoria & Co. and at Calcutta by Messrs. Ray & Ray.

The audit of the Books and Accounts of the Central Office has been carried out jointly by Messrs. S. B. Billimoria & Co. and Messrs. Ray & Ray. The audit of the Books and Accounts of the Local Head Offices has been carried out at Bombay by Messrs S. B. Billimoria & Co. and at Calcutta by Messrs. Ray & Ray.

RAY & RAY	Auditors.	RAMNATH A. PODAR PURUSHOTTAM KANJI PRAIAPSINH MATHURADAS	B VENKATAPPIAH, Chairman. H M SEERVAI, Vice-Chairman
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12th February, 1964	D. G. KARVE D. P. GOENKA K. K. BIRLA HUGH MACKAY TALLACK S. N. SEN CHANDRAM	Director	B. MUKERJI N. A. KRISHNAN	Managing Directors.
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07-2003, HJXXXXXXXXXXXX

INDIAN REFRACTORY MAKERS ASSOCIATION

CHAIRMAN. MR. N. S. GILANI'S ADDRESS

The following is the Address of Mr. N. S. Gilani, Chairman, Indian Refractory Makers Association, at the Sixth Annual General Meeting of the Association held at Calcutta, on the 20th March, 1964.

Gentlemen :

I have great pleasure in welcoming our guests as well as our members to the Sixth Annual General Meeting of the Indian Refractory Makers Association.

Before I proceed to talk about recent events and future trends, it would not be out of place to mention that the Refractory Industry intends to play an active part in the current emergency and to its utmost to meet the critical needs of our national economy. Our Government has rightly stressed that the tension on our borders must not be allowed to detract us from our main task of building a strong industrial base and it is in this context that the contribution of the Refractory Industry will have to be judged.

Apart from the knowledge and understanding that some consumers have of refractory materials, the layman seems to know very little about our industry and hence it is necessary to refer briefly to its history. The story of the Refractory industry starts from prehistoric times when man first tried to harness fire for constructive purposes. Because of the necessity to provide or contain heat, heat-resisting clays have been used for diverse purposes with varying degrees of success and the march of science from the Fire-light stage to the Satellite age has been possible in no small measure due to refractories and their application. The material progress and industrial advancement now witnessed by us owes a great deal to the years of patient research which have gone into the field of refractories culminating in some spectacular developments during and after World War II. In our daily lives we are surrounded by man-made products, such as, textiles, alarm clocks, coins, plant and equipment for factories, glass for electric bulbs and cooking purposes, enamel ware and crockery, all of which have been made or fabricated from various metals and

non-metal, which could be treated or processed due to the availability of varied refractory materials for high-temperature furnaces. It is for this reason that the Refractory Industry is sometimes referred to as the Industry behind all industries. Refractory technology embraces a wide field including pure oxides for jet propulsion, nitrides and carbides for critical service conditions and a range of specialities to serve nuclear plants and space ships now literally reaching out for the moon and beyond. Although it may be some years before these critical products for such sophisticated uses enter the Indian scene, we have already in a small way seen the changes forced on us by fast-changing technology in the Iron, Steel, Chemical and other industries. The constant quest for new products and new lines of manufacture continues so as to keep pace with the fashions set by modern science.

Research and Development

The first point, therefore, that I would like to make on this occasion is to stress the importance of research and development as it is imperative for our Industry to keep ahead of the requirements of other industries. In this modern age without basic and applied research and development work, progress in any sphere cannot be maintained and, in my opinion, it is essential for each refractory plant in the country to have its own laboratory to enable progressive groups to work closely with their consumers and develop materials capable of withstanding the most severe operational conditions.

It is true that in the field of basic research millions are spent before returns are even considered, whereas in applied research and development work much laborious effort is required to translate available knowledge into products from known raw materials. We should not hesitate to look beyond our frontiers and seek the collaboration of those who already enjoy a fine reputation for the quality of their lines. Our Government will, I am sure, support progressive concerns who wish to acquire technical know-how from abroad to provide the country with critical products which are either in short supply or are still being imported.

e-I. The Industry has a good record as its growth pattern has been rapid compared to the developing needs of its consumers. Manufacturers will, therefore, need only small sums of foreign exchange to make substantial and significant contributions towards reducing the country's import bill. I am thinking here primarily of the Steel Industry which is our largest customer and takes approximately 70% to 75% of our total output. There are many refractory plants in the country which have the basic equipment to produce heavy duty and critical refractory materials and with a little balancing equipment can rapidly open up a wide and interesting field. I would, therefore, like to urge all manufacturers in India to develop their research facilities to serve the vast industrial base now being set up to ensure that the economy reaches a self-generating stage. Research, whether basic or applied, remains our responsibility primarily and it is difficult to say where the former ends and the latter begins. Without the former the latter cannot be sustained though not infrequently the latter contributes and leads to the former. Research is not a tool for use in an emergency—our very survival depends on it.

The contribution of research in the pattern of manufacture and consumption will be readily discernible from a recent American review starting from the last World War. The demand for non-clay refractories is on the increase throughout the world and this trend is now also noticeable in India.

Basic type refractories, such as, Chrome-Magnesite, Magnesite-Chrome and also Magnesite are of the non-clay variety which forged ahead in sales. In this field, the use of chemically-bonded bricks represents a new trend thereby obviating the necessity of large capital outlays on special-purpose kilns and enabling manufacturers to increase their output from existing facilities.

Firebricks have hitherto been sold in the form of shaped and fired products but today, according to a recent review of the American scene, firebricks represent no more than 2% of the total production of refractory materials. While this still represents the highest output in so far as shaped bricks are concerned, what is interesting is that plastics and castables together also account for 2% of the total tonnage of Refractories produced. Use of the latter categories are still on the increase. Their principal field of application is the construction of super-duty boilers and hot repairs to the eroded portions of a running furnace. The technique of "gunning" has reduced outage time for furnaces and thus helped in increasing output.

High Alumina Bricks

High Alumina bricks are opening up new horizons and here also, with our rich natural resources, rapid strides can be made to popularise the use of materials capable of giving a longer service life.

Gentlemen, I have deliberately devoted a great part of my address to you this morning by looking into the future as I believe that all progressive and dynamic organisations, while relying on their past experience, look ahead and bring modern technology into their plants and grapple with the problems

CAPITAL, 26th March, 1964.

of today and tomorrow. I do not, however, wish to minimise the contribution made by our Industry in the past or convey the impression that we, as an Industry, are lagging behind in India. Since the Steel Industry is our biggest consumer, we are inclined to relate our growth to the production of steel. The figures recently compiled by the Refractories Panel appointed by the Government of India clearly prove beyond doubt that ample capacity exists in the country to meet the needs of Fireclay, Silica and Basic materials. With the introduction of an all Basic Open Hearth Furnace, the consumption of Silica has steadily declined and before long the Steel Industry will consume very little except for the construction of new Coke Oven Batteries from time to time. The capacity released will, of course, be available for the production of other products. With the switch to all Basic construction together with the supply of better quality materials and greater operational experience, the consumption of refractories has shown a marked downward trend. At the end of the Second Plan the overall consumption in the Steel Industry with the conventional Open Hearth practice using Silica Roofs was estimated at nearly 90 Kg per ingot tonne and today the official figure is 57 Kg per ingot tonne. The average for the entire Steel Industry with the Basic Open Hearth practice is taken at 35 Kg for Firebricks, 14 Kg for Basic and 8 Kg for Silica per ingot tonne. The corresponding consumption figures for highly advanced western countries are now in the region of 7.5 Kg, 7.3 Kg and 2.8 Kg per ingot tonne respectively. The Hon'ble Minister for Steel has rightly emphasized the need to reduce costs and our Steel Industry will undoubtedly make efforts to match these figures in due course. We cannot, however, overlook the effect of this trend on the growth of the Refractory Industry.

Paradoxical though it may seem, the Industry while serving its customers, is actively helping to reduce the use of its products by improving their service life. The ignorant consumer with the

factory manufacturers are actually working against their interests but the demands of modern technology cannot be ignored and our contribution must always be measured in terms of our ability to keep ahead of new developments in other industries. For instance, the advent of oxygen lancing reduced the effectiveness of Silica Roofs in Open Hearth Furnaces. Basic linings made longer campaigns possible and thus reduced the melting cost of steel. The development of the LD and other processes using oxygen has brought further changes and it now seems that of the 18 million tonnes of ingot steel planned for the end of the Fourth Plan something like 0.5 million ingot tonnes will be LD steel. The transition from Silica to Basic linings was fairly rapid but then, again, the use of conventional Basic bricks will be short-lived as the trend in steel technology throughout the world is now towards the greater use of LD Vessels. This foreshadows a further decline in the pattern of consumption and for the 10.5 million tonnes to be made by the LD process this will be 25 Kg for Firebricks and 2 Kg for Basic with Silica virtually out of the picture.

Perspective Planning

While perspective planning is essential to ensure the availability of important raw materials required by basic industries, we cannot ignore the changes in the consumption pattern introduced by modern science and our approach must therefore be pragmatic. As an industry, we support Government's policy to force the pace of development in basic industries. Posterity will judge us by our efforts but will never forgive the present generation for not giving the nation the basic sineews of industry. The country's efforts in this regard will be directly

CAPITAL, 26th March, 1964.

related to its financial, technical and managerial resources making it imperative for those who guide the destinies of our country to make a realistic appraisal of our capabilities. Here I would like to state a few facts which might serve in some measure as a guide to indicate the pace with which we can traverse the road ahead. In 1950 the Steel production in the country was 1.3 million ingot tonnes, in 1962 it was about 4 million ingot tonnes and today it is nearly 6 million ingot tonnes. The Hon'ble Minister for Steel indicated towards the end of last year in the Lok Sabha that due to various factors the target of 10 million ingot tonnes set for the Third Plan may not be achieved until 1967/68. Gigantic efforts on a wide national front will be needed to achieve a target of 18 million tonnes by 1970/71 and while the Refractory Industry will willingly play its part, I would earnestly urge the Government to watch the actual growth of the Steel sector before embarking upon any large-scale expansions in our Industry for the simple reason that a new Steel Plant takes five to seven years to go into operation whereas much can be accomplished by the Refractory Industry within a short space of time at a fractional cost. By the end of the Third Plan the Refractory Industry will have a total installed capacity of 15.5 lakh tonnes per annum but, due to technological reasons and the improved consumption pattern, the total demand in the country by 1970/71 is envisaged at no more than ten Lakh tonnes. In the near future the ratio between actual production and installed capacity will widen as there is a point beyond which it is uneconomical to produce and sell. In case it has been forgotten I should perhaps point out that there has been no general price increase for refractory materials since 1960 and the recent trend due to the overall surplus has been downwards and continues in that direction. Costs during this period have not stood still and it seems to me that the Industry may have to bear with this cost-price squeeze until the Bokaro Steel Plant comes into being.

I, therefore, submit that due to the application of scientific methods it can be said that the Third Plan target of a million tonnes has now been converted into the Fourth Plan target to cater for an 18-million tonne Steel Industry. I am sure I will be expressing the view of all Refractory manufacturers today that since the industry will achieve an estimated installed capacity of 9.6 lakh tonnes by the end of 1964 and after taking into account what will definitely be added in 1965/66, there is no case for additional capacity to be put up in the country at this juncture. All of us agree that while healthy competition should prevail amongst different manufacturing units, no one including the Government would like to see chaotic conditions continue forcing marginal units to the wall and resulting in unemployment and industrial unrest. As manufacturers we are seriously concerned about the present recession in the Refractory Industry and with the additional capacity to come for which foreign exchange has already been released, it seems to me that this state of affairs will continue for a few years. Diversification and not expansion will be the salvation of our Industry for more reasons than one. Thus it should be possible for the Planning Commission to utilise the country's limited financial, material and trained manpower resources in other sensitive sectors of the economy. The traffic rules approach to not only call for a pragmatic approach to any problem but also require a well-considered allocation of scarce resources among competing industries.

Surplus Production

Against this background the Industry should cast its eyes beyond the shores of India to seek an outlet for its surplus production. During the past year,

your Committee has suggested to the Chemical and Allied Products Export Promotion Council to recommend to the Government of India to include refractories in all Trade Agreements with other countries and in their Trade Journals as one of the main commodities which can be exported in accordance with international standards. Africa, the Middle East and South-East Asia should be natural outlets and as their economies develop so should our exports. I need hardly emphasise the prime need to earn foreign exchange to meet the country's mounting import bill. Your Committee has also been engaged in the collection of data concerning freight rates from European and Japanese ports to some of India's traditional and potential markets. After this examination has been completed we hope to put before Government certain concrete recommendations to enable the Indian Refractory Industry to meet competition in neighbouring countries on an equal basis.

Any discourse about the Refractory Industry would not be complete without stressing the need for good quality raw materials. There is a shortage of plastic and high alumina clays and the problem of locating bloating clays and other raw materials, such as, high grade chrome ore, etc. still remains with us. The Refractory Industry has now become an important user of raw materials and with the help of the Geological Survey of India I hope it will be possible in the Fourth Plan to embark on a definite plan for surveying wide areas. I would like to commend the efforts already made by the Geological Survey of India and at the same time express the hope that they will be given adequate financial and manpower resources to carry out surveys in the States where vast industrial complexes are coming up. I have no doubt that the Planning Commission will bear in mind the time-factor necessary for locating and assessing our raw material resources and just as the Refractory Industry must keep slightly ahead of the Steel Industry, so must the Geological Survey provide the Refractory Industry in good time with data regarding good deposits to foster the development of critical products. With the rapid developments taking place in the Refractory Industry, it is vitally important to know whether the reserves are adequate for commercial exploitation. I am quite clear in my own mind that we must use the raw materials we have in our country and, where necessary with the aid of research, develop products suitable for our discerning customers. Here I would like to mention a specific pro-

Achieving Self-sufficiency

The entire emphasis in my address this morning has been on what the industry can do to help our country to achieve self-sufficiency. Self-sufficiency must not, however, be achieved at the expense of efficiency and Manufacturers must have a closer look at their own production methods, plant layout and level of productivity. This kind of introspective research is necessary for the adoption of modern and cheap methods of production. The proper deployment and use of managerial and technical talent is one of the essential prerequisites for the achievement of higher productivity. An enlightened management must develop its own in-plant training facilities and ensure the delegation of responsibilities and authority to give each individual the

maximum opportunity of exhibiting his talents. Despite the best efforts of a progressive management team the performance of any plant depends inevitably on the co-operation of the workers. Labour plays an important role and our products will never be able to achieve a reputation for quality and excellence without the active participation of the men who grease the wheels of Industry. Unfortunately, in our country, Labour Unions are frequently engaged in a struggle for power and competing demands by different groups have often retarded productivity. I have no doubt that many of our eminent labour leaders in the country are conscious of the role labour must play in Industry but, alas, in a number of cases at the lower operational level inter-group rivalry has often frustrated the drive for better results. In view of the difficult phase through which the Industry is now passing, I would appeal to our labour leaders and workmen to help the Industry through a critical period and not subject the companies to unreasonable demands or oppose schemes for rationalisation without which the prosperity of the majority may be endangered.

I would now like to touch upon an important aspect concerning technical education. Unfortunately, few of the leading universities offer degree courses in Ceramic Technology and I would request the Government to look into this matter because a balanced economic growth will demand in course of time a regional educational balance and it will be the duty of the senior universities in the four corners of the country to encourage our budding Engineers and Scientists to take an interest in the fascinating field of Ceramic Technology. Similarly, in large consuming centres, states, and cities, facilities for practical training in Steel Plants, should be provided so that the younger generation of technologists grow up to realise and appreciate the problems of complex operations.

Gentlemen, I have already taken up a great deal of your time this morning but before I close, I would like to take the opportunity of thanking my colleagues on the Committee who have supported me so ably during the tenure of my office and without whose help it would not have been possible for me to discharge my duties. I would also like to take the opportunity of thanking our Secretary, Mr. MacDonald for his untiring efforts on our behalf throughout the past year. I thank you gentlemen for listening so patiently to me this morning.

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



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General Manager

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CONSOLIDATED BALANCE SHEET AS ON 31st DECEMBER, 1963.

Previous Year RUPEES	CAPITAL AND LIABILITIES	Rs. nP.	Rs. nP.	Previous Year RUPEES	PROPERTY & ASSETS	Rs. nP.	Rs. nP.
23,25,196	1. Capital : Investments Deposited with the Reserve Bank of India, Sec. 11(2) of the Banking Companies Act, 1949	23,25,196		54,44,538	1. Cash	97,79,352	15
Nil	2. Reserve Fund and other Reserves :	Nil		9,50,571	2. Balances with other Banks on Current Account :		
3,73,98,624	3. Deposits & other Accounts : Fixed Deposits	2,26,40,392	13	9,50,571	(i) In India	3,56,954	43
1,81,57,192	Savings Bank Deposits	9,01,496	61	Nil	(ii) Outside India	1,00,000	00
1,92,41,432	Current Accounts & Contingency Account, etc.	2,05,66,762	06	1,32,96,596	3. Money at call & Short Notice :	4,56,954	40
4,74,00,000	4. Borrowings from other Banking Companies, Agents, etc. :	9,88,64,074	62	1,32,96,596	4. Investments (at cost) :	3,35,37,952	23
4,74,00,000	(i) In India	9,88,64,074	62		(i) Securities of the Central & State Governments and other Trustee Securities including Treasury Bills of the Central & State Governments	3,32,99,267	23
Nil	(ii) Outside India	Nil			Treasury Bills	3,00,35,300	00
	PARTICULARS : (i) Secured (Stating the nature of Security) Under Bill Market Scheme Rs. 10,00,000 Export Credit Scheme Rs. 11,70,000	21,70,000	00		(ii) Shares (classifying into preference, ordinary deferred and other classes of shares and showing separately shares fully paid up and partly paid up) 2,500 Ord. Shares of Industrial Credit & Investment Corp. of India	35,00,000	00
	(ii) Unsecured	9,69,94,074	62	11,67,99,993	(iii) Debentures or Bonds	2,38,685	09
5,02,243	5. Bills Payable :		9,03,097	8,86,61,297	(iv) Other Investments (to be classified under proper heads)	Nil	
25,92,359	6. Bills for Collection being Bills Receivable as per contra		31,41,220	91,46,740	(v) Gold	Nil	
3,79,961	(i) Payable in India	10,21,647	07	1,89,91,956	5. Advances—(other than bad and doubtful debts for which provision has been made to the satisfaction of the Auditors)	12,02,39,223	21
22,12,398	(ii) Payable outside India	21,19,573	90	7,87,47,061	I. Loans—Cash Credits, Overdrafts, etc.	Nil	
5,37,95,986	7. Other Liabilities :		5,11,22,956	2,72,76,749	(i) In India	16,42,193	45
2,91,893	Suspense Receipts	22,99,032	48	1,05,28,048	(ii) Outside India	7,76,173	05
3,32,718	Income-Tax payable on Staff salaries	3,50,683	73	2,48,134	(iii) Debts due by directors or officers of the banking company or any of them either severally or jointly with any other persons	Nil	
4,99,29,362	Inter-Office Balance	4,39,65,190	33		(iv) Debts due by companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or in case of private companies as members	Nil	
14,87,533	Interest unpaid	23,13,614	31		(v) Maximum total amount of advances including temporary advances made at any time during the year to directors, managers or officers of the banking company or any of them either severally or jointly with any other person	Nil	
15,20,301	Reserve for Income Tax	14,59,629	18		(vi) Maximum total amount of advances granted during the year to the companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or in the case of private companies, as members	Nil	
1,55,504	Rebate on Discount Prepaid, etc.	2,97,555	26		(vii) Due from banks	Nil	
55,614	Interest Suspense	2,28,398	78		6. Bills Receivable being Bills for collection as per contra	31,41,220	97
53,063	Due to foreign Banks	2,08,914	81		(i) Payable in India	10,21,647	07
10,54,96,529	8. Acceptances, Endorsements & other Obligations per contra		13,81,61,450		(ii) Payable outside India	21,19,573	90
6,05,927	9. Profit & Loss		4,75,948		7. Constituents' Liabilities for acceptances, endorsements and other obligations per contra		
	Profit as per last Balance Sheet	6,05,026	80		8. Premises Less Depreciation		
	Less : Adjustment with Head Office A/c	6,05,026	80		9. Furniture and Fixtures : Less Depreciation : At cost upto 31-12-62		
	Add : Profit for the year	5,72,971	26		At cost upto 31-12-62	4,41,219	61
	Less : Adjustment with Head Office A/c	97,423	19		Additions at cost during the year	4,06,033	93
Nil	10. Contingent Liabilities				Less : Sold during the year	14,683	00
Nil	(i) Claims against the Banking Co. not acknowledged as debts	Nil			Less : Depreciation written off to date	1,23,780	44
2,16,85,399	(ii) On Investment in shares of Jt. Stock Companies and Banks	3,20,05,693	35		10. Other Assets including Silver		
3,02,20,997	(iii) On letter of Guarantee on behalf of constituents	5,15,73,286	27		Security Deposit with others	50,298	00
	(iv) Liability on account of outstanding Forward Exchange Contracts				Suspense Payments	10,89,169	06
	(v) Holding Travellers cheques of ₹17,018/-, 16,750/- (Indian Rupee) & ₹39,870, Yen 72,00,000				Accrued interest and other to be reserved	10,87,261	41
					Re-discount and others not elapsed	65,838	00
					11. Non-Banking Assets Acquired in satisfaction of claims (stating mode of valuation)		
					12. Profit & Loss		
	Total Rupees	33,67,76,998	87				

CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDING 31st DECEMBER, 1963.

Previous Year RUPEES	EXPENDITURE	Rs. nP.	Previous Year RUPEES	INCOME (Less Provision made during the year for bad and doubtful debts and other usual or necessary provisions)	Rs.
46,63,157	1. Interest paid on Deposits Borrowings, etc.	59,84,076	74	1. Interest & Discount	91,82,813
10,78,676	(Including Rs. 19,76,021.00 to Inter-Office Advances)	19,64,140	31	2. Commission Exchange & Brokerage	24,95,434
Nil	2. Salaries & Allowances and Provident Funds	Nil		3. Rents	6,561
23,50,261	3. Directors & Local Committee Members' Fees and Allowances	21,42,709	39	4. Net Profit on Sale of Investments, Gold & Silver Land, Premises and other Assets (not credited to Reserves or any particular Fund or Account)	Nil
8,677	4. Rent, Taxes Insurances Lighting, etc.	3,582	40	5. Net Profit on revaluation of investments, gold and silver, land, premises and other assets (not credited to Reserves or any particular Fund or Account)	Nil
74,994	5. Law Charges	1,21,050	66	6. Income from non banking assets and Profit from Sale of or dealing with such Assets	Nil
3,701	6. Postage Telegrams & Stamps	4,251	00	7. Other Receipts	15,501
1,08,924	7. Auditors' Fees	1,31,363	82	8. Loss (if any)	Nil
70,006	8. Depreciation on & Repairs to the Banking Company's Property	1,20,647	31		
9,745	9. Stationery, Printing Advertisement, etc.	Nil		Total Rupees	1,17,00,312
4,24,068	10. Loss from Sale of or Dealing with Non-Banking assets	6,55,509	23		
6,04,278	11. Other Expenditure	5,72,971	26		
	12. Balance of Profit				
	Total Rupees	1,17,00,312	12		

Y. SHIMIZU
Accountant

AUDITORS' REPORT
We have audited the above Balance Sheet of THE BANK OF TOKYO LTD. as at 31st December, 1963 and also the annexed Profit & Loss Account of the Bank for the year ended upon that date in which are incorporated the Returns from the Bombay Branch audited under section 228 of the Companies Act, 1956 by other Auditors.

In accordance with the provisions of section 29 of the Banking Companies Act, 1949 read with the provisos to sub-sections (1) and (2) of section 211 and to sub-section (5) of section 211 and section 227 (5) of the Companies Act, 1956, the Balance Sheet and Profit & Loss Account are not required to be and are not drawn up in accordance with the Sixth Schedule to the Companies Act, 1956. The Accounts are therefore drawn up in conformity with Forms A & B of the Third Schedule to the Banking Companies Act, 1949.

We report that :
(a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found to be satisfactory.
(b) The transactions of the Bank which have come to our notice, have been within the powers of the Bank.
(c) In our opinion, proper books of account as required by law have been kept by the Bank so far as appears from our examination of those books and proper returns added for the purpose of our audit have been received from the branches of the Bank.
(d) The Bank's Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account and the returns.
(e) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, in the manner so required for banking companies and on such basis the said Balance Sheet gives a true and fair view of the state of the affairs of the Bank as at December 1963 and the Profit & Loss Account gives a true and fair view of the Profit for the year ended upon that date.

PAL & ROY,
Chartered Accountants
2, Church Lane, Calcutta-1.
Dated the 16th March, 1964.

THE BANK OF TOKYO, LTD.

CALCUTTA BRANCH BOMBAY BRANCH NEW DELHI BRANCH

2, Brabourne Road,
Tel. 22-2772-3

"Jeevan Prakash"
Sir P. Mehta Road,
Tel. 253857-8

"Jeevan Vihar"
3, Parliament Street,
Tel. 45052, 45053

HEAD OFFICE: TOKYO

Overseas Offices and Agencies in:

U.K., France, W. Germany, Pakistan, Malaysia, Thailand, Hongkong, U.S.A., Brazil, Argentina & other countries.

THE BANK OF BARODA LIMITED

(Registered Office: Mandvi, Baroda)

Directors' Report

The Directors have pleasure in submitting this Fifty-Fifth Annual Report together with the audited statement of accounts for the year ended 31st December, 1963.

	This Year Rupees	Previous Year Rupees
The net profit for the year 1963 after providing for taxes, including Rs. 3,46,722.36 brought forward and after taking Rs. 14,70,408.19 nP towards depreciation on buildings and furniture, amounts to ...	78,46,969.92	66,21,722.36
An ad-interim dividend at the rate of 16% per annum subject to deduction of income-tax at the appropriate rates was paid for the half-year ended 30th June, 1963 which absorbed ...	16,00,000.00	12,00,000.00
Amount transferred to Reserve Fund ...	15,50,000.00	12,75,000.00
Amount transferred to Special Reserve ...	20,00,000.00	22,00,000.00
Provision for Bonus to staff ...	75,30,000.00	46,75,000.00
		* 16,90,000.00
Balance of profit to be carried forward to next year's account ...	2,96,969.92	3,46,722.36
* Final dividend at 16% p.a.	78,46,969.92	66,21,722.36

The Directors recommend to the shareholders payment of a final dividend at the rate of 20% per annum per equity share (making 18% per annum for the year) subject to deduction of tax at the appropriate rates for the half-year ended 31st December, 1963, to be paid out of the Special Reserve and which will absorb Rs. 20,00,000.

In terms of the Resolution No. 2(b) passed by the shareholders at the Annual General Meeting held on 8th April, 1963, your Directors have distributed dividend at the rate of 16% per annum subject to deduction of tax at the appropriate rates on the entire new issue of 1,00,000 equity shares for the half-year ended 31st December, 1962, which absorbed an additional sum of Rs. 70,000 over the amount recommended in the last report, leaving a balance of profit of Rs. 3,46,722.36 nP to be carried forward to the account of the year under report.

The business of the Bank during the year under review continued to be satisfactory.

BALANCE SHEET AS AT 31st DECEMBER, 1963

31-12-1962 Rs.	Rs.	31-12-1962 Rs.	Rs.	31-12-1962 Rs.	Rs.	31-12-1962 Rs.	Rs.
CAPITAL AND LIABILITIES		PROPERTY AND ASSETS		CAPITAL AND LIABILITIES		PROPERTY AND ASSETS	
1. CAPITAL :		1. CASH :		1. CAPITAL :		1. CASH :	
Authorised Capital :		In hand and with Reserve Bank and State Bank of India (including foreign currency notes).		8,00,00,000 Equity shares of Rs. 100/- each ...		7,78,20,791	
Issued & Subscribed Capital :		2. Balances with Other Banks :		4,00,00,000 Equity shares of Rs. 100/- each ...		(i) in India on Current Account ...	
Amount called up at Rs. 50/- per Equity Share ...		(i) in India on Current Account ...		2,00,00,000		(ii) outside India on Current Account ...	
2. Reserve Fund and Other Reserves :		(ii) outside India on Current Account ...		Reserve Fund under Section 17 of the Banking Companies Act 1949 ...		(iii) outside India on Deposit Account ...	
Share Premium Account ...		3. Money at Call and Short Notice		94,63,760		1. Investments at or below market Rate :	
Special Reserve ...		1. Investments at or below market Rate :		Nil		(i) Securities of the Central and State Governments and other Trustee Securities ...	
Development Rebate ...		(i) Securities of the Central and State Governments and other Trustee Securities ...		1,30,000		(ii) Shares :	
3. Deposits and Other Accounts :		(ii) Shares :		2,44,93,760		(a) Fully Paid Preference Shares ...	
Fixed Deposits ...		(a) Fully Paid Preference Shares ...		62,18,96,933		(b) Fully Paid Ordinary Shares ...	
(including employees' security deposits Rs. 8,39,760.28)		(b) Fully Paid Ordinary Shares ...		24,99,64,912		(c) Partly Paid Ordinary Shares ...	
Savings Bank Deposits ...		(c) Partly Paid Ordinary Shares ...		26,77,54,709		(iii) Debentures or Bonds ...	
Current Accounts, Contingency Accounts, etc ...		(iii) Debentures or Bonds ...		113,96,16,554		(iv) Other Investments : Foreign Government Loans and Treasury Bills and other Trustee Securities ...	
4. Borrowings from Other Banking Companies, Agents, etc :		(iv) Other Investments : Foreign Government Loans and Treasury Bills and other Trustee Securities ...		2,25,89,277		(v) Gold ...	
(i) In India ...		(v) Gold ...		23,04,079		5. Advances :	
(ii) Outside India ...		5. Advances :		2,49,73,356		(Other than bad and doubtful debts for which provision has been made to the satisfaction of the Auditors).	
PARTICULARS :		(Other than bad and doubtful debts for which provision has been made to the satisfaction of the Auditors).		35,73,693		1. Loans, Cash Credits, Overdrafts, etc. :	
(i) Secured		1. Loans, Cash Credits, Overdrafts, etc. :		1,90,13,672		(i) In India ...	
(a) by part of Investments and bills per contra ...		(i) In India ...		23,84,079		(includes an amount of Rs. 2,88,90,413.95 relating to medium term advances in respect of which finance has been obtained from the Refinance Corporation for Industry Ltd., as per contra)	
(b) under the Refinance Scheme vide 5.1 (i) per contra ...		(ii) Outside India ...		1,05,19,716		II. Bills Discounted and Purchased (excluding Treasury bills of the Central and State Governments) :	
(iii) Unsecured ...		II. Bills Discounted and Purchased (excluding Treasury bills of the Central and State Governments) :		7,31,69,887		(i) payable in India ...	
5. Bills Payable		(i) payable in India ...		2,31,21,799		(ii) payable outside India ...	
(i) payable in India ...		(ii) payable outside India ...		9,62,91,666		7. Other Liabilities	
(ii) Payable outside India ...		7. Other Liabilities		2,39,10,156		Including :-	
Branch Adjustments ...		Including :-		133,62,44,708		(a) Net amount realised to date in respect of assets under collection of the former New Citizen Bank of India Ltd. :-	
(i) In India ...		(a) Net amount realised to date in respect of assets under collection of the former New Citizen Bank of India Ltd. :-		Carried over ...		(i) In India ...	
(ii) In Pakistan pending repatriation ...		(i) In India ...		164,35,32,601		(ii) In Pakistan pending repatriation ...	
		(ii) In Pakistan pending repatriation ...		121,66,19,709			
				151,19,20,640			

THE BANK OF BARODA LIMITED—Cont'd.

BALANCE SHEET AS AT 31st DECEMBER, 1963—Cont'd.

31-12-1962 Rs.	Rs.	31-12-1962 Rs.	Rs.	31-12-1962 Rs.	Rs.	31-12-1962 Rs.	Rs.
CAPITAL & LIABILITIES—Cont'd.		PROPERTY AND ASSETS—Cont'd.		CAPITAL & LIABILITIES—Cont'd.		PROPERTY AND ASSETS—Cont'd.	
Brought forward ...		Brought forward ...		133,62,44,708		151,19,20,640	
8. Acceptances, Endorsements and Other Obligations per contra ...		Particulars of Advances :		10,04,56,337		(i) Debts considered good in respect of which the banking company is fully secured ...	
9. Profit and Loss :		(i) Debts considered good in respect of which the banking company is fully secured ...		18,02,553		(ii) Debts considered good for which the banking company holds no other security than the debtors' personal security including advances under joint and several promissory notes ...	
Profit as per last Balance Sheet ...		(ii) Debts considered good for which the banking company holds no other security than the debtors' personal security including advances under joint and several promissory notes ...		15,00,000		(iii) Debts considered good secured by the personal liabilities of one or more parties in addition to the personal security of the debtors ...	
Less : appropriations ...		(iii) Debts considered good secured by the personal liabilities of one or more parties in addition to the personal security of the debtors ...		3,02,553		(iv) Debts considered doubtful or bad, not provided for ...	
Add : profit for the year brought forward from the Profit and Loss Account ...		(iv) Debts considered doubtful or bad, not provided for ...		63,19,169		(v) Debts due by directors or officers of the banking company or any of them either severally or jointly with any other persons ...	
Less : Ad-interim dividend paid @ 16% p.a. for the half-year ended 30th June, 1963 (subject to tax) ...		(v) Debts due by directors or officers of the banking company or any of them either severally or jointly with any other persons ...		66,21,722		(vi) Debts due by companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or in the case of private companies as members ...	
Amount transferred to Reserve Fund ...		(vi) Debts due by companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or in the case of private companies as members ...		12,00,000		(vii) Maximum total amount of advances, including temporary advances made at any time during the year to directors or managers or officers of the banking company or any of them either severally or jointly with any other persons ...	
Amount transferred to Special Reserve ...		(vii) Maximum total amount of advances, including temporary advances made at any time during the year to directors or managers or officers of the banking company or any of them either severally or jointly with any other persons ...		12,75,000		(viii) Maximum total amount of advances, including temporary advances granted during the year to the companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or in the case of private companies as members ...	
Bonus to Staff ...		(viii) Maximum total amount of advances, including temporary advances granted during the year to the companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or in the case of private companies as members ...		Nil		(ix) Due from banking companies ...	
10. Contingent Liabilities :		(ix) Due from banking companies ...		19,46,722		6. Bills Receivable being Bills for Collection as per contra :	
(i) On partly paid shares of Joint Stock Companies ...		6. Bills Receivable being Bills for Collection as per contra :		21,64,300		(i) payable in India ...	
(ii) Claims against the banking company not acknowledged as debts ...		(i) payable in India ...		1,76,246		(ii) payable outside India ...	
(iii) Money for which the banking company is contingently liable (including Rs. 4,51,557.58 for guarantees given on behalf of the directors and the officers of the Bank) ...		(ii) payable outside India ...		18,89,76,583		7. Constituents' Liabilities for Acceptances, Endorsements and Other Obligations per contra	
(iv) Liability on Bills of Exchange re-discounted (All of which have run off by 26-2-1964) ...		7. Constituents' Liabilities for Acceptances, Endorsements and Other Obligations per contra		34,69,435		Premises Less Depreciation :	
(v) Liability on account of outstanding Forward Exchange Contracts for purchases and sales ...		Premises Less Depreciation :		6,98,38,541		Premises at cost to 31st December, 1962 ...	
Note :—(1) Provision to the full extent for future gratuities to the staff has not been made—the liability for which has not been ascertained		Additions during the year ...		11,72,93,900		Less : Sales during the year ...	
(2) The Balance Sheet and Profit & Loss Account have been drawn up in accordance with the provisions of Section 29 of the Banking Companies Act, 1949 and are not required to be drawn up in accordance with Schedule VI of the Companies Act, 1956		Less : Total depreciation to date ...		9,62,91,666		9. Furniture and Fixtures Less Depreciation :	
(3) Some of the figures of the previous year have been regrouped to make them comparable with those of the current year.		9. Furniture and Fixtures Less Depreciation :		10,04,56,337		Furniture and Fixtures at cost to 31st December, 1962 ...	
		Furniture and Fixtures at cost to 31st December, 1962 ...		7,31,69,887		Additions during the year ...	
		Additions during the year ...		2,31,21,799		Less : Sales during the year ...	
		Less : Sales during the year ...		9,62,91,666		Less : Total depreciation to date ...	
		Less : Total depreciation to date ...		2,39,10,156		10. Other Assets :	
		10. Other Assets :		1,05,19,716		(i) Interest accrued on Investments ...	
		(i) Interest accrued on Investments ...		7,31,69,887		(ii) Stamps and Stationery ...	
		(ii) Stamps and Stationery ...		2,31,21,799		(iii) Advances recoverable in cash or in kind ...	
		(iii) Advances recoverable in cash or in kind ...		9,62,91,666		(iv) Silver ...	
		(iv) Silver ...		2,39,10,156		11. Non-Banking Assets Acquired in Satisfaction of Claims at Cost	
		11. Non-Banking Assets Acquired in Satisfaction of Claims at Cost		133,62,44,708			
				Carried over ...			
				164,35,32,601			
				121,66,19,709			
				151,19,20,640			

THE BANK OF BARODA LIMITED—Cont'd.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st DECEMBER, 1963

31-12-1962 Rs.	EXPENDITURE	Rs. nP	31-12-1962 Rs.	INCOME (Less Provision made during the year for bad and doubtful debts and other usual or necessary provisions)	Rs. nP.
2,96,81,326	1. Interest paid on deposits, borrowings, etc. ...	3,46,76,859 27	5,07,39,655	1. Interest and Discount ...	6,11,57,782 35
1,70,37,222	2. Salaries and Allowances and Provident Fund ...	2,15,51,643 65	1,10,24,611	2. Commission, Exchange and Brokerage ...	1,30,41,790 01
81,533	3. Directors' and Local Committee members' fees and allowances ...	1,36,010 09	4,12,455	3. Rents ...	5,52,052 15
26,64,247	4. Rent, Taxes, Insurance, Lighting, etc. ...	34,82,846 51	Nil	4. Net profit on sale of investments, gold and silver, land, premises and other assets ...	Nil
1,03,822	5. Law Charges ...	1,49,989 97	Nil	5. Net profit on revaluation of investments, gold and silver, land, premises and other assets ...	Nil
8,87,490	6. Postages, Telegrams and Stamps ...	11,25,791 24	1,292	6. Income from non-banking assets and profit from sale of or dealing with such assets ...	8,815 18
82,189	7. Auditors' Fees ...	1,04,094 70	4,413	7. Other receipts ...	6,189 85
12,70,157	8. Depreciation on and repairs to the banking company's property ...	15,06,231 81			
17,45,559	9. Stationery, Printing, Advertisement, etc. ...	19,25,838 42			
22,76,037	10. Loss from sale of or dealing with non-banking assets ...	25,97,374 32			
33,700	11. Other Expenditure ...	10,500 00			
63,19,169	12. Development Rebate ...	75,00,247 56			
6,21,82,426	13. Balance of Profit ...	7,47,66,626 54	6,21,82,426	Total Rs. ...	7,47,66,626 54

Note: Particulars of remuneration relating to the Managing Director paid or provided for during the year:—

	1963 Rs.	1962 Rs.
1. Salary ...	60,000.00	60,000.00
2. Allowance (entertainment) ...	7,500.00	7,500.00
3. Sitting fees ...	Nil	Nil
4. Bonus ...	Nil	Nil
5. Bank's contribution to Provident Fund ...	4,999.80	5,000.00
6. Payment by way of gratuities, pensions, or otherwise in excess of the Bank's contribution and interest thereon ...	Nil	Nil
7. The monetary value of any other benefits or perquisites (calculated in accordance with income-tax rules) ...	1,500.00	1,500.00
	73,999.80	74,000.00

TULSIDAS KILACHAND
Chairman.

N. M. CHOKSHI
Managing Director.

R. D. BIRLA
KANTILAL NAHALCHAND
N. H. TATA
ANANDLAL HIRALAL
B. K. DAPHTARY
F. P. GAEKWAD
RASESH N. MAFATLAL

Directors.

NAVNITLAL SHODHAN
Director.

JANARDAN S. PARIKH
Ag. Accountant.

CERTIFICATE PURSUANT TO RULE 6(c) OF THE COMPANIES (BRANCH AUDIT EXEMPTION) RULES 1961.

We hereby certify that no material change has taken place in the arrangements made for the audit of accounts of the Branch Offices exempted from audit under Rule 4(1)(b) of the Companies (Branch Audit Exemption) Rules, 1961, enabling the Chartered Accountants employed by the Bank for the purpose of audit of the accounts of Branch Offices, to visit the Branch Offices and to have access at all times to the books, accounts and vouchers of the Bank maintained at such Branch Offices, audited by them and for furnishing all such further information and explanations required by them and that such auditors have carried out the audit of the Branches assigned to them in accordance with the Internal Audit Programme drawn up by them and approved by the Bank's Statutory Auditors.

For THE BANK OF BARODA LIMITED
A. H. SHETH
Director

N. M. CHOKSHI
Managing Director.

REPORT OF THE AUDITORS TO THE SHAREHOLDERS

We have audited the foregoing Balance Sheet of THE BANK OF BARODA LTD., as at 31st December 1963, and also the foregoing Profit and Loss Account of the Bank for the year ended upon that date, in which are incorporated the returns from 53 Branches audited by us, 63 Branches audited by Branch Auditors and unaudited returns from 88 Branches for which exemption from the provisions of Section 228 of Companies Act, 1956 has been obtained from the Central Government under Rule 4 clauses (a) and (b) of the Companies (Branch Audit Exemption) Rules, 1961.

We Report that:

- We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and have found them to be satisfactory;
- the transactions of the Bank which have come to our notice have been within the powers of the Bank;
- in our opinion, proper books of account as required by law have been kept by the Bank, so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the Branches of the Bank not visited by us;
- the Bank's Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account and the returns;
- the reports on the accounts of the Branches audited by Branch Auditors have been forwarded to us and the same have been considered by us in preparing our report;
- in our opinion and to the best of our information and according to the explanations given to us, the said accounts, together with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required for banking companies and on such basis the said Balance Sheet gives a true and fair view of the state of the affairs of the Bank as at 31st December, 1963, and the Profit and Loss Account gives a true and fair view of the profit for the year ended upon that date.

K. S. AIYAR & CO.
Chartered Accountants.

N. M. RAJJI & CO.
Chartered Accountants.

Bombay.
Dated 27th February, 1964.

New Delhi

PROGRESS IN THE MANUFACTURE OF INDUSTRIAL MACHINERY

(FROM OUR NEW DELHI CORRESPONDENT)

THE Standing Committee of the Central Advisory Council of Industries met here last week to review the development of the iron and steel, industrial machinery and cement industries. The following is the progress report on some of the important machinery-making units:

Boiler machinery: The target for the industry is Rs. 29 crores worth of boiler machinery a year by the end of the third plan. Out of these, the requirements of thermal power-station boilers will be about Rs. 20 crores a year. Most of the requirements of thermal power-station boilers will be met by the public-sector project under the Heavy Electricals Ltd. The installed capacity in the private sector is about Rs. 7 crores a year, which includes both thermal power-station boilers and industrial boilers. The major units are A.V.B. Ltd. Messrs Thaper Stainmiller and Messrs I. S. G. John Thompson with capacities of Rs. 3 crores, Rs. 2 crores and Rs. 1 crore a year, respectively. Production in 1962 was of the value of Rs. 2.62 crores and in 1963 Rs. 2.89 crores. It is expected that production will increase considerably in the next two years.

Dairy Machinery and equipments: The target fixed for the third plan period was of the value of Rs. 2.5 crores a year. The licensed and installed capacity is Rs. 2.59 crores. Production in 1962 was of the value of Rs. 32.69 lakhs and in 1963 about Rs. 48 lakhs. India's demand for dairy machinery can be fully met from indigenous sources.

Textile machinery: The third plan target for the industry is Rs. 30 crores worth of machinery. Against this, licences have been issued for Rs. 47 crores. The actual production of major items has reached Rs. 18 crores a year. Besides, components worth about Rs. 12 crores a year are also being produced. At the end of the third plan period, it is expected, the production of textile machinery, other than components, will reach the target of Rs. 30 crores.

In spite of the progress made by the indigenous industry, large imports of textile machinery are still being made. Furthermore, the demand for machinery is bound to increase substantially during the fourth plan period. With a view to raising output, the Government has adopted a liberal licensing policy.

Although the progress of the industry has been generally satisfactory, there are important gaps in the range of equipment now being manufactured in India. The manufacture of such important machines as draw frames, speed frames, winding and warping machines has not yet been started. This is because there have been rapid technological changes in foreign countries in producing these machines, so indigenous manufacturers have been reluctant to invest capital in this field. Some of the machinery manufacturers have, however, recently arranged collaboration with reputable foreign firms for the manufacture of these machines. It is hoped that their production in India will begin within a reasonable time.

Jute machinery: The production of jute mill machinery has made good progress. It increased from Rs. 37.8 lakhs in 1956-57 to Rs. 1.74

crores in 1960-61. The current rate of production is about Rs. 3.75 crores a year. The capacity so far created is about Rs. 17 crores a year in value, against the annual average demand of Rs. 9 crores. Some of the licensed capacity is idle as in the case of paratary and spinning machinery where only 50 percent of the capacity is being used since the designs are not acceptable to the industry. It is expected that with an expansion of the existing capacity, the industry will be able to meet the requirements of the fourth plan. The country's requirements are expected to be of the order of Rs. 9 crores a year.

Self-sufficiency in Tea Machinery

Tea processing machinery: India has become almost self-sufficient in tea processing machinery and there are practically no imports now. Ten units are engaged in the manufacture of these machines. Their output in 1963 was Rs. 1.64 crores. The indigenous industry is not only meeting the full requirements of the country, but is also exporting these machines to various countries.

Structurals and cranes: The third plan target for the structural industry is 900,000 tons a year. Against this, a capacity of 677,000 tons has already been approved. The installed capacity is 363,900 tons and the actual production in 1962 was 177,600 tons. The low use of capacity has been attributed mainly to the shortage of steel sections, particularly matching steel. This factor has also been responsible for comparatively slow development of capacity for the manufacture of heavy structurals. In the field of light structurals, however, the country has become almost self-sufficient. No new capacity for the manufacture of light structurals is, therefore, being licensed. The import of matching steel in limited quantities has been permitted with a view to removing the difficulties of the heavy structural industry. Close liaison has also been established between the structural industry and the steel plants to ensure that the demand for critical sections is adequately met.

ALLOY STEEL

U.K. Help for New Plant

A Conservative Member of the U. K. Parliament, Mr. John Osborn, was here last week. His firm, Samuel Osborn, along with Davy United, is negotiating to set up a 40,000-ton alloy steel plant in India in collaboration with Birlas, it is learned.

Three firms have been licensed for setting up alloy and special steel units in the Punjab State. They are as follows:

Name of firm

Globe Motors

Khemchand Rajkumar

Watkins Mayor and Co.

Licensed capacity a year (in tons)

6,000—silico-manganese spring steel

20,000—alloy constructional steel other than stainless steels

2,400—special steels

Indian authorities concerned and which is completely consistent with Canada's international treaty obligations, both bilateral and multilateral, was to apply so-called dumping duties designed to raise the invoice price of the goods in question to their fair market value. Adequate and

lovakian Embassy for the use of Czech credit of \$50 million recently offered to India. The expansion of the boiler plant in Trichy, the plate and vessel project, two machine tool projects, components for the plants under execution and their completion are some of the suggestions made by the Government to use the credit.

TRADE

U.N. Conference in Geneva

The current U.N. Trade Conference in Geneva may indicate that, in the last analysis, no country—advanced or under-developed—will destroy its own industry because of high-sounding platitudes. The case of the textile industry illustrates the point.

The West German textile industry complained that it was at a great disadvantage in the face of foreign competition. "It has, therefore, been appealing for some considerable time for protection against dumping and against the distortion of competition within the E.E.C., and also for the removal of Customs disparities in relation to countries outside the European Common Market. It can be assumed that this last problem will play a not unimportant rôle in the Kennedy Round within G.A.T.T. Another point is the difference in wages paid within the E.E.C. In the summer of last year a worker in the textile industry was paid 4.05 deutschemarks an hour in West Germany, 3.39 deutschemarks in France, 3.19 deutschemarks in Belgium, 3.06 deutschemarks in Holland, and 2.79 deutschemarks in Italy. This explains why Italian textiles are constantly gaining ground in the West German market. Lower wages alone make it possible for them to be offered at a lower price."

Meanwhile, the Canadian High Commission in New Delhi has sent the following for publication: "After extensive investigation in India by a Canadian official especially instructed for the purpose, it was found that certain textile imports from India to Canada were being valued on the relevant invoices at prices lower than those applying in India itself. It was, therefore, necessary under Canadian legislation, which is global in its application and completely non-discriminatory, to determine what action would be taken to ensure that marginal or under-valued imports did not compete unfairly with goods of a similar class or kind produced in Canada."

"The particular decision in the case of Indian textile imports, which was taken only after lengthy consultations in both India and Canada with the

Steps taken to relieve the congestion at pitheads include the following:

(i) Industrial consumers have been advised that they can take any amount of additional coal by submitting a programme direct to the Coal Controller, without being sponsored by the recommending authorities, as normally done.

(ii) Low priority consumers, like brick kilns, can ask for additional supplies, irrespective of their quotas.

(iii) In the meantime, a reassessment of consumers' demand (grade-wise) is being made in order to examine to what extent regionwise and gradewise production may in future be matched with such demand.

Production at the Jharia coalfield in Bihar will be increased as a result of an order worth over £1.3 million just placed with the General Electric Co. of India (Private) Ltd in conjunction with G.E.C. (Engineering) Ltd. Half the order—for three comprehensive winding installations—will be executed locally to the designs of G.E.C. and its sub-contractors, the remainder being made in England. The installations comprise five electric winding engines and all the necessary equipment for handling coal, materials and men—including feeders, conveyors, skip plant, ropes, tipplers, headgears, gantries and

(In million tonnes)

November 1963 4.31

December 1963 4.46

January 1964 4.72

During 1963-64, the estimated production of coal would be between 66 million and 67 million tonnes. The pithead stocks in the past three months were as follows:

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indeed generous provision was made to ensure that goods delivered or in transit were not affected by this decision.

"The Canadian decision was based on obligatory provisions of Canadian laws as indicated above and that it bore no relation whatsoever to Canada's trading arrangements with third countries. Indian exports to Canada continue to enjoy preferential treatment, compared with those of non-Commonwealth countries and there was no discriminatory intention or effect in the Canadian action."

The French trade mission which was here told a different story. It is the seller who always goes about in search of a buyer, it pointed out. But the French trade mission has come to India to see what commodities it could buy from this country.

The French trade mission is representative of the pharmaceutical, tea, cotton, castor oil and castorseed, manganese ore, hides and skins, tobacco, jute and light engineering trades. Apart from meeting officials, the members of the team visited important commercial centres in India. Several members complained of the unco-operative attitude of the Indian Airlines.

A Canadian trade and goodwill mission will be paying a four-day visit to Delhi from 27th March. During its stay, the mission will meet Government officials and trade representatives. The 42-member mission includes leaders in Canadian trade and industry. The mission has already visited Spain, Italy, Greece and Turkey and is due to visit Thailand, Hongkong and Japan before returning to Canada on 12th April.

COAL

Production and Stocks

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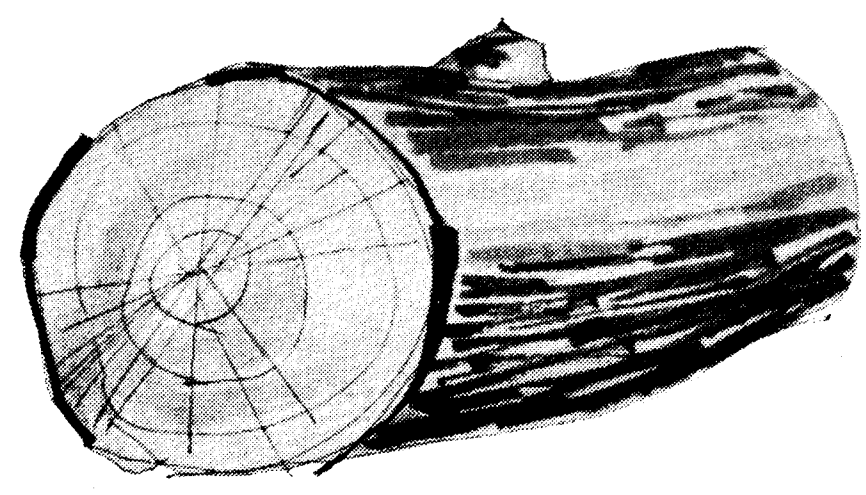
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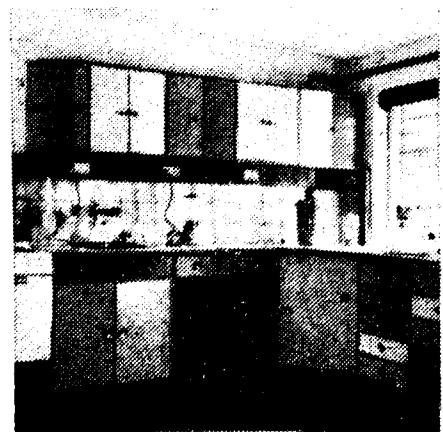
Out of this log of wood

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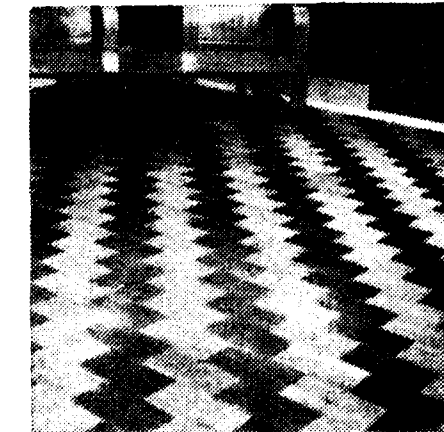
Today modern industry and architecture demand woods in a variety of specially processed forms: aircrafts demand light yet strong plywoods; engine rooms require fireproof plywoods; radio cabinets need specially processed plywoods for resonance; building construction and coach

building demand oil-tempered super hardboards. Western India Plywoods, the largest manufacturers of processed woods in India, make numerous varieties and sizes of plywoods and hardboards to meet such industrial, architectural and defence needs of our country. They are

marketed under the trade names 'Westindply' for plywoods, and 'Weston' for hardboards. Other products include 'Wipex' paper laminates for table tops and dining tables, Flushdoors and Block Boards.



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COMPETITION FROM PAKISTAN GROWING, WARNS I.J.M.A. CHIEF

ADDRESSING the annual meeting of the Indian Jute Mills Association in Calcutta last Friday, Mr. V. Jardine Paterson, chairman, warned that no amount of export orientation could alter the hard fact of India's inferior competitive position as against Pakistan in sacking markets overseas. It was rather facile to assume that the steady increase in Pakistani gunny output would eventually affect her ability to export fibre to jute industries located abroad and that these manufacturers, rather than India, would ultimately suffer. He suggested that the aim should be to "narrow the present wide competitive gap and thereby try to arrest the unnatural growth of the Pakistani industry". With Pakistani mills enjoying a cost advantage of Rs. 350 to Rs. 400 a ton due to their access to better-grade jute at cheaper prices and their wind-fall profits from the export bonus scheme, the jute industry in Calcutta was in no position to dictate the course of events, he added. It was rather disconcerting to find that jute mills had not been given the tax rebates allowed for vital industries in the Central Budget.

Describing the change in the pattern of production in India, Mr. Jardine Paterson said that during the five-year period ended 1963, the proportion of hessian to total production had risen from 36 percent to 41 percent, and that of other goods from 9 percent to 18 percent, while the share of sacking had decreased from 55 percent to 41 percent. Indian mills should not presume that they would be able to compensate the loss of their sacking markets by expanding trade in other lines. Pakistan had already been installing broad looms for the manufacture of carpet-backing cloth. In the course of the past few years, she had established wide and intimate business contacts with prospective markets and was fast exploring new ones where India had been doing good business so far. Again, with growing experience in jute manufacture and the gradual emergence of a skilled labour force, the Pakistani industry was well-placed to switch over to hessian production on a larger scale, should it so decide.

Marketing Prospects
Making a broad assessment of the marketing prospects, Mr. Jardine Paterson pointed out that exports of hessian and carpet-backing cloth had shown an encouraging increase. The rise had more than offset the disturbing fall in sacking exports, although one consolation was that the domestic market for sacking was expanding and now absorbed more than half of the industry's sacking output. Exports of hessian had risen by 22 percent from 385,000 tons in 1960 to 470,000 tons in 1963, while those of sacking had declined by 21 percent from 308,000 tons to 243,000 tons. The industrialised countries of the West, particularly the U.S.A., Canada, Argentina and the United Kingdom, were the principal markets for Indian hessian. With a post-war record burlap consumption of 912 million yards in 1963, the U.S.A. absorbed 35 percent of Indian hessian. Russia too had become an important consumer with an offtake of 42,000 tons. There were good prospects of a steady expansion of business with that country.

But for sacking, Mr. Jardine Paterson indicated, the outlook was

discouraging because of the major competitive advantages which Pakistan enjoyed. She had taken away many of India's former markets, especially in Australia, Africa, Peru and Burma. Cuba was about the only major market where "we have recently been holding our own".

Spurt in Gunny Offtake

Despite the shortage of shed berths and lighters and the continuance of draft restrictions in Calcutta port, gunny exports sharply increased from 59,200 tonnes in January to 66,700 tonnes in February. The clearance of a heavy lot of January-shipment cargo during the month helped in pushing up the offtake. Shipper circles said that there was a backlog of February cargo at the end of the month due to operational difficulties, which were of a seasonal nature. Because of the rise in export ports, the total offtake of gunnies from the mills reporting to the I.J.M.A. increased from 92,400 tonnes to 99,100 tonnes. Hessian rose from 38,700 tonnes to 42,900 tonnes, miscellaneous goods from 6,300 tonnes to 9,000 tonnes and sacking from 39,800 tonnes to 40,800 tonnes. Shipments of carpet-backing cloth, however, declined from 7,600 tonnes to 6,400 tonnes. Exports of hessian rose from 34,200 tonnes to 37,400 tonnes, of sacking from 14,900 tonnes to 18,300 tonnes and of other goods from 2,500 tonnes to 4,600 tonnes.

Internal offtake declined further from 33,200 tonnes to 32,400 tonnes due to seasonal factors and smaller Government purchases. The small increase in the offtake of hessian from 4,500 tonnes to 5,500 tonnes and of miscellaneous goods from 3,800 tonnes to 4,400 tonnes could not offset the decline in sacking from 24,900 tonnes to 22,500 tonnes.

In February 1963, the total offtake was 102,100 tonnes—41,800 tonnes of hessian, 45,400 tonnes of sacking, 5,500 tonnes of carpet-backing cloth and 9,400 tonnes of other goods. Exports constituted 61,100 tonnes—34,800

tonnes of hessian, 15,300 tonnes of heavy goods, 5,500 tonnes of carpet-backing cloth and 5,500 tonnes of miscellaneous constructions. Internal offtake was 41,000 tonnes—7,000 tonnes of hessian, 30,100 tonnes of sacking and 3,900 tonnes of other goods.

U.S. Burlap Consumption Falls

U.S. burlap consumption has slumped from 81.6 million yards in January to 73 million yards in February. The offtake in February last year was 89.9 million yards. The average monthly consumption for the first two months of the year has been 77.3 million yards, against 78.95 million yards in 1963 and 83 million yards in 1962. In spite of the much smaller consumption, U.S. stocks during February 1964 declined by 8 million yards to 283 million yards. Of these, 154 million yards (against 150 million yards) were spot and 129 million yards (against 141 million yards) were afloat. A year ago, the inventories were 304 million yards—151 million yards spot and 153 million yards afloat. At the rate of consumption in February, the stocks will last for 3.87 months. The corresponding stock duration a year ago on the same basis was 3.37 months.

Training in Jute Grading

A three-month training course in jute grading was inaugurated by the Indian Central Jute Committee in Calcutta from the middle of this month. Meant for the supervisory personnel of the State Government departments, co-operative societies and other bodies connected with the marketing of raw jute, it seeks to impart training in the principles and methods of jute marketing, the theory and practice of grading, the rôle of grading in curbing marketing costs and in ensuring a higher net income to the grower. The curriculum also includes the techniques of fibre classification according to quality characteristics. The Director of Economic Research, I.C.J.C., is in operational charge of the training programme, which will be arranged

thrice a year. There will be 25 trainees for each term—six each from West Bengal, Bihar and Assam, three from Orissa and two each from U.P. and Tripura.

I.J.M.A. Committee

The committee of the Indian Jute Mills Association for 1964 has been elected with Mr. R. H. Morrison as chairman and Mr. R. N. Bangur as deputy chairman. Other members are Messrs R. N. Adams, C. L. Bajoria, M. P. Birla, A. Clark, D. P. Goenka, R. P. Goenka, J. V. Jardine Paterson, D. E. Macintosh, D. C. B. Pilkington and H. S. Singhania.

THE JUTE MARKETS

Manufactured Goods: A mixed trend prevailed in the Calcutta gunny market during the past week. In spite of lower prices, overseas buyers continued to sit on the sidelines. The Government of India, too, was practically out of the picture. Lower consumption of burlap in the U.S.A. during February and a decline in U.S. inventories were bearishly interpreted. Mills were eager to secure orders even at lower prices, but except for scattered hessian business with the U.S.A. and Argentina for all positions, little turnover materialised. Towards midweek sacking hardened somewhat on local covering, but the firmness proved short-lived because of the emergence of a large number of mills as keen sellers for all months. At the close, top gains were partially trimmed on the publication of the despatch figures for February. Bigger hessian exports during February could not stop the sagging price trend, since mills seemed worried over the gradual accumulation of stocks. But there was little evidence of selling pressure, and prices closed with small losses from the previous week's levels. The futures market also continued to be depressed in line with the general trend. Fluctuations were narrow, turnover moderate and the undertone hesitant at the close.

Wednesday's quotations were as follows:

	Mar.	April	Apr.-	July-	Oct.-
			June	Sept.	Dec.
40in 7½oz	33.95	34.10	34.20	34.35	34.25
40in 8oz	36.80	—	—	—	—
40in 10oz	45.30	45.65	45.85	46.10	46.00
B Twills	111.70	112.40	112.90	114.00	114.35
Corn sacks	115.50	115.75	115.75	116.25	116.25
Heavy Cees	—	—	—	—	—
(Plain)	112.00	112.25	112.35	113.50	113.75
A Twills	133.00	133.50	134.00	135.00	136.00
Liverpools	128.25	128.00	127.75	127.50	127.50

G. B. OFFERS

NEW MACHINES TO JUTE MILLS

Office: 3, Netaji Subhas Road, Calcutta-1.
Telephone 23-1702/3
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Available both Single and Double side Inspection

3 WIDE LOOMS

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All the machines made under strict Supervision
of Specially qualified Foreign Trained Technicians
Your Esteemed Enquiries Solicited

Raw Jute: Steady conditions prevailed in the raw jute market during the past week. With the decline in daily arrivals from about 50,000 maunds to 40,000 maunds in the terminal markets, prices of selected-grade fibre tended to harden. But lack of mill interest kept them around the previous week's levels. Mills had practically completed the purchase of their March quota of 430,000 bales, generally in better-grade fibre for long positions. The stock of high-grade jute left over with holders was negligible, while there was a glut of lower-grade fibre and mesta. Prices of these grades tended to soften, but mills showed little interest in inferior fibre. Turnover was small, fluctuations narrow and the undertone cautious but firm in quality fibre. The undertone was hesitant in offgrade jute and mesta. In order to help the holders of mesta, the I.J.M.A. has requested its members to step up their purchases of such fibre. In the futures market, prices looked up after wide fluctuations in sympathy with the trend in the spot market. Shorts briskly covered their open positions, while bulls booked profits at the bulges. Turnover was fair and the undertone steady at the close.

Wednesday's quotations were as follows:

	Landed at Mills (Basis Bottoms)		T.S.D Minimum Prices	
	Current Rs.	Rs.	Rs.	Rs.
	A Qtr.	A Mt.	A Qtr.	A Mt.
Assam-Agartala				
Jute	84.39	31.50	80.38	30.00
Northern Jute	81.72	30.50	79.04	29.50
Western Desal				
Jute	76.36	28.50	73.68	27.50
Selected				
Daissee	91.09	34.00	85.74	32.00
Assam-Agartala				
Tossa	87.07	32.50	83.65	31.00
Mesta:				
Assam-				
Northern	68.32	25.50	72.34	27.00
Local Daissee	68.32	25.50	72.34	27.00
Bihar Dist.	64.30	24.00	66.98	25.00

THE U.K. JUTE MARKETS

FIBRE NEGLECTED

(FROM OUR DUNDEE CORRESPONDENT)

WITH a steady demand from Continental countries during the past week, the raw jute market in Pakistan was firm. Prices of loose jute tended dearer, but so far there was little or no change in the rates asked for export. The outlook is that values will remain at present levels, provided the new crop continues to make satisfactory progress. Dundee spinners were difficult to interest, and business was confined to small quantities. This was only to be expected as they have obtained the bulk of their raw material requirements, and it is estimated that less than 100,000 bales from the present crop will meet the needs of the U.K.

Fewer offers were made, but prices were irregular, with the lowest rates at £146 for Mill Firsts, at £112 10s for Mill Lightnings, at £97 for Mill Hearts and at £82 10s for Grade Hearts, c.i.f. U.K., for March-April shipment. Offers of Grade Tossa-3 were scarce with prices ranging from £126 10s. Grade Tossa-4 was named at £108 10s. Output Tossa-3 was at £96 and Output Tossa-4 at £86, March-April.

Prices of cuttings were firm, and only a few parcels were available. This was due to large quantities being taken up by felt manufacturers. S.N.C. was named at £61 and N.C. at £53. Mesta was steady at £85 10s for A, at £76 10s for B and at £70 10s for C, c.i.f. U.K., March-April.

Commodity Markets

WORLD SUPPLY OF COFFEE SHORT

(FROM OUR SOUTH INDIAN CORRESPONDENT)

PRESENT indications are that the international market for coffee might continue to be a sellers' market for some time to come. There was a steep fall in Brazilian production due to the drought, fire and frost of last August. Latest reports on the Brazilian crop are not encouraging. Private estimates place the 1964-65 crop at as low as 8.3 million bags. The prospects for 1965-66 are, however, a great deal worse. According to one estimate, the 1965-66 crop may not exceed 5 million bags. In the last two years, Brazil has either just fulfilled her quota or failed to make it. It is said that her stockpiles have not increased effectively since 1960-61.

The other factor is the International Coffee Agreement. There have in fact been complaints that the export quotas given to producers under this agreement are on the low side, and an artificial scarcity has been created in the market. The International Coffee Agreement Council recently decided to increase the export quotas for the balance of the current season by 2.3 million bags, representing about 5 percent of the annual total quota. The additional quota is made in two parts; 1,352,000 bags regular increase for the crop year and 948,000 bags for temporary and exceptional increase in individual quotas. The United States, one of the signatories to this agreement, has deposited its instrument of ratification with the U.N. recently, but the U.S. Senate is yet to pass the implementing legislation.

During January coffee prices reached their peak with trader and roaster buying gaining further momentum. According to one New York report, what had been a steady and orderly advance in actuals approached runaway proportions. Inability to buy forward shipment beyond March forced roasters to accumulate larger inventories of nearby coffee. Since then all markets have eased a bit, but there is a confident undertone and whenever anything takes on the appearance of a bargain, the buyers jump in. There is no selling pressure.

One London report says that Robustas which registered a marked improvement in price some time ago are at present the most neglected of all. Ugandas from origin are of

the same price as Salvadors so much so they are not enthusiastically bought by roasters at present. Uganda and Ivory Coast are the two countries likely to have the largest unsold stocks due to the inadequacy of export quotas granted to them. Uganda got a quota of 1.9 million bags, as against a crop of 2.9 million bags, and Ivory Coast was given an export quota of 2.3 million bags, against her crop estimated at 4 million bags. They were among the two countries who demanded larger export quotas to the Coffee Council.

India is another country which is not satisfied with the quota she got under the International Coffee Agreement. She has been pressing the Coffee Council for an upward revision of her export quota of 21,600 tons a year. India is expected to produce over 60,000 tons of coffee during the 1963-64 season. This crop is now reaching the Board's pool. A quantity of about 5,500 tons have already been sold for export from this crop at a price varying between Rs. 200 to Rs. 245 a 50 kilograms depending on the differences in quality. These prices are better, when compared with the prices ruling at this time last year.

The 1962-63 crop of 55,760 tonnes were distributed as follows: internal market 33,812 tonnes, export 22,411 tonnes and a carryover to the new season 537 tonnes. The average prices realised by the different grades of coffee in the internal and export sales during 1963 are given below: Plantation Rs. 207.50 (internal) Rs. 181 (export), Arabica Cherry Rs. 153 (internal) Rs. 148 (export), Robusta Rs. 147.50 (internal) and Rs. 126 (export) (Prices are for 50 kilograms exclusive of Central excise duty).

TEA

Offerings at Cochin

Auction

Mr. J. B. Irens, chairman of the Cochin Tea Trade Association, told the recent annual meeting of his association that in spite of the disincentive provided by the sales tax of the Kerala Government, more tea was coming to Cochin for auction.

Offerings in 1963 were 4.5 million kilograms more than that of 1962. The 1963 sales represented a 230 percent increase over the quantity put through Cochin auctions ten years ago. Mr. Irens pointed out that although tea exports last year increased by 3 million kilograms, there was a considerable shortfall in the offtake by a number of south India's traditional markets, particularly Australia, Russia imported over 7 million kilograms, an increase of 3 million kilograms over their 1962 offtake. However, with Russian buying confined to low medium and medium categories, coupled with a strong internal demand, the "bread and butter" teas were priced out of range of many overseas buyers to the benefit of Colombo.

The average price of leaf teas sold through Cochin was higher by 8nP a kilogram, over the 1962 price while dusts were sold at 50nP a kilogram higher than the previous year's. Mr. Irens said that although New Zealand was a potential market for south Indian teas, the south Indian gardens were severely handicapped by lack of direct shipping facilities enjoyed by Ceylon. This matter was under constant review. As a result of the representations made by the Tea Trade Association of Cochin, the rate of freight to the United Kingdom and the Continent, which was increased in August last, had been so adjusted as to bring the Malabar coast in line with Calcutta, thereby removing the anomaly between Cochin and Calcutta rates, Mr. Irens said.

J. Thomas to Open Branch in Cochin

South India is fast gaining in importance as a tea producer. Last year the production totalled 84.8 million kilograms which was 4.67 million kilograms more than in 1962. During the last ten years the output has risen by about 30 million kilograms. Consequently, Cochin's share in the country's tea exports has been steadily going up, the exports through the port in 1963 being 44 million kilograms valued at over Rs. 30 crores.

The offerings of tea in the Cochin auctions have increased likewise. According to Mr. J. B. Irens, chairman of the Cochin Tea Trade Association, the total quantities offered at the auctions have increased by about 230 percent since 1954. With the Cochin auctions acquiring greater importance, it is only natural that more and more tea brokers should take interest in them. J. Thomas and Company, prominent tea brokers of Calcutta, are shortly opening a branch in Cochin to participate in the auctions.

MIDDLE CLASS COST OF LIVING INDEX NUMBER FOR CALCUTTA

(Base: August 1939)

THE Middle Class Cost of Living Indices, by groups, have now been brought up to February 1964. As compared with January, the February index for Food reveals a drop

of 8 points. The indices for Fuel & Lighting, Clothing and Miscellaneous remain unchanged at 308, 609 and 321 points, respectively.

Combining all the factors, the Middle Class Cost of Living Index for Calcutta shows that the cost of living dropped by 4 points during February 1964.

Middle Class Cost of Living Index Number for Calcutta. Prices in August, 1939=100

Groups	Weights	GROUP INDICES											
		Feb. 1963	Mar. 1963	Apr. 1963	May 1963	June 1963	July 1963	Aug 1963	Sept. 1963	Oct. 1963	Nov. 1963	Dec. 1963	Jan. 1964
Food	53.6	563	563	578	578	586	591	598	606	608	598	591	584
Fuel and Lighting	4.4	299	307	304	308	308	308	308	308	308	308	308	308
Clothing	12.4	598	598	602	602	602	602	602	609	609	609	609	609
Miscellaneous	29.6	311	314	317	317	317	317	317	317	317	321	321	321
Combined Index	100.0	476	482	491	492	496	499	502	507	509	505	501	497

Compiled and constructed by the Statistical Department of "Capital"

CAPITAL, 26th March, 1964.

CAPITAL, 26th March, 1964.

COMPANY AND PUBLIC NOTICES

INDIAN ALUMINIUM COMPANY, LIMITED

31 Chowringhee Road, Calcutta-16

NOTICE is hereby given that the twenty-sixth Annual General Meeting of Indian Aluminium Company, Limited will be held at its registered office, 31 Chowringhee Road, Calcutta-16, on Monday, April 27th 1964 at 11-30 a.m. for the following purposes:

- To receive and adopt the Balance Sheet as at December 31st 1963 and the Profit and Loss Account for the year ended December 31st 1963, together with the Reports of the Auditors and Directors.
- To declare dividends.
- To appoint Directors in place of those retiring.
- To appoint Auditors and to fix their remuneration.

As special business, to consider and if thought fit to pass with or without modification the following resolution of which special notice has been received:

"That Dr. C. L. Katial, who retires at this meeting and who has attained the age of sixty-five years, be and is hereby re-appointed a Director of the Company, and that the age limit prescribed under Section 280 of the Companies Act 1956 shall not apply to him."

The register of members and the share transfer registers of the Company will be closed from April 7th to April 27th 1964, both days inclusive.

Payment of any dividend declared will be made only to those members whose names are registered in the books of the Company on April 27th 1964, or to their mandataries. No application for warrants will be necessary. Claims on behalf of holders of shares held on blank transfer will not be entertained.

Any member of the Company entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company.

By Order of the Board,

T. D. SINHA,
Secretary.

February 17th 1964

EXPLANATORY STATEMENT AND STATEMENT OF INTEREST AS REQUIRED BY SECTION 173 OF THE COMPANIES ACT 1956

Item No. 5

Dr. C. L. Katial, who has been a Director of the Company since 1958, has attained the age of sixty-five years on July 15th, 1963. The proposed resolution seeks to obtain your approval of Dr. Katial's appointment and your declaration that the age limit specified in Section 280 of the Companies Act 1956 shall not apply to him. Your Directors feel that it is in the interest of the Company that the Board should continue to receive the benefit of Dr. Katial's experience and able guidance.

The Company has received Special Notices from two members notifying their intention to move the resolution set out in the Notice. Apart from Dr. Katial, no other Director of the Company is interested in this resolution.

THE DUNLOP RUBBER COMPANY (INDIA) LIMITED

NOTICE

NOTICE is hereby given that the 38th Annual General Meeting of the Company will be held at the Registered Office, "Dunlop House", 57B, Free School Street, Calcutta on Wednesday, the 22nd day of April, 1964 at 11 a.m. for the following purposes:

- To consider the Profit and Loss Account for the year ended 31st December, 1963, the Balance Sheet as at that date and the Reports of the Directors and Auditors of the Company.
- To declare dividends.
- To appoint Directors in the place of those who retire by rotation.
- To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS

To consider and if thought fit to pass, with or without modification, the following resolutions of which numbers 5, 6, 7, 8 and 9 will be proposed as ordinary resolutions and numbers 10 and 11 as special resolutions:—

- As an ordinary resolution: "That subject to the approval of the Central Government of the under Section 269 of the Companies Act, 1956, Mr. James Alexander Moore, Deputy Managing Director (Finance) of the Company, whose term of office expires on 22nd April, 1964 in accordance with Section 317 of the above Act and the Central Government's approval dated 25th September, 1959, be and is hereby re-appointed with effect from 23rd April, 1964 as Deputy Managing Director (Finance) of the Company upon the same terms and conditions of service as presently govern his employment and the same remuneration as presently payable to him."
- As an ordinary resolution: "That Mr. Alan Grant McKay be and is hereby appointed a Director of the Company."

Notice of the intention to propose Mr. Alan Grant McKay as a candidate for the position of a Director of the Company has been received from a member in conformity with Section 257 of the Companies Act, 1956.

- As an ordinary resolution: "That with effect from 1st August, 1963 the terms and conditions of employment of and the remuneration payable to Mr. Alan Grant McKay, Deputy Managing Director (Works) of the Company, as evidenced in a letter dated 22nd April, 1963 addressed to him by the Company, be and is hereby approved, and that as such Deputy Managing Director (Works) of the Company he will continue to be governed by the said terms and conditions of employment and be entitled to the said remuneration which have been approved by the Cen-

tral Government from the date abovementioned."

- As an ordinary resolution: "That Mr. Krishna Padmanabhan be and is hereby appointed a Director of the Company."

Notice of the intention to propose Mr. Krishna Padmanabhan as a candidate for the position of a Director of the Company has been received from a member in conformity with Section 257 of the Companies Act, 1956.

- As an ordinary resolution: "That subject to the approval of the Central Government under Section 269 of the Companies Act, 1956, Mr. Krishna Padmanabhan be and is hereby appointed Deputy Managing Director (Sales) of the Company upon the same remuneration and upon the same terms and conditions of service as governed his employment as an Executive Officer in the wholetime employment of the Company immediately prior to this appointment as evidenced in a letter dated 24th December, 1963 addressed to him by the Company."

- As a special resolution: "That the authorised capital of the Company be and is hereby increased from Rs. 7,50,00,000 to Rs. 12,50,00,000 by the creation of 50,00,000 Shares of Rs. 10 each."

- As a special resolution: "That the Articles of Association of the Company be and is hereby amended in the manner following, that is to say:

By deleting from Article 4 the first sentence and substituting therefor the following new sentence, namely:

At the date of adoption of these Articles the share capital of the Company consists of Rs. 12,50,00,000 divided into 68,00,000 Ordinary Shares of Rs. 10 each, 30,000 Cumulative Preference Shares of Rs. 100 each, 40,000 Second Cumulative Preference Shares of Rs. 100 each and 50,00,000 Unclassified Shares of Rs. 10 each, which may be issued as Ordinary Shares or with such rights as may be thought fit."

A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.

The Registers of Members in respect of the Ordinary and Second Preference Shares of the Company will be closed from 9th April to 30th April, 1964, both days inclusive. Any dividends that may be declared will be paid, on or after 9th May, 1964, only to those members whose names appear on the above Registers on 8th April, 1964.

By Order of the Board,

S. K. ROY,
Secretary.

Dunlop House
57-B, Free School Street
Calcutta
26th March, 1964

Note: An Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 has been annexed to the notice issued to the members of the Company.

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THE ALKALI & CHEMICAL CORPORATION OF INDIA, LIMITED

Registered Office: 31 Chowringhee Road, Calcutta 16.

NOTICE

Payment of Dividend on Preference Shares

IN connection with the payment of the above Dividend for the half-year ending 31st March 1964, the Preference Share Registers of the Company will be closed from the 2nd April 1964 to 8th April 1964, both days inclusive.

By Order of the Board,

IMPERIAL CHEMICAL INDUSTRIES (INDIA) PRIVATE LIMITED,
Secretaries.

Calcutta,
18th March 1964.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	L.S.T. Hours
New Samanbagh Tea Co. Ltd.	26-3-64	3-30 p.m.
United Bank of India Ltd.	30-3-64	11 a.m.
Martin Burn Ltd.	30-3-64	11 a.m.
National Pipes & Tubes Co. Ltd.	30-3-64	3-30 p.m.
Raza Buland Sugar Co. Ltd.	4-4-64	10-30 a.m.
United Commercial Bank Ltd.	8-4-64	4 p.m.
Dunlop Rubber Co. (India) Ltd.	22-4-64	11 a.m.
Indian Aluminium Co. Ltd.	27-4-64	11-30 a.m.

DIVIDENDS DECLARED OR PROPOSED.—Clive Row Investment Holding Co. Ltd.—55nP per share (o) (f), subject to tax; Dunlop Rubber Co. (India) Ltd.—174 p.c. (o), subject to tax.

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Official quotations of the Calcutta, Bombay, Madras, London Stock
Exchange Associations and other sources.
Figures given after stroke (/) mean Naye Paise.

Wednesday, 25th March, 1964.

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GOVERNMENTS LOANS

Outstanding Amount Rs.	Interest Rate per cent	Year of Issue	Repayable	Market Quota- tions	Amount Rs.	Interest Rate per cent	Year of Issue	Repay- able	Market Quota- tions
GOVERNMENT OF INDIA									
2,48,91,06,000	3	1946	1986 or later	62 1/2	90,24,300	4	1914	1974	98/25
			At the option		78,90,100	4	1915	1975	98/25
			of the Govern- ment of India						
8,93,33,000	3	1896-97	after a months notice	63.00	68,02,300	3	1921	2nd 1981	82/00
					1,50,00,000	6 1/2	1921	2nd 1981	144/00N
1,10,11,78,000	3	1943	1966-68	97/90	£892,600	5	1923	1953-83	£61
					£901,000	5	1924	1954-84	£61
30,33,10,000	3	1950	1964	99/60	1,24,00,000	4 1/2	1957	1987	99/50
14,71,48,000	2 1/2	1946	1976	83/50		4 1/2	1958	1988	99/00
1,15,05,33,000	3	1948	1970-75	90/35	50,00,000	4 1/2	1959	1989	99/00
1,58,17,94,000	3 1/2	1954	1964	99/90	1,50,00,000	4 1/2	1961	1971	98/75
1,53,67,92,000	3 1/2	1955	1965	99/65	30,00,000	4	1931	1991	93/00
86,63,53,000	3 1/2	1456	1974	96/75	30,00,000	3 1/2	1935	1965	99/00
56,99,30,000	3 1/2	1957	1967	99/60	50,00,000	3	1946	1976	83/50
1,54,70,22,000	4	1957	1972	99/25					
94,51,44,000	4	1958	1973	99/15	30,00,000	3	1945	1-2-2003	72/00
1,97,40,92,000	3 1/2	1956	1967	99/20		3	1945	1-2-1975	83/75
70,00,000	3 1/2	1958	1968	98/20					
1,56,64,22,000	3 1/2	1958	1968	99/40	25,00,000	3	1938	1963-68	93/00
1,90,85,42,000	3 1/2	1959	1969	97/10	50,00,000	3	1946	2006	72/00
81,06,39,000	4	1959	1979	98/40	50,00,000	2 1/2	1947	1977	78/50
82,65,41,000	3 1/2	1960	1966	99/65	50,00,000	3	1948	1978	83/00
98,05,17,000	4	1960	1980	98/40					
63,96,55,000	4	1961	1981	99/55	50,00,000	3	1950	1980	81/00
84,12,53,000	4	1963	1969	99/55					
29,07,95,000	4 1/2	1962	1972	100/20	50,00,000	3	1951	1981	80/50
52,01,71,000	4 1/2	1963	1986	100/30					
1,14,03,37,000	4 1/2	1962	1983	100/15	30,00,000	4 1/2	1953	1983	98/75
					30,00,000	4	1953	1983	97/50
					30,00,000	4	1955	1985	97/25
3,40,34,300	4	1952	1964	99/95	77,00,000	4	1956	1986	97/25
6,57,22,800	4 1/2	1957	1969	98/70	1,00,00,000	4	1959	1989	99/50
6,58,20,700	4 1/2	1958	1970	98/75	1,00,00,000	5	1963	1993	...
4,35,25,000	4 1/2	1958	1971	98/70					

MADHYA PRADESH									
2,03,28,800	3	1948	1964	98/50					
MADRAS									
5,24,81,200	4	1952	1964	99/95					
5,55,57,300	4 1/2	1958	1970	98/70					
UTTAR PRADESH									
1,55,31,200	3	1936	1961-66	93/25	10,00,000	5 1/2	1932	1962	98/50
5,89,13,900	4	1952	1964	99/95	33,91,000	3 1/2	1935	1965	98/00
7,65,58,900	4 1/2	1958	1970	98/70	72,50,000	4 1/2	1954	1979	100/00
WEST BENGAL									
2,00,00,000	4	1952	1964	99/95	60,00,000	3	1936	1966	93/00
7,58,72,200	4	1955	1967	99/05	21,10,000	3 1/2	1942	1972	92/50
7,11,46,100	4	1956	1968	98/70					
5,10,49,700	4 1/2	1958	1970	98/75	87,36,000	4	1952	1982	99/75
7,69,69,400	4 1/2	1959	1971	97/75					
7,00,00,000	4	1960	1969	98/40	1,22,72,000	4	1955	1985	97/25N
73,07,21,000	4 1/2	1961	1972	98/80					
7,00,00,000	4 1/2	1962	1974	99/50	1,87,32,000	4 1/2	1958	1970	101/00N
MYSORE									
2,95,85,200	4	1933	1953-63	100/00	73,36,000	4 1/2	1958	1968	100/50
					57,72,000	4 1/2	1961	...	...

PORT TRUST LOANS

Outstanding Amount Rs.	Interest Rate per cent	Year of Issue	Repay- able	Market Quota- tions	Amount Rs.	Interest Rate per cent	Year of Issue	Repay- able	Market Quota- tions
GOVERNMENT OF INDIA									
2,48,91,06,000	3	1946	1986 or later	62 1/2	90,24,300	4	1914	1974	98/25
			At the option		78,90,100	4	1915	1975	98/25
			of the Govern- ment of India						
8,93,33,000	3	1896-97	after a months notice	63.00	68,02,300	3	1921	2nd 1981	82/00
					1,50,00,000	6 1/2	1921	2nd 1981	144/00N
1,10,11,78,000	3	1943	1966-68	97/90	£892,600	5	1923	1953-83	£61
					£901,000	5	1924	1954-84	£61
30,33,10,000	3	1950	1964	99/60	1,24,00,000	4 1/2	1957	1987	99/50
14,71,48,000	2 1/2	1946	1976	83/50		4 1/2	1958	1988	99/00
1,15,05,33,000	3	1948	1970-75	90/35	50,00,000	4 1/2	1959	1989	99/00
1,58,17,94,000	3 1/2	1954	1964	99/90	1,50,00,000	4 1/2	1961	1971	98/75
1,53,67,92,000	3 1/2	1955	1965	99/65	30,00,000	4	1931	1991	93/00
86,63,53,000	3 1/2	1456	1974	96/75	30,00,000	3 1/2	1935	1965	99/00
56,99,30,000	3 1/2	1957	1967	99/60	50,00,000	3	1946	1976	83/50
1,54,70,22,000	4	1957	1972	99/25					
94,51,44,000	4	1958	1973	99/15	30,00,000	3	1945	1-2-2003	72/00
1,97,40,92,000	3 1/2	1956	1967	99/20		3	1945	1-2-1975	83/75
70,00,000	3 1/2	1958	1968	98/20					
1,56,64,22,000	3 1/2	1958	1968	99/40	25,00,000	3	1938	1963-68	93/00
1,90,85,42,000	3 1/2	1959	1969	97/10	50,00,000	3	1946	2006	72/00
81,06,39,000	4	1959	1979	98/40	50,00,000	2 1/2	1947	1977	78/50
82,65,41,000	3 1/2	1960	1966	99/65	50,00,000	3	1948	1978	83/00
98,05,17,000	4	1960	1980	98/40					
63,96,55,000	4	1961	1981	99/55	50,00,000	3	1950	1980	81/00
84,12,53,000	4	1963	1969	99/55					
29,07,95,000	4 1/2	1962	1972	100/20	50,00,000	3	1951	1981	80/50
52,01,71,000	4 1/2	1963	1986	100/30					
1,14,03,37,000	4 1/2	1962	1983	100/15	30,00,000	4 1/2	1953	1983	98/75
					30,00,000	4	1953	1983	97/50
					30,00,000	4	1955	1985	97/25
3,40,34,300	4	1952	1964	99/95	77,00,000	4	1956	1986	97/25
6,57,22,800	4 1/2	1957	1969	98/70	1,00,00,000	4	1959	1989	99/50
6,58,20,700	4 1/2	1958	1970	98/75	1,00,00,000	5	1963	1993	...
4,35,25,000	4 1/2	1958	1971	98/70					

MUNICIPAL LOANS

Outstanding Amount Rs.	Interest Rate per cent	Year of Issue	Repay- able	Market Quota- tions	Amount Rs.	Interest Rate per cent	Year of Issue	Repay- able	Market Quota- tions					
GOVERNMENT OF INDIA														
CALCUTTA					BOMBAY					MADRAS				
28,00,000	3½	1951	1966	98/50										
90,00,000	5½	1932	1962	100/75N	20,00,000	4	1913-18	1974	95/00	15,00,000	3½	1951	1961	107/00
81,00,000	3½	1935	1965	98/00										
90,00,000	4½	1954	1979	100/00	10,00,000	5	1920	1980	101/00	15,00,000	3½	1952	1962	107/00
90,00,000	3	1936	1956	93/00										
50,00,000	3	1938	1968	92/50	2,00,34,000	3½	1951	1966	89/00					
0,000	3½	1942	1972	92/00										
36,00,000	4	1952	1962	98/75	8,25,00,000	3½	1947	1977	82/00					
72,00,000	4	1955	1965	97/25N										
32,00,000	4½	1958	1970	101/00N	2,13,14,500	3½	1949	1979	82/00					
36,00,000	4½	1958	1968	100/50										
90,00,000	4	1961	1971	100/50	4,00,00,000	3½	1950	1965	95/00					
*Ex eight instalments but inclusive of accrued interest.														

JOINT STOCK COMPANIES PREFERENCE SHARES

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

Year of Issue	NAMES	Amount Issued In 000's	Rate per Share	Paid-up per Share	Market Quotations 25-3-64	Year of Issue	NAMES	Amount Issued In 000's	Rate per Share	Paid-up per Share	Market Quotations 25-3-64
		Rs.		Rs.	Rs.			Rs.		Rs.	Rs.
BANK											
1901	Allahabad Bank (May Nov.)	15.00	6	100	94/00	1895	Bengal Assam Steamship (Nov.)	3.00	7	60	56/50
COALS											
1896-97	Borra (June Dec.)	4.00	6 1/2	100	84/00	1895	Bengal Chemical (Aug.)	6.25	7 1/2	10	11/50
1901-19	Burrakur (Jan July)	22.98	7	100	98/00	1889	Bengal Paper Mill (Mar Sept.)	2.00	7	50	51/00
1946	Burrakur (June Dec.)	4.50	6T	10	5/65	1923	Bengal Paper Mill "A" (Mar Sept.)	4.00	7	100	98/00
1895	Equitable (May Nov.)	4.00	6	100	90/00	1926	Birds Investments (Dec.)	24.00	5 1/2T	100	52/50
1931	Khas Kajora (March Sept.)	1.93	5	10	9/00	1918	Britannia Biscuit (Feb Aug.)	15.00	8	10	108/00
1920	New Beerhoom (Jan July)	2.00	7	10	10/50	1920	British India Corporation (Feb.)	81.00	8	100	108/50
1898-90	Ondal (June Dec.)	2.00	5 1/2	100	85/00	1926	Burn Eng (1st & 2nd) (Feb Aug.)	13.00	7	100	113/00
COTTONS											
1902	Ahmedabad Advance (Apr. Oct.)	10.00	5	100	77/00	1909-11	Calcutta Electric Supply (Mar Sept.)	£1,900	6	£1	7/75
1894	Bangalore (Jan July)	6.00	6	100	71/50	1937	Calcutta Silk Manufacturing (July Jan.)	2.00	6	100	70/50
1938	Basanti (Oct.)	5.00	6 1/2	10	7/00	1906	Calcutta Tramways (Jan July)	£250	5T	£1	8/25
1896	Bengal-Nagpur (Apr. Oct.)	3.00	7	100	48/00	1938	Carew & Co (Jan.)	8.00	6 1/2	100	73/50
1900	Bowreah "A" (Apr. Oct.)	6.00	8	100	111/00	1940	Cawnpore Sugar Works (Feb Aug.)	10.00	8	100	114/50
1900	Bowreah "B" (6) (1) (Apr. Oct.)	6.00	7	100	88/00	1937	Chrestien Mica Industries Ltd.	30.00	5 1/2T	100	39/00
1919	Bradbury "B" (Jan Dec.)	14.25	7	50	60/50	1916	Dalmia Cement (Bharat)	35.00	6	10	8/12
1920	Buckingham & Carnatic (Jan July)	21.30	7 1/2	100	109/00	1916	Delhi Flour Mills (Oct.)	90.00	7T	100	101/00
1928	Cambodia (July)	1.00	7	100	83/63	1935	Deshgarh Power Supply "A" (Jan.)	18.00	5	100	69/50
1912	Central India (Apr. Oct.)	50.00	5	500	445/00	1940	Duncan Brothers & Co Ltd	45.00	4	100	56/50
1912	Delhi Cloth & General (Oct.)	20.00	4 1/2	25	16/63	1936	Dunlop Rubber "First" (Jan July)	30.00	8	100	103/00
1912	Elgin (May Nov.)	11.00	8	100	113/00	1897	Dunlop Rubber "Second" (Apr.)	40.00	5 1/2T	100	68/50
1943	Elgin "B"	10.00	5	10	6/44	1908	East India Distilleries (Jan July)	£200	7	20st	18/25
1919	Elphinstone (May Nov.)	25.00	7T	100	73/00	1947	General Investment & Trust (Feb Aug.)	1.00	5	100	56/00
1919	Kesoram (June Dec.)	20.00	7	100	107/00	1946	General Investment & Trust (Feb Aug.)	1.00	6T	100	48/00
1925	Khatu Wakani (Nov.)	10.00	6	100	81/50	1948	Gillanders Arbuthnot (Apr. Oct.)	25.00	5T	100	56/50
1937	Kothari (Nov.)	12.00	6	10	7/78	1948	Gladstone Lyall & Co Ltd	15.00	6T	100	60/00
1930	Muir (Feb Aug.)	30.00	6	100	108/00	1940	Godfrey Phillips India Ltd.	30.00	5 1/2T	100	59/75
1913	New Great Eastern (Mar.)	8.00	5 1/2	200	120/00	1940	Gwalior Sugar (Redeemable) (Dec.)	6.75	7	100	62/00
1920	New Victoria (Apr. Oct.)	16.06	6	100	115/45	1936	Gwalior Sugar (Dec.)	5.00	7	100	62/00
1933	Palani Andavar (Mar.)	2.00	7	50	115/45	1936	Humayan Properties Ltd (Nov.)	12.00	6	10	7/00
1935	Swadeshi (Bombay) (May)	15.00	5	100	68/00	1927	Indian Aluminium (Mar Sept.)	40.00	5T	100	66/75
1927	Swadeshi (Cawnpore) (Mar.)	35.00	6	100	68/50	1899	Indo Burma Petroleum (Jan July)	50.00	7T	100	67/00
1931	Vasanti (Apr. Oct.)	3.00	6 1/2	100	83/18	1923	India General Navg & Railways	£244	6	£10	83/50
1908	Vishnu (Apr.)	16.00	7	500	390/00	1918	Indian Cable Co (Nov.)	12.88	6	10	62/50
JUTES											
1927	Agarpara (Jan July)	10.00	7	100	95/00	1937	Indian Standard Wagon (Aug or Sept.)	19.66	7	100	112/00
1905	Alexandra (Feb Aug.)	9.00	7	100	85/50	1936	Investment and Finance (Feb Aug.)	2.69 1/2	5	100	80/00
1895	Alliance (March Sept.)	15.00	6	100	76/00	1935	Investment and Finance (Feb Aug.)	2.00	5	100	69/00
1917	Anglo-India (May Nov.)	40.00	7	100	98/00	1937	James Wright (Jan July)	1.30	6	50	14/00
1909	Auckland (July Jan.)	10.00	5 1/2	100	72/00	1941	Jardine Henderson Ltd.	50.00	5 1/2T	100	55/50
1945	Auckland (Oct Dec.)	15.00	4 1/2	100	59/00	1915	Jessop & Co	10.00	5	100	74/00
1918	Bally (Jan July)	20.00	7	100	111/00	1915	Kumardhubi Engineering (June)	12.00	5	100	72/00
1948	Barnagore (Jan Dec.)	£200	5T	£5	41/50	1946	Martin Burn Ltd.	30.00	5	100	79/50
1896	Barnagore (Oct Dec.)	£200	5T	£5	41/50	1930	McLeod & Co	10.00	5T	100	43/00
1940	Bengal (June Dec.)	10.00	5 1/2	100	70/00	1936	McLeod & Co	40.00	5	100	53/00
1919	Birla (June Dec.)	23.64	7 1/2T	100	78/50	1936	Mettur Chemical & Industrial (Sept.)	20.00	6	10	9/25
1894	Budge Budge (May Nov.)	8.00	7	100	65/00	1938	Metal Box Co of India Ltd	30.00	6T	100	75/75
1924	Calcutta (Jan July)	8.00	6 1/2	100	95/00	1942	Mysore Chemical Mfr (Sept.)	2.00	6	10	7/83
1915	Caledonian (June Dec.)	10.00	7	100	93/00	1944	National Tobacco (June Dec.)	25.00	5	100	70/00
1919	Chiviot (June Dec.)	10.00	7	100	96/00	1917	National Tobacco (Jan Dec.)	20.00	4 1/2	100	57/50
1928	Chitavalah (Mar Dec.)	5.00	7	100	89/00	1917	Poona Electric Supply Co Ltd (June Dec.)	4.00	7	100	99/50
1900	Clive (First) (May Dec.)	8.00	6	100	57/00	1935	Premier Construction "First" (Apr.)	10.00	6 1/2T	100	75/00
1905	Clive "A" (Second) (May Dec.)	8.00	7	100	74/00	1922	Premier Construction "Second" (Apr.)	15.00	6 1/2T	100	73/50
1903-13	Dalhousie (July Jan.)	11.76	7	100	89/50	1936	Purtapbore (Sugar) (Oct.)	15.00	6 1/2T	100	10/56
1897	Delhi (Jan Dec.)	5.00	6	100	74/00	1936	Ramnagar Cane & Sugar (Aug.)	15.00	6	100	82/00
1912	Empire (Jan July)	10.00	7	100	95/00	1935	Rohas Industries (April)	20.00	7	100	103/00
1890-93	Fort Gloster (Jan July)	14.00	7	100	95/00	1944-48	Rohas Industries "B" (April)	88.00	4 1/2	100	55/75
1948	Fort Gloster (2nd)	7.00	5	100	69/75	1936-38	Shaw Wallace & Co Ltd.	75.00	6T	100	54/50
1911	Fort William (May Nov.)	10.00	7	100	115/00	1936-38	Shree Gopal Paper	7.50	7	100	104/00
1916	Ganges (June Dec.)	6.00	8	100	104/50	1937	Shree Krishna Gyanodaya Sugar "A" (Oct.)	6.00	6	100	45/00
1895-04	Gouernore (June Dec.)	26.50	6	100	90/50	1918	Shree Krishna Gyanodaya Sugar "B" (Oct.)	12.00	5	100	70/00
1935	Hastings (Aug Feb.)	25.00	6	100	88/50	1933	Smith Stanistreet (Chemists) (Nov.)	5.00	10	50	74/50
1913	Howrah (July)	11.76	10	10	11/87	1897	South Behar Sugar (Oct.)	5.00	9	100	20/50
1890	Howrah (Jan July)	8.75	7	100	90/50	1923	Spencer & Co "A" (Provisions) (Jan July)	23.20	6 1/2T	100	6/58
1903-06	Howrah "A" (Jan July)	17.50	7	100	92/50	1936	Spencer & Co "B" (Provisions) (Jan July)	36.80	8 1/2T	100	9/50
1919	Hukumchand (June Dec.)	40.00	7	100	93/00	1925	Star Paper (Apr. Oct.)	10.00	5	100	68/50
1898-04	Kamarhatti (Apr. Oct.)	16.00	6	100	81/00	1939	Sura Electricity (April)	5.00	6 1/2	100	104/00
1900	Kankannarah (Apr. Oct.)	10.00	6	100	77/00	1910	Tata Chemicals (Nov.)	60.00	5	100	91/50
1935	Kedarnath (Jan July)	2.00	7	100	99/00	1910	Tata Hydro Electric Power (Sept. Mar.)	89.28	7	100	97/30
1907	Kelvin (Mar Sept.)	10.00	7	100	100/00	1918	Tata Iron & Steel (First) (Nov.)	75.00	6T	100	123/00
1895-09	Khardah (May Nov.)	8.00	6	100	74/00	1919	Tata Iron & Steel (Second) (May)	63.82	7 1/2T	100	103/25
1900-13	Kinnison (July Jan.)	15.00	7	100	92/00	1928	Tata Power (May Nov.)	88.97	7 1/2	100	110/00
1905	Lansdowne (July Jan.)	5.00	7	100	104/00	1936	Titaghur Paper Mills (Mar Sept.)	11.50	8	100	117/00
1912	Lawrence "A" (July Jan.)	5.00	7	100	95/00	1934	Vellore Electric (Sept. Mar.)	1.25	6 1/2	100	63/75
1908-07	Lawrence "B" (July Jan.)	10.00	5 1/2	100	71/00	TEAS					
1905-06	Naihati (July Jan.)	7.50	7	100	125/00	1903	Amluckie (May Nov.)	75.00	7	10	21/96
1945	Naihati (July Jan.)	10.00	4 1/2	100	90/00	1901	Banarhat (Jan.)	4.00	6 1/2	100	87/00
1917	National (May Nov.)	5.00	7	100	93/50	1901	Birpara (Jan.)	1.00	8	100	104/00
1939	Nellmaria (Apr. Oct.)	5.00	6	100	71/50	1947	Brooke Bond Estate India Ltd	35.00	6T	100	55/00
1915	New Central (Jan July)	33.00	7	100	89/50	1914	Choonabhatti (Jan.)	2.00	6 1/2	100	90/50
1908-09	Northbrook (July Jan.)	33.00	7	100	73/00	1901	Dimaas (June Dec.)	70.00	8	10	3/50
1935	Rameshwara (Jan July)	7.00	6	10	12/44	1894	Diunser	1.20	10	10	7/00
1906-12	Reliance (Jan July)	20.00	7	100	118/50	1901	Gielle (Sept.)	2.00	6	100	65/00
1928	Shree Ambica (Mar Sept.)	11.70	7 1/2	100	91/50	1904	Hantapara (Jan.)	50.00	8	100	93/00
1920	Soorah (Feb Aug.)	10.00	7	100	104/00	1897-99	Hastimara (Mar.)	2.40	6	100	35/00
1901-02	Union (July Jan.)	6.00	7	100	98/50	1907	Kingsley Golabhat (Dec.)	3.20	6	10	4/75
1913	Waverley (Mar Sept.)	7.50	5	50	40/00	1907	Moheema (May Nov.)	2.00	6 1/2	100	87/00
MISCELLANEOUS											
1937	Alkali & Chemical (Mar Sept.)	31.00	5	100	89/50	1903	New Saganbakh (Nov.)	1.00	8	100	90/50
1938	Aluminium Corp (Oct.)	20.00	6	100	93/50	1888	Orkut (Dec.)	50.00	7	100	34/50
1944	Aluminium Corp (Oct.)	20.00	5	100	64/50	1914	Peermadai (July)	1.50	6	100	32/75
1949	Anderson Wright (Dec.)	20.00	4 1/2	100	86/62	1916	Pussimbina (Jan.)	2.05	7	100	87/00
1917	Andhra Valley Power (May Nov.)	49.34	7T	1,000	1,000/00	1909	Sonar River (May)	1.00	8	100	66/00
1919	Arthur Butler (Mar.)	1.80	7	10	10/00	1903	Tezpor (Jan.)	2.00	8	10	7/37
1916	Assid Hotels of India (Mar Sept.)	21.87	7T	100	54/00	1922	Tirrihannah				

COAL COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profit including taxation	Carry forward	Accounts closed	Names	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.			1960 1961 1962	Rs.	25-3-64 18-3-64 A year Rs. 25-3-64
25,50,000	58,52,284	43,77,870	3,90,484	16,40,057	39,096	6-12	315 Amalgamated	10 12 15	10	23/25 23/25 21/00
1,20,00,000	3,69,97,154	2,64,87,667	39,35,496	83,31,140	8,57,427	3	236 Bengal P	25 21 19	100	250/00 254/00 265/00
4,49,350	4,37,382	1,30,152	91,194	43,397	4,471	10	2 Bengal Bhatdee	.. ..	10	3/48 3/48 3/48
2,25,000	3,06,216	5,45,835	3,19,015	1,55,638	16,129	10	368 Bengal Nagpur	.. ..	10	22/00 22/00 22/00
15,97,000	23,27,321	4,87,303	63,992	2,62,417	21,275	12	.. Bhargava	.. ..	10	4/25 4/25 5/00
40,00,000	67,23,620	2,75,000	21,19,681	11,80,816	2,120	9	152 Bharat Collieries P.	.. ..	10	3/44 3/37 3/53
7,15,000	14,96,845	11,02,672	64,329	-3,06,406	-4,92,536	6	335 Shulanbararee	.. ..	10	10/00 10/00 12/00
18,00,000	38,87,275	18,18,656	7,185	1,21,836	-79,196	12	362 Bokaro & Ramgur	.. ..	10	11/19 11/19 11/19
7,50,000	19,13,792	22,77,003	12,32,439	5,26,414	33,047	12	106 Borra P	.. ..	10	20/25 20/25 23/87
90,82,480	2,32,19,267	1,46,53,383	33,70,740	37,97,832	90,768	6	21 Burrakur P.	13 13 13	10	16/12 15/75 14/87
49,97,000	50,93,754	6,86,120	6,35,532	16,11,089	3,58,023	3	166 Central India	8 10 10	10	9/19 9/50 8/75
8,00,000	18,69,439	12,97,439	98,040	6,357	214	12	.. Central Kurkend P.	.. ..	10	3/44 3/44 8/00
6,00,000	..	1,55,159	6,05,472	63,765	7,043	12	106 Churulia	.. ..	4	3/06 3/06 3/06
16,00,000	25,01,705	..	19,429	-6,45,261	-5,39,034	12	444 Dhemo Main	.. ..	10	4/25 4/25 5/75
2,40,000	2,868,390	2,561,905	2,13,858	2,288,462	2,62,34	4	128 East India	7 15 20	20	29/25 29/25 29/00
29,63,000	1,42,23,054	1,18,76,888	27,65,725	10,14,185	33,594	12	19 Equitable P.	15 10 ..	10	22/44 22/44 25/62
15,00,000	21,00,420	41,000	25,500	920	-6,24,344	3	307 Ghusick & Muslia	Nil Nil Nil	10	13/25 13/25 13/50
8,50,000	4,21,847	..	12,025	10,870	-14,705	12	20 Gudar Kajora	.. ..	10	2/47 2/47 2/03
8,00,000	5,43,022	..	16,702	-10,172	-3,65,023	12	393 Hurriladib	.. ..	10	5/75 5/75 8/12
15,00,000	23,47,852	27,81,955	39,74,704	3,95,071	1,40,029	12	21 Karanpura Development	5 15 ..	100	10/31 10/31 10/50
20,00,000	34,15,535	9,86,018	3,72,692	8,92,065	32,810	2	21 Karanpura Collieries P.	7 10 10	10	13/50 13/50 16/00
14,90,460	22,28,867	18,07,072	9,73,401	12,76,204	20,670	1	2 Khatras Jheriah	95 40 25-30*	10	33/75 33/75 48/75
1,38,400	6,75,090	95,000	11,80,294	49,776	1,918	6-12	337 Khas Kajora P.	.. ..	10	17/62 17/62 18/70
5,65,750	5,95,833	..	9,780	-1,60,535	-16,47,497	3	372 Mundulpur	.. ..	10	2/69 2/69 2/69
7,48,240	3,39,261	56,489	7,29,802	1,15,573	74,711	12	347 Nazira	7 10 Nil	10	6/25 6/25 5/12
31,97,210	65,76,423	39,73,921	6,23,764	28,793	10	2	10 New Beerbhoom P.	16 10 12	10	16/12 16/12 17/62
9,90,340	9,04,373	5,21,710	75,373	41,2216	43,822	3	202 New Manbhoom	7 9 12	10	11/94 11/94 13/00
15,00,000	7,03,719	4,31,408	49,364	1,44,042	15,045	12	441 North West	20 20 ..	10	19/75 19/75 19/75
1,57,500	..	..	..	..	..	12	..	7 7 7	10	18/00 18/00 18/00
7,50,000	1,33,788	13,22,645	22,85,097	1,91,515	45,080	12	106 Ondal P.	6 7 7	10	13/50 13/50 12/00
8,34,000	23,09,066	1,52,212	4,78,384	1,79,344	589	12	207 Paradesi P.	11 11 11	10	14/00 14/00 16/00
15,75,000	32,93,192	24,59,125	4,11,653	54,1674	54,253	3	236 Paradesi P.	10 10 10	10	17/00 17/00 19/12
2,50,000	5,62,405	1,500	11,830	2,003	18,581	6-12	1 Pure Sitalpur	.. ..	10	8/00 8/00 8/00
13,58,900	50,26,723	40,85,000	1,26,141	11,54,576	35,781	3	370 Ranegunge	15 17 17	10	13/62 13/62 15/00
13,50,000	25,32,135	20,80,190	1,69,318	13,18,197	41,523	12	236 Rewa	20 20 ..	10	25/50 28/50 28/50
87,50,000	74,38,430	38,61,070	1,69,086	12,37,814	26,993	12	48 Satala	10 .. Nil	10	8/00 8/00 10/03
2,50,000	4,47,534	74,281	10,748	-19,279	-4,27,396	1	353 Searsole	2 2 2	10	1/25 1/25 1/94
2,80,000	11,88,971	13,29,316	9,92,167	5,59,516	15,849	12	2 Seebore P.	42 6/7 42 6/7	10	34/75 34/75 45/00
8,00,000	..	4,44,844	13,04,470	7,480	1,440	12	106 Sendra	5 3 3	10	5/00 5/00 6/50
17,50,000	32,03,711	11,77,056	36,734	1,89,147	3,001	8	111 South Karanpura	15 10 ..	10	10/44 10/44 16/00
8,00,000	1,30,001	15,48,959	28,78,255	1,84,925	35,908	12	106 Standard	.. ..	10	10/44 10/44 16/00
2,50,000	4,38,300	3,23,000	1,77,952	1,77,952	..	12	.. Union	10 10 10	10	10/25 10/25 10/87
49,98,000	63,57,150	6,09,055	2,69,820	11,72,182	1,19,162	6	166 Western Bengal	8 7 7	10	8/62 8/75 7/50
7,00,000	26,06,335	..	47,091	-6,51,403	-6,23,711	12	444 West Jamuria	Nil Nil ..	10	4/00 4/00 4/12

*1963

COTTON MILLS

Paid-up Capital Ordinary	Number on Spindle Looms	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profit including taxation	Carry forward	Accounts closed	M/s. Agents Secretaries etc.	NAMES	Dividends per cent	Paid-up per Share	Latest Market Quotation as available until
Rs.		Rs.	Rs.	Rs.	Rs.	Rs.				1960 1961 1962	Rs.	25-3-64 18-3-64 A year ago Rs.
15,00,000	14,108	356	14,06,683	3,15,002	12,59,541	26,012	41,532	12 49	Basanti P.	.. ..	10	13/50 13/50 12/75
7,11,280	36,000	932	17,17,120	2,20,369	30,842	3,66,177	47,818	8 27	Banga Luxmi	.. ..	40	30/00 30/00 28/00
27,00,000	31,476	624	17,77,373		93,872	-6,24,150	-6,66,163	12 223	Bengal Nagpur P.	Nil	10	2/44 2/44 3/00
50,00,000		..	1,66,35,360	49,94,800	52,56,090	28,04,759	17,588	12 394	Bharat Commerce P.	5 15 ..	10	22/31 23/12 19/87
39,95,950	38,764	992	60,94,300	1,21,02,782	53,37,204	39,77,025	1,67,525	8 22	Birla Cotton	10 20 20	10	27/00 27/00 22/75
35,60,000	43,136	841	1,00,69,568	60,37,060	2,04,094	21,74,042	1,94,107	12 138	Bowreah P	10 20 15	10	23/25 23/25 23/81
30,00,000	22,000	510	32,89,583	62,22,574	9,41,816	13,74,402	49,055	12 25	Cawnpore Textiles	7 1/5 10 10	5	6/50 7/00 6/94
3,38,36,225	1,97,348	3,307	9,79,20,896	8,21,37,642	91,82,065	2,15,43,296	1,46,548	6 238	Delhi Cloth & Genl P.	12 20 13-13*	25	46/37 46/50 45/87
38,00,000	43,040	618	61,51,892	54,80,125	1,40,191	32,83,543	1,03,713	12 138	Dunbar	20 20 15	10	29/00 29/00 28/87
65,00,000	54,000	1,200	1,20,30,927	2,33,36,673	87,18,503	41,89,328	5,435	9 389	Elgin P.	11 1/2 17 1/2-17 1/2	10	22/31 22/31 20/69
6,25,00,000		..	4,48,97,671	56,34,321	55,50,730	19,28,764	1,22,795	12 158	J. K. Cotton (Rayon) P.	12 12 ..	10	12/00 11/56 12/75
49,18,000	..	202	51,44,000	4,76,536	28,42,100	87,266	87,266	12 22	Jay Shree	10 10 ..	10	15/31 15/62 12/81
80,00,000	38,000	1,625	47,44,548	52,19,301	92,65,053	18,77,941	-7,77,290	12 206	Mithi P	.. ..	100	74/50 74/50 1/62
85,11,583	78,848	1,367	47,49,840	5,96,960	1,09,256	12,73,363	-63,55,495	12 287	New Victoria P.	Nil	2 1/2	1/41 1/47 9/00
48,00,200	..	..	1,08,10,352	78,144	2,34,188	12,34,741	-22,17,524	3 399	Orissa Textiles P.	Nil	10	4/75 4/75 12/00
19,47,750	23,196	795	15,49,229	80,773	2,37,475	3,38,087	..	6 4	Rampoora Cotton	3 Nil ..	10	13/00 13/00 13/00
5,00,000Dd										Nil Nil ..	1	3/00 3/00 3/00
17,50,000										Nil Nil ..	100	11/00 11/00 11/80
1,37,50,000Po	1,14,836	2,077	4,48,79,351	2,63,83,071	2,15,81,189	76,20,241	5,044	12 393	Swadeshi (Kanpur) P.	5 5 5	10PO	8/50 6/62 7/00

*1963

TEA COMPANIES

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds	Area Hectares	Output and Average Price per Kg realised for crop	Estimate	Net Profit including taxation	Accounts closed	Names	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	
Rs.	Rs.	Rs.	Hectares	Kgs. 1961 1962	Kgs. 1963	Rs.	Kgs.	Rs.	1960 1961 1962	Rs.	Rs. Rs. Rs. Rs.	
ASSAM												
4,45,700	16,40,103	16,37,403	..	4,24,104	4,81	413,012	5,67	4,71,700	2,90,039	12 165	Amuckie P	Nil 10 7 10
7,00,000	12,87,204	8,65,604	506 1/2	3,11,077	6,58	301,064	6,71	3,50,091	1,91,082	12 165	Anandabag P.	30 32 20 10
5,50,000	16,63,877	15,34,741	..	3,53,284	5,32	320,928	5,99	3,62,900	1,91,082	12 165	Baghmari	Nil 15 7 10
1,80,000	..	..	..	..	..	..	..	..	..	12 349	Barduar Tea	 6 8/50 8/50 8/50
7,55,000	18,61,913	10,56,655	160	3,13,600	6,01	286,800	6,60	2,90,000	3,93,858	12 345	Basmatia	35 25 20 10
4,95,900	..	..	..	..	..	..	..	..	..	12 388	Bateli	30 30 .. 5 15/25 15/25 18/00
6,40,000	12,12,739	12,28,191	619 1/2	4,08,269	6,56	405,929	6,66	5,57,424	12 345	Betjan	40 45 30 10	
33,00,000	38,87,401	18,10,167	1,394	16,30,448	5,80	1,517,589	6,71	15,78,600	15,42,968	12 279	Bishnauth	13 13 20 10
6,00,000	11,88,235	5,03,003	194	2,23,909	5,90	209,073	7,12	2,43,125	2,62,960	12 272	Bokakhat	Nil 12 13 10
7,50,000	13,90,224	11,90,375	..	3,03,665	5,50	300,721	5,85	3,08,430	3,94,385	12 165	Bornah Jan P.	15 15 15 10
4,50,000	7,86,600	2,36,500	239	2,65,021	5,25	258,733	6,32	2,90,300	1,15,476	12 276	Bor Pukhuri	Nil Nil 10 10
35,00,000	68,93,654	15,66,180	..	14,26,531	5,27	13,51,189	4,75	1,99,600	2,85,668	12 165	Dejoo Valley	15 20 30 10
1,20,000	9,24,434	9,31,522	..	1,73,277	5,19	200,496	5,90	1,99,600	2,85,668	12 165	Dessa & Parbutia	Nil 10 15 100
8,40,000	13,39,224	9,51,460	535	5,43,624	5,68	597,724	6,12	5,33,773	7,20,811	12 214	Dheakhat	12 10 .. 10
17,53,440	..	..	..	..	..	..	..	..	..	12 365	Dhanseri P.	20 15 10 10
7,00,000	20,46,600	8,35,000	558	6,32,799	4,70	554,700	6,68	3,30,200	5,86,433	12 165	Dibrugarh	40 40 30 10
4,73,400	17,18,470	16,36,695	..	3,05,738	6,23	301,917	6,68	3,30,200	5,86,433	12 165	Dibrugarh	30 32 30 10
4,73,400	17,18,470	16,36,695	..	3,05,738	6,23	301,917	6,68	3,30,200	5,86,433	12 165	Dibrugarh	30 32 30 10
7,00,000	10,37,000	8,52,500	256	3,01,383	5,81	297,513	6,44	3,08,000	2,71,648	12 279	Dimakus P.	25 20 25 10
7,00,000	10,37,000	8,52,500	256	3,01,383	5,81	297,513	6,44	3,08,000	2,71,648	12 279	Dimakus P.	25 20 25 10
10,00,000	14,82,200	15,53,500	274	4,64,789	5,77	403,594	6,70	4,36,000	5,29,546	12 279	Dumlaghur	25 25 30 10
10,00,000	20,32,480	16,25,500	481	5,25,798	5,76	494,612	6,30	5,27,000	2,06,168	12 279	East India	Nil Nil 10 10
5,03,760	14,00,556	6,32,810	242	3,58,797	..	319,832	..	4,00,000	49,047	12 354	Gillapukri	25 20 15 10
6,76,000	12,41,500	7,48,500	228	2,54,919	5,81	259,394	7,44	2,62,000	4,74,030	12 279	Gohpur	Nil 5 20 10
23,29,085	54,85,603	36,46,798	1,042	17,90,309	4,98	1,039,276	6,17	11,32,167	3,83,294	12 202	Grob	6 6 6 5
5,00,000	11,67,377	7,55,258	..	3,58,885	..	3,45,217	..	..	1,67,965	12 354	Hoograiauli	20 20 17 10
8,70,000	26,52,302	15,02,799	542	4,83,000	5,71	515,500	6,62	3,00,000	4,51,521	12 2	Hoolungoorie	10 7 20 100
9,00,000	18,88,785	11,65,055	953	5,39,472	5,99	533,423	6,50	..	6,31,655	12 88	Jutibari	30 30 20 10
2,40,000	..	..	..	..	..	..	..	..	..	12 236	Kinsiey Golaghat P	35 35 35 10
1,80,000	19,59,626	14,50,000	494	5,24,469	4,60	488,346	4,97	5,20,000	1,21,490	12 63	Kotamullai P.	Nil Nil Nil 5
2,50,000	11,19,728	3,07,818	140	1,73,581	5,29	166,356	6,02	180,000	1,13,899	12 41	Krisnabehari	15 8 10 10
2,50,000	..	..	..	..	..	..	..	..	..	12 236	Kyung Tea	Nil .. 10 10
6,50,000	..	..	..	..	..	..	..	..	..	12 63	Lede	Nil Nil Nil 10
8,00,000	14,12,161	9,50,234	268	2,79,777	5,15	281,500	5,30	2,85,000	53,354	12 12	Maud Tea & Seed	10 7 7 10
10,00,000	11,99,968	13,00,508	275	2,28,707	4,96	210,642	5,26	2,23,167	1,25,716	12 202	Methoni	5 14 20 10
4,80,000	16,16,636	14,78,000	262	3,82,580	6,03	374,221	7,12	3,81,045	6,21,941	12 ..	Moheema	Nil Nil .. 10
1,50,000	..	..	..	..	..	..	..	..	..	12 ..	Mothola	30 30 35 100
1,75,000	3,24,738	13,65,825	..	83,921	..	122,745	..	..	1,22,731	12 138	Mothola	30 30 35 100
30,00,000	14,68,025	9,31,447	160	1,82,900	6,01	171,400	8,41	2,00,000	4,99,564	12 2	Murphulani (Assam)	5 15 25 10
5,35,000	12,90,728	7,77,459	220	3,19,104	4,51	326,748	5,10	3,40,000	1,24,658	12 143	Naga Hills	10 10 10 10
6,00,000	7,84,102	3,97,500	299	2,90,978	5,98	298,696	7,64	2,90,000	5,86,793	12 63	Namburnadi	12 12 10 10
13,50,000	14,50,587	7,57,922	170	2,16,600	5,31	200,790	6,35	2,22,500	3,62,519	12 2	Raigarh	Nil Nil Nil 100
2,49,000	25,76,607	4,53,937	..	6,32,808	..	604,795	..	..	140,864	12 354	Sapoi	22 20 10 10
5,98,000	6,55,900	6,85,000	208	2,42,697	5,56	207,643	7,36	2,21,000	75,627	12 279	Seajuli	22 15 30 10
8,00,000	17,86,081	15,24,544	..	3,73,286	4,99	300,862	5,61	3,81,000	5,06,871	12 165	Telonan	25 25 25 10
19,82,800	12,80,761	14,41,936	345	3,48,111	6,59	339,378	6,81	..	4,19,888	12 88	Telonan	20 20 22 10
7,50,000	30,75,956	23,51,846	1,926 1/2	29,72,880	1,92	2,301,004	2,62	2,28,000	8,36,276	12 95	Pezore	Nil Nil .. 10
5,20,000	..	..	..	..	..	..	..	..	..	12 165	Tycoon	10 15 25 10
35,17,473	30,30,165	..	..	3,15,004	5,14	851,147	5,76	6,71,300	7,11,074	12 165	Tycoon	10 15 25 10

MISCELLANEOUS COMPANIES-Contd.

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

Paid-up Capital Ordinary	Net Accounts	Reserve & other Funds Premiums & Profitable Share if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts payable Mortgages Sundry etc.	NAMES	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until				
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.			1960	1961	1962	Rs.	Rs.	Rs.	A year ago Rs.
CHEMICAL INDUSTRIES														
82,00,000							Alkali & Chemical Corpn of (I)	12	15	15-15*	10	31/36	31/36	29/41
58,00,000A	8.04,72,738	2,26,33,273	3,46,012	1,10,87,234	5,671	9 121	Bathgate & Co. Ltd. P.	Nil	Nil	..	5	0/84	0/84	0/84
20,00,000	17,39,281	15,681	11,245	—88,949	—9,86,991	12 442	Bengal Chemical & Pharm P.	7	10	..	100	98/00	98/00	98/00
15,00,000A						3 245	Calcutta Chemical P.	18	18	18	10	18/69	18/69	18/00
11,08,900A	76,41,344	68,84,805	21,11,440	18,06,053	6,978	6 377	Frank Ross P.	..	..	..	6	3/19	3/19	3/25
22,54,700B					2,560	2 126	Smith Stanistreet P.	25	25	25-22*	5	13/50	13/50	13/37
15,00,000	36,34,102	22,82,883	19,49,050	12,04,892	19,167	6 191								
4,95,000	99,022	Nil	41,554	72,146										
20,00,000	13,61,137	17,67,251	7,35,789	13,17,366										
ELECTRIC LIGHTING POWERS														
19,99,600	1,15,72,761	51,20,883	27,74,218	4,56,810	52,889	3 32	Agra Electric Supply	11	11	11	100	125/00	125/00	120/00
8,00,000	29,33,899	15,51,802	8,09,008	2,00,631	25,623	3 32	Bareilly Electric Supply	11	11	11	10	12/00	12/00	14/37
17,00,000	1,03,03,450	52,64,411	19,58,493	4,34,454	47,298	3 32	Benares Electric Supply	11	11	11	10	11/81	11/81	12/37
5,81,360	15,65,473	807,902	2,70,659	1,36,558	41,730	3 203	Bhagalpur Electric Supply	8	10	8	8	6/25	6/25	6/00
2,2,282,646	221,040,641	210,815,240	217,63,660	21,599,019	210,524	3 90	Cuttack Electric Supply	7	7	7	10	14/19	14/25	14/25
6,60,040	22,9,449	..	..	..	..	3 203	Dishergarh Power Supply P.	10	10	10-10*	100	86/00	86/00	88/00
63,20,000	68,77,439	35,90,169	34,91,713	14,12,931	48,905	3 3								
5,34,640	17,29,086	96,513	95,409	65,283	3,590	3 168	Jhansi Electric Supply	..	..	..	10	5/90	5/90	5/90
22,49,550	68,50,848	29,21,749	5,55,563	2,69,098	33,302	3 32	Jubbulpore Electricity Supply	..	10	10	10	11/87	11/87	11/25
4,35,000	6,70,324	2,24,149	1,09,770	46,495	39,015	3 258	Muzaffarpore Electric Supply	12	12	12	9	7/50	7/56	12/00
5,82,390	24,50,815	6,67,284	3,48,986	2,22,292	22,259	3 202	Muzaffarpore Electric Supply	12	12	12	10	11/19	11/19	12/25
6,99,700	13,47,974	1,14,377	2,15,991	83,664	18,988	3 329	Muttra Electric Supply	..	..	..	10	11/06	11/06	11/12
35,07,380	98,50,374	48,67,675	3,95,468	12,96,460	1,27,547	3 302	Patna Electric Supply	..	10	10	10	10/12	10/10	10/48
9,10,000	8,77,208	2,86,692	3,19,022	1,58,667	17,201	3 202	Shahjahanpur Electric P.	6	6	6	10	6/87	6/87	7/00
16,80,000	24,13,949	16,03,685	9,75,497	456,680	3,975	3 21	Sijua (Jherriah) Electric	10	9	9	100	8/50	8/50	8/25
56,00,000	2,03,16,819	80,84,613	25,53,868	11,08,426	92,879	3 32	United Provinces Electric	11	11	11	100	162/00	162/00	106/00
5,00,000	21,74,345	14,00,467	7,69,903	1,92,745	33,674	3 32	Upper Jumna Valley Electric	13	13	13	10	21/19	18/00	14/00
ENGINEERING & METAL														
6,00,000	17,68,727	7,28,551	3,76,395	8,30,823	4,14,416	12 300	Arthur Butler (Muzaffarpore) P.	Nil	Nil	10	10	21/25	21/25	14/50
50,00,000	36,97,587	44,13,221	72,862	34,13,246	5,246	12 31	Bhatia Electric Steel	10	10	12	10	14/75	14/50	14/00
1,00,00,000	1,53,20,721	94,55,491	65,84,179	1,06,44,579	2,757	12 24	Brathwaite & Co (India)	25	25	14	10	32/50	32/50	36/50
12,00,000	62,65,971	50,43,274	7,42,812	21,52,136	12	24	Bridge & Roof	30	30	30	10	65/00	52/25	29/25
19,88,670	33,56,748	1,09,796	1,86,939	1,80,146	-611,196	12 192	Britannia Building & Iron P.	Nil	Nil	Nil	10	3/20	3/20	3/65
1,00,00,000	1,24,97,389	62,95,465	1,14,787	24,17,175	5,115	12 165	Britannia Engineering P.	10	10	10	10	9/94	10/06	8/94
25,00,000	20,95,656	18,18,384	24,752	1,40,787	..	4 32	British India Electric Cons.	28	28	28	100	29/12	29/12	33/12
84,00,000	58,68,539	2,99,02,509	74,40,547	1,42,69,653	65,077	3 437	Burn P. (Engineering)	45	20	20	100	292/00	295/00	495/00
1,80,00,000	3,761,970	17,65,495	8,43,845	38,47,174	6,868	9 434	Calcutta Steel	15	15	15-12*	10	13/87	14/06	13/69
90,00,000	1,25,35,558	43,00,000	1,84,809	26,72,947	10	10	Dalmia Iron	10	10	10-10*	10	11/75	11/50	10/00
6,00,00,000	6,63,01,978	6,98,32,755	2,11,42,172	1,27,55,090	5,801	12 227	Guest Keen Williams	16	14	14	10	25/06	25/44	30/00
12,50,000	19,72,898	6,45,100	27,549	3,79,980	..	6 32	Hoghty Docking	Nil	Nil	12	50	101/00	101/00	102/00
12,44,08,990	62,73,23,096	30,89,05,725	1,72,10,301	9,11,89,201	..	6 32	Indian Iron & Steel P.	15	16	16-16*	10	24/62	24/54	19/70
5,85,000					-4,03,294	3 223	Indian Malleable Casting	Nil	..	..	50	6/00	6/00	6/00
1,54,00,000	11,52,812	14,001	1,82,994	-4,15,836	24,064	6 323	Indian Standard Wagon P.	28	28	28	1D	2/06	2/06	2/50
77,97,000	50,88,821	87,57,038	63,89,397	1,71,88,152	24,064	6 323	Indian Standard Wagon P.	28	28	28	10	36/27	37/19	30/37
96,79,7400	3,43,55,519	3,41,31,025	1,54,09,567	-57,25,817	6,022	3 122	Indian Steel & Wire Products	23	24	23-18*	100	33/50	33/50	49/00
12,00,070	7,75,186	3,56,629	2,872	9,92,071	..	12 24	Industrial Containers	Nil	10	10	10	20/00	20/00	22/00
1,51,87,197	2,85,54,325	1,36,61,953	15,13,085	41,24,528	4,896	6 443	Jay Engineering	17 3/20	17 3/20	13-10*	10	19/69	19/69	24/25
40,00,000	59,72,635	35,85,700	10,46,960	20,45,860	86,647	6 132	J. K. Steel P.	20	20	20	10	16/37	16/25	15/75
2,04,00,000	3,50,50,970	2,30,16,815	78,81,184	1,52,78,878	61,159	10 290	Jessop & Co P.	8.58	8.58	8.58	10	23/00	23/12	21/06
27,64,800	61,46,982	53,04,910	97,324	21,99,586	3,088	11 21	Kumardihvi Engineering P.	10	11	15	3	5/19	8/25	6/87
10,50,000	3,74,383	19,18,004	4,14,975	-8,36,768	-5,63,698	6 170	Marshall Sons (India)	Nil	Nil	Nil	2	2/34	2/50	3/22
69,96,000	61,84,965	10,58,398	3,83,036	2,56,716	-4,42,917	3 192	National Iron and Steel	8	10	12	10	5/87	6/00	4/25
6,00,000	9,70,466	20,59,302	2,49,725	5,14,476	13,304	6 135	Saran Engineering	30	20	20	4	8/12	8/12	8/00
14,00,070	8,16,570	12,38,002	2,56,891	20,72,177	..	12 24	Steel Containers	30	20	20	10	28/12	28/12	19/75
6,50,000	2,73,21,766	61,37,433	13,28,341	52,01,525	62,642	12 22	Textile Machinery	10	10	..	10	28/10	26/85	20/30

SUGAR BREWERIES ETC.

14,00,000	17,74,143	10,85,375	21,121	-1,66,279	-1,53,368	6	371	Balrampur Sugar	8	8	4-Nil*	2½	1/85	1/85	2/50
29,23,537	25,56,707	18,59,842	10,86,872	5,09,558	7,767	9	334	Belsund Sugar	10	10	10	7½	7/37	7/37	8/50
15,00,000	18,17,746	22,06,086	17,96,173	5,98,492	9,429	6	230	Sharda Sugar P.	15	15	15-15*	10	16/00	16/00	13/00
20,00,000	48,01,728	55,23,048	47,55,535	58,20,900	6,99	6	Nil	Carew (Sugar) P.	6	Nil	Nil-Nil*	10	11/50	11/50	12/50
80,00,000	90,08,963	59,84,997	6,94,684	-21,74,424	-25,45,362	10	20	Cawnpore Sugar P.	Nil	Nil	Nil	10	9/12	9/12	10/75
18,00,000	29,70,913	47,91,301	1,37,198	-49,013	-8,50,783	6	20	Champaran Sugar P.	15	12	Nil-Nil*	10	12/62	12/62	15/87
39,01,380	25,88,250	31,90,540	1,79,345	4,77,197	1,97,076	8	205	Durbhanga	4	Nil	6	10	8/75	8/75	8/12
11,00,000	6,45,722	3,75,000	10,90,564	95,437	52,205	6	140	New Savan Sugar and Gur	..	..	..	10	4/50	4/50	5/62
9,00,000	19,47,931	23,02,876	2,05,743	2,86,458	4,006	10	400	Purababpur Sugar P.	..	..	..	10	10/81	10/81	11/30
18,58,820	41,61,410	57,86,996	6,074	26,41,178	3,047	8	1	Ramgurus Cane & Sugar P.	30	35	30-15*	10	29/31	29/31	39/37
65,00,000	57,79,829	44,91,845	20,55,484	19,78,012	10,419	10	92	Raza Buzand	12½	10	10-10*	10	10/37	10/37	9/37
4,00,000	4,17,438	4,71,778	4,71,494	4,49,492	13,204	4	20	Ryam sugar P.	..	..	..	10	4/50	4/50	7/00
11,99,000	22,10,161	18,54,087	2,09,163	-2,24,407	-2,20,853	6	..	Samastipur Central Sugar	..	..	..	10	3/50	3/50	9/62
39,69,000	67,63,906	25,93,624	21,94,756	16,75,656	34,778	5	33*	Shree Krishna Gynoday Sugar	13	..	..	10	7/31	7/25	7/00
1,00,000	1,34,858	11,68,178	11,18,598	1,90,067	7,991	6	14	Shree Sitaram Sugar	..	..	..	10	1/12	1/12	1/13
9,99,950	20,47,130	68,548	66,643	-7,18,697	-7,19,847	6	84	Sitalpore Sugar	4	Nil	Nil-Nil*	10	3/69	3/69	6/12
16,00,000	42,22,843	19,40,304	2,03,163	-11,15,414	-9,17,147	6	94	United Provinces	15	6	Nil	10	11/00	11/00	10/62
8,00,000	59,07,769	67,09,675	9,18,326	37,10,120	25,765	6	310	Upper Ganges Sugar P.	72½	72½	72½	6	70/00	70/00	60/00

• 1963

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Market Share etc.	NAMES	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.				1960 1961 1962	Rs.	Rs. Rs. Rs.	Rs.
MISCELLANEOUS												
8,00,000	3,65,800	2,09,907	5,89,590	1,44,140	2,623	10	85	A Pirpo (Restaurateur)	7 1/2	10 1/2	5	10
93,75,000	5,89,85,976	2,48,84,621	3,09,108	30,58,004	11,965	3	132	Aluminium Corporation P.	12	12	12-5*	10
20,00,000	42,23,258	16,50,000	53,38,477	4,16,437	11,325	12	382	Anderson Wright P.	11 1/2	Nil	6	10
30,00,000	16,96,720	44,23,928	21,81,674	26,48,673	2,17,061	8	268	Angelo Bros.	25	28 1/2	28-28*	10
30,00,000	20,74,660	33,58,937	16,15,347	24,27,878	12,842	12	114	Assam Match	18	20	20	10
13,99,998	20,06,639	20,17,850	6,814	1,70,203	94,397	9	348	Assam Saw Mills & Timber	Nil	Nil	3	8
1,18,00,000	54,61,855	98,34,917	67,73,791	53,69,644	7,978	8	491	Associated Battery	25	15	15-15*	10
20,00,000	1,41,96,365	57,08,103	7,65,347	2,25,357	4,66,630	3	204	Associated Hotels of India P.	Nil	10	10-10*	10
80,01,400	46,97,674	1,20,07,997	93,50,429	51,62,806	..	12	396	Balmer Lawrie & Co.	25	25	25	100
12,00,000	5,51,865	12,52,902	5,77,221	10,64,446	..	3	128	Bararee Coke	Nil	Nil	15-15*	10
44,00,000	..	9,27,823	68,58,981	8,87,091	50,926	9	160	Birds Investments P.	9 1/2	10	10	10
68,95,530	1,16,23,032	83,79,866	8,27,110	86,51,567	6,999	3	50	Britannia Biscuit P.	25	30	25-21*	10
1,25,00,000	71,55,454	2,19,19,061	1,50,51,719	1,34,25,907	2,53,254	12	33	British India Corporation P.	4	7	9	5
50,00,000	21,88,677	40,58,031	9,91,493	24,64,559	27,856	12	392	British Paints	12 1/2	15	10	10
5,00,000	6,83,781	1,65,739	1,54,429	2,63,717	5,201	3	213	Calcutta Silk Manufacturing P.	Nil	Nil	..	10
1,38,80,000	14,77,426	1,78,29,586	15,08,523	2,46,740	12	2	12	Chive Row Investment	8	7 1/2	7 1/2	10
90,00,000	24,68,979	1,27,43,000	1,98,56,116	35,58,709	2,42,095	12	169	Duncan Brothers & Co P.	14	14	14	100
4,50,00,000	6,09,38,229	5,05,74,162	11,32,452	4,30,38,276	25,88,011	12	96	Dunlop Rubber Co (India) P.	21 1/2	20	15	10
27,56,355	1,31,99,222	1,76,30,095	24,30,790	1,00,50,937	12,604	3	116	Dyer Meakin (Breweries)	25	30	30	10
76,89,000	65,11,801	1,78,16,453	13,76,534	1,51,252	12	41	41	Eastern Investments P.	14	14	12-10*	10
60,93,400	95,80,000	34,47,000	14,32,081	29,35,962	21,399	10	388	Electric Construction P.	10	10	10-10*	10
30,00,000	28,94,555	27,23,508	19,90,832	15,65,118	2,10,371	3	51	French Motor Car	20	20	..	20
14,00,000	20,83,841	18,85,308	38,577	11,59,599	17,856	12	19	Ganges Rope	17 1/2	20	20	100
2,25,000	..	76,065	5,16,267	51,428	4,825	2	21	General Investment & Trust P.	5	5	5-5*	75
65,00,000	31,71,135	58,42,190	1,57,85,100	30,47,005	15,471	3	105	Gillanders Arbuthnot & Co P.	10	11	11-11*	10
40,00,000	17,89,681	1,21,244	36,90,302	4,43,666	8,524	12	209	Gladstone Lysal & Co. P.	42 1/2	40	30	10
40,00,000	34,79,636	31,88,500	1,29,460	46,26,030	38,310	12	310	Godfrey Phillips (India) P.	40	40	30	10
30,00,000	43,74,366	17,66,560	1,66,432	1,09,512	794	3	225	Great Eastern Hotel	9	6	..	250
4,68,75,000	3,08,48,429	..	2,33,36,909	2,11,555	2,11,555	12	438	Hindustan Aluminium P.	Nil	..	..	10
3,07,66,250	1,43,03,252	3,24,93,610	4,52,97,214	3,50,00,432	3,043	3	22	Hindustan Motors P.	9	12	12 1/2-11 1/2*	10
30,00,000	96,37,200	16,00,000	39,09,797	28,38,110	1,31,125	10	10	Hindusthan Pilkington	10	10	10	10
39,88,550	86,39,248	Nil	1,22,648	-12,14,232	-11,50,824	3	211	Hindusthan Twyfords P.	Nil	Nil	Nil-Nil*	10
35,20,000	23,53,537	16,00,000	24,48,098	1,91,968	46,509	12	494	Hoare Miller & Co.	6	6	..	10
5,16,00,000	8,60,23,900	10,67,60,544	1,25,08,131	4,46,29,511	3,29,429	3	325	Imperial Tobacco	8	9	9-8*	10
4,00,23,880	3,64,77,942	4,53,66,220	60,96,109	2,40,34,073	56,98,466	12	293	Indian Aluminium P.	15	15	17 1/2	10
2,48,65,450	1,86,02,399	3,35,26,675	90,27,691	1,58,84,867	21,521	3	34	Indian Cable	22 1/2	22 1/2	22 1/2-22 1/2*	10
3,64,00,000	5,80,31,205	2,05,01,866	32,59,129	1,40,40,263	35,357	9	366	Indian Oxygen	15	15	12-12*	10
8,27,970	8,82,919	12,42,783	10,99,551	12,01,372	53,791	3	223	Indian Rubber Manufacturers P.	20	30	36	10
20,00,000	5,08,827	29,55,665	1,44,879	17,93,931	3,056	6	88	Indian Wood Products	30	30	30-25*	10
74,89,155	72,05,438	..	2,48,800	8,28,780	-14,800	12	63	Isaac Holdens	..	Nil	..	10
5,00,000	..	3,15,956	11,39,628	1,17,822	12,910	2	21	Investments and Finance P.	7 1/2	7 1/2	7 1/2-7 1/2*	10
1,25,00,000	1,51,51,941	36,00,000	1,25,80,918	26,30,706	30,393	6	439	J K Synthetics	..	3	Nil-10*	10
9,87,50,000	4,28,842	Nil	5,88,284	-1,19,242	-1,18,804	12	281	James Wright P.	..	..	..	10
1,17,50,000	81,16,247	87,10,720	5,34,83,359	41,88,190	..	3	39	Jardine Henderson P.	..	..	..	10
2,00,00,000	1,82,75,540	13,74,126	9,48,513	47,33,223	18,455	12	22	Jay Shree Industries P.	14	12 1/2	6-7*	100
1,99,94,325	8,77,31,151	4,34,03,080	55,33,796	1,07,12,489	26,969	3	22	Kesoram Industries P.	5	12	12-13*	10
6,34,00,000	3,17,363	8,92,854	3,21,617	-14,078	-4,849	3	133	Macfarlane & Co.	..	..	..	10
66,00,000	1,07,01,720	99,51,347	2,91,71,044	33,69,977	43,205	12	334	Macneill & Barry P.	..	8	7 1/2	100
1,47,12,250	69,29,198	1,36,23,546	2,13,42,011	91,60,378	1,289	9	309	Martin Burn Ltd P.	27 1/2	27 1/2	25-25*	10
47,12,000	18,46,595	90,33,368	2,73,18,501	25,28,832	2,44,687	12	282	McLeod & Co. P.	15	15	18	100
1,61,00,000	2,76,53,533	2,38,95,151	41,04,252	1,23,59,734	38,785	3	167	Metal Box Co. of India P.	25	25	19	10
1,35,00,000	90,71,426	1,24,32,234	6,55,304	62,89,944	19,484	9	7	National Insulated Cable P.	25	25	25-18*	10
30,00,000	23,68,847	36,90,300	12,33,457	30,79,310	10,564	6	7	National Pipes & Tubes P.	20	20	20-20*	10
40,00,000	34,43,104	43,03,095	14,39,946	30,01,359	75,633	12	375	National Rolling & Steel Ropes	13	15	15-15*	10
80,00,000	69,05,819	1,52,447	4,31,039	11,41,474	3,61,143	12	79	National Rubber P.	Nil	8 1/2	8	10
79,97,000	77,87,804	1,29,48,132	28,35,366	17,51,943	40,375	12	35	National Tobacco P.	16	7	7	10
23,31,600	1,014	13,02,891	9,90,500	6,26,950	..	..	..	New India Investment Corp.	8.7	..	..	75

MISCELLANEOUS COMPANIES—Contd.

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MISCELLANEOUS (Contd.).												
80,00,000	6,27,241	59,20,402	91,23,845	14,28,049	24,342	12	321	Octavius Steel P.	10	7 1/2	7 1/2	100
2,20,00,000	1,99,24,542	89,30,483	25,74,101	1,20,21,148	1,39,632	12	304	Philips India	12	12	13	10
2,56,200	53,496	6,12,800	1,02,061	4,43,784	48,408	3	148	Publicity Society	10	75	75-50*	4
4,25,00,000	1,04,34,519	67,80,570	1,53,00,153	4,43,784	5,962	3	332	Rallis India P.	4	8 1/2	8 1/2-10*	100
5,00,00,000	7,93,37,818	3,87,81,885	1,16,91,228	1,22,07,255	4,305	3	335	Rontas Industries P.	20	10	8-9*	10
94,27,380	5,58,08,635	..	14,04,497	4,60,253	37,513	9	278	Sen Raleigh Industries P.	Nil	..	..	10
70,00,000	2,31,09,587	58,67,480	20,33,664	23,36,729	13,552	9	476	Shaw Wallace P.	15	15	7 1/2	10
75,00,000	1,02,89,547	55,43,000	1,78,35,987	41,86,452	5,57,492	12	111	Spencers Hotel	2 1/2	2 1/2	..	2
3,00,000	3,33,174	23,169	..	17,483	1,739	12	301	Union Carbide	18	18	12 1/2	10
4,80,00,000	5,74,94,906	3,16,49,275	38,74,069	1,86,24,531	4,44,246	12	301	Union Carbide	20	20	20	10
1,00,00,000	7,04,778	29,75,610	9,48,447	11,31,642	5,406	12	195	Walford Transport	30	30	30	10
3,40,800	..	..	..	..	..	..	..	..	..	..	..	..
INSURANCE COMPANIES												
13,50,000	6,89,803	61,56,126	1,56,73,630	5,94,228	32,703	12	174	Concord of India	20	20	20	5
24,00,000	1,43,152	95,20,456	1,36,84,067	17,39,669	20,229	12	248	Hercules	22 1/2	26 1/2	26 1/2	10
32,00,000	27,24,852	1,56,73,464	2,30,92,019	30,35,763	10	12	38	Ruby General	10	13 1/2	13 1/2	8
8,00,000	21,62,072	27,92,606	..	..	12,241	12	..	Standard General	..	..	..	10
5,75,000	7,133	77,12,554	1,06,52,159	10,05,738	..	12	39	Triton	45	60	50	25
FLOUR MILLS												
12,00,000	4,11,000	29,55,620	6,63,425	10,87,621	1,80,000	12	24	Bengal	40	25	25	10
5,60,000	6,51,040	2,47,038	2,17,808	1,08,473	1,26,880	10	97	Delhi P.	..	..	..	10
18,90,137	47,18,433	77,72,310	56,85,868	33,61,767	4,07,338	9	175	Ganesha P.	..	..	..	12 1/2
8,00,000	4,53,646	4,52,302	8,883	2,19,375	32,614	12	236	Hooghly	15	Nil	Nil	10
5,00,000	2,77,355	6,61,791	25,812	2,25,689	6,571	11	236	United	35	10	7 1/2	10
OIL COMPANIES												
22,900,001	22,366,123	21,875,442	21,080,797	21,537,436	21,68,520	12	249	Attock Oil	13 1/2	13 1/2	13 1/3	21
282,419,080	235,943,356	212,750,000	213,148,421	218,446,093	25,82,861	12	52	Burmah Oil P.	0 2/5	..	..	21
1,00,00,000	59,29,364	1,75,25,203	2,84,68,306	54,63,502	1,19,330	12	249	Indo Burmah Petroleum P.	30	25	22 1/2	10
6,00,000	3,20,016	9,89,137	4,92,803	4,47,005	12,113	10	2	Tide Water Oil	30	35	35	10
PAPER MILLS												
58,50,000	1,09,71,994	63,55,637	10,43,959	47,17,412	50,816	12	436	Bengal P.	32	27 1/2	20	10
58,20,000	1,16,27,906	90,40,934	1,10,010	40,65,122	28,615	3	2	India Paper Pulp	15	13	12-15*	10
1,90,87,250	6,87,00,000	57,39,270	1,08,97,843	1,40,08,528	93,457	3	42	Orient Paper P.	22 1/2	22 1/2	22 1/2-20*	10
1,25,51,926	3,84,89,769	1,77,04,218	90,74,618	1,15,62,333	73,294	12	140	Shree Gopal Paper P.	17 6/7	17 6/7	17 6/7	10
2,73,19,050	4,28,25,108	94,29,176	63,90,889	2,93,680	1,08,791	6	22	Sirpur P.	6 1/2	8 1/2	8 1/2-5*	10
10,00,00,000	..	..	..	..	..	..	..	..	Nil	Nil	Nil	10
10,00,00,000	4,41,41,480	8,52,298	5,66,797	-1,17,823	56,480	9	36	Star Paper P.	10	13	13-13*	2 1/2
4,37,500	..	..	..	..	..	..	..	..	..	..	..	..
16,00,00,000	4,87,90,174	3,15,32,295	20,74,443	-20,620	15,112	3	106	Titaghur P.	25	20	10-10*	10AO
16,04,800	..	..	..	..	..	..	..	..	25	20	10-10*	10BO
1,50,00,000	4,95,97,051	95,00,000	1,73,752	58,44,196	17,196	6	373	West Coast P.	6	7 1/2	..	100
PRESSING COMPANY												
4,30,000	1,81,531	1,45,000	5,34,786	65,294	24,928	7	326	Camperdown	11	11	..	100
REAL PROPERTY STORAGE												
10,00,000A	..	..	..	..	..	..	..	..	..	..	..	..
1,25,000B	..	..	..	..	..	..	..	..	..	..	..	..
2,00,000C	14,69,599	8,53,120	3,54,870	1,24,262	3,212	4-10	73	Bengal Bonded Warehouse	11	6	8-9*	100
25,000D	..	..	..	..	..	..	..	..	..	..	..	..
1,42,150	11,68,346	4,23,135	33,823	81,259	3,142	3	6	Calcutta Safe Deposit	..	..	..	100
1,00,00,000	19,85,068	9,01,590	13,43,272	3,61,779	1,33,593	9	432	Humayan Properties P.	6	..	..	100
2,00,00,000	8,080	Nil	13,10,942	-74,850	-19,01,272	4	4	Midnapore Zemindary P.	Nil	Nil	Nil-Nil*	100
79,30,000	..	..	..	..	..	..	..	..	..	..	..	..
TRAMWAYS & STEAMER												
20,00,000	29,74,805	27,13,587	10,28,887	3,59,472	11,765	10	2	Bengal Assam Steamship P.	7 1/2	7 1/2	..	100
6,25,000	5,18,823	7,61,818	11,59,093	5,18,780	5,967	10	60	Calcutta Landing & Shipping	3 1/2	7 1/2	22	10
13,40,000	23,78,412	13,83,110	42,995	28,490	-42,624	4	398	Calcutta Steam Navigation	..	Nil	Nil	10
6700,000	2,93,77,715	21,560,682	2,915,682	21,055,598	21,407	12	98	Calcutta Tramways P.	10	..	..	210
6,04,580	6,97,987	6,56,706	33,440	1,35,098	..	3	134	Fraser & Co	Nil	..	..	10
2,655,580	21,970,808	2,432,856	2,419,913	-2,80,988	-2,84,854	5	431	India General Nav. & Railway P.	..	..	..	10
4,47,50,000	15,60,63,417	1,97,29,564	1,17,13,241	-30,02,498	..	3	391	India Steamship P.	10	Nil	Nil-Nil*	10
14,08,220	13,34	..	..	..	-4,06,480	13	..	Port Shipping	Nil	Nil	..	10
A500 995/00 900/00 1,050/00												
B82 125/00 125/00 135/00												
C100 185/00 186/00 122/00												
D12 45/00 45/00 14/15												
E 7/75 7/75 8/00												
F 11/00 11/00 11/00												
G 2/10 3/10 2/15												
H 19/50 19/12 9/25												
128/00 128/00 108/00												
34/00 34/00 35/08												
8/87 8/87 8/87												
10/62 10/62 11/00												
8/94 8/94 10/00												
42/00 42/00 66/80												
7/03 6/87 5/84												
13/87 13/87 12/06												

BOMBAY COTTON MILLS

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Paid-up Capital Ordinary	Number of Spindles Looms	Net Block Account	Reserve & other Funds	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Names	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until
Ra.		Ra.	Ra.	Ra.	Ra.	Ra.			1960 1961 1962	Ra.	24-3-64 17-3-64 A year ago
40,00,000	48,652	1,016	1,28,56,156	46,70,828	20,69,878	10,39,741	26,620	269 Ahmedabad Advance P.	16 12	100	139/50 140/00 170/00
50,00,000	48,254	896	20,17,010	10,78,394	1,49,501	2,24,486	12	229 Apollo	Nil Nil	100	2 1/82 1/70 1/72
40,00,000	41,135	990	43,32,511	11,42,781	4,76,501	1,42,728	Nil	350 Beharilal Ramcharan	Nil Nil	100	138/00 138/00 82/50
2,50,98,000	2,03,942	4,911	5,87,37,535	3,82,76,018	47,87,842	62,56,337	67,586	12 199 Bombay Dyeing, etc.	14 14	25	61/20 61/00 63/00
10,00,000	35,052	848	32,07,774	34,59,612	3,45,173	10,89,180	137,996	3 262 Bradbury P.	10 25	100	50 151/00 151/00 150/00
1,27,75,700	1,18,296	2,760	4,98,32,541	26,61,468	25,80,073	90,66,350	9,53,942	12 22 Century	30 30	100	629/00 635/00 490/00
46,87,500	1,15,188	2,062	2,99,18,629	10,75,722	15,14,712	3,59,289	40,19,762	6 269 Central India P.	Nil Nil Nil-11	100	93/00 93/00 105/00
26,00,000	24,916	719	37,34,829	32,52,434	1,01,652	1,46,029	1,28,751	3 68 Coorla	11 11	100	162/50 160/25 150/00
28,00,000	43,512	..	33,97,504	29,03,230	5,19,246	23,98,267	2,08,873	12 262 Dawn	30 30	50	196/00 154/00 142/00
34,00,000	49,164	920	74,35,701	43,13,002	1,86,928	-9,41,132	-9,38,834	12 261 Edward Textiles	9 9	200	275/00 275/00 325/00
29,98,050	47,700	886	1,32,62,451	48,56,520	2,59,089	4,04,302	5,844	12 59 Elphinstone P.	18 22	100	96/00 97/00 91/00
50,00,000	63,212	784	85,32,658	11,02,852	16,884	4,09,432	37,155	12 241 Finlay	23 23	100	306/00 310/00 325/00
39,04,700	77,956	..	19,75,309	43,25,176	23,64,706	12,85,523	85,185	12 56 Gokak	14 18	100	180/00 178/00 166/00
12,00,000	40,856	1,116	64,14,595	68,13,238	10,75,932	4,27,954	5,185	3 305 Hindoostan	50 50	250	950/00 950/00 965/00
2,00,00,000	2,48,870	6,498	4,41,45,022	3,84,70,022	3,18,22,197	5,89,816	12 15 India United	8 14	13 37 1Dd	10	21/36 21/24 22/40
60,00,000	47,824	1,202	75,60,490	61,57,161	4,26,274	..	3 305 Indian	23 1/5	13 37 1Dd	25	2/60 2/42 2/40
50,00,000	50,074	1,426	74,72,293	26,00,000	26,71,578	4,58,532	8,880	12 103 Indore Malwa United	8 10	100	210/00 210/00 185/00
99,85,000	65,260	1,514	1,07,21,545	82,79,165	25,00,707	76,87,297	38,751	6 149 Khatia Mankanji P.	32 16	100	192/50 190/00 376/75
1,00,00,000	1,20,504	1,846	1,38,32,384	1,07,07,211	9,13,088	38,39,253	1,555	12 146 Kohinoor	15 18	100	340/00 333/50 273/00
89,60,000	49,886	1,369	1,26,36,356	62,49,272	7,11,717	-21,14,041	-10,60,896	12 83 Lakshmi Vishnu P.	5 7	100	100/00 100/00 107/50
51,75,000	71,652	1,620	2,44,04,458	78,75,201	1,68,667	33,39,748	..	6 104 Morarjee Goculdas P.	21 24	24-20*	100 379/00 384/00 450/00
39,68,250	50,480	500	55,13,433	39,56,794	22,08,037	2,05,250	Nil	2 261 Mysore Sng & Mfg P.	14 14	50	41/00 40/00 46/00
24,00,000	45,944	432	23,52,760	7,45,700	10,79,000	15,67,753	8,456	12 .. New City of Bombay	Nil Nil	100	188/75 188/75 142/50
30,00,000	46,884	1,029	22,27,098	25,72,444	27,32,568	12,48,697	155	12 .. New Great Eastern P.	Nil 12	100	178/00 178/00 270/00
48,00,000	54,244	728	53,94,222	35,02,899	1,54,21,523	21,027	27,380	12 119 Phoenix	15 20	100	226/00 221/00 206/00
10,00,000	9,520	277	13,17,864	3,78,222	9,963	3,29,458	-1,07,771	12 257 Sassoon & Alliance	Nil Nil	10	11/00 11/00 13/00
75,40,000	96,469	2,127	2,21,73,468	1,58,87,542	13,77,729	28,73,906	3,192	12 338 Sassoon Spinning	17 20	10	40/00 40/00 50/00
60,48,000	49,840	1,258	1,34,95,513	34,48,460	1,44,640	22,79,548	24,574	3 379 Simplex	15 Nil	22-16*	50 250/00 255/00 143/50
1,00,00,000	77,436	1,640	1,62,20,494	86,36,202	95,49,874	35,49,582	51,723	12 327 Shree Niwas P.	18 20	100	246/00 245/00 248/00
1,00,00,000	65,040	2,006	1,62,83,714	1,42,81,829	24,73,107	35,08,617	8,176	12 269 Swadeshi P.	17 19	100	267/00 267/50 300/00
36,00,000	40,328	549	58,94,834	71,73,334	7,774	4,20,541	26,062	12 341 Swan	36 21 3/5	100	267/00 267/50 300/00
85,57,875	63,248	1,806	2,12,86,475	1,12,83,538	11,32,192	20,80,953	1,422	12 268 Tata	20 22	25	57/20 54/50 56/20
12,00,000	45,508	1,308	62,07,441	12,11,933	31,81,222	52,10,985	8,027	3 205 Western India	46 2/5	250	847/50 847/50 835/00

* 1962

* 1963

BOMBAY MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Cash & Securities	Net Profits including Taxation	Carry forward	Accounts closed	Names	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until
Ra.	Ra.	Ra.	Ra.	Ra.	Ra.			1960 1961 1962	Ra.	24-3-64 17-3-64 A year ago
CEMENT										
19,06,68,750	28,49,18,158	12,76,85,523	5,86,09,094	5,14,17,638	68,243	7 53	Associated Cement	12 12 12-12*	100	148/50 148/25 138/00
ELECTRIC LTG POWER										
8,74,77,100	11,61,05,785	1,36,05,785	30,82,878	78,42,903	638	3 146	Ahmedabad Electricity	7 6	100	95/30 95/50 88/00
3,02,77,000	9,34,77,781	1,23,89,917	32,52,395	38,154	3 146	3 146	Andara Valley Power P.	5 5	1000	1,035/00 1,037/50 976/25
1,75,00,000	3,85,16,553	1,21,07,263	17,22,888	39,87,421	3,370	3 287	Bombay Suburban Elec.	8 8 8	100	102/50 104/75 101/00
2,39,99,975	7,17,76,350	1,39,56,841	27,436	8,08,908	51,65,871	3 287	Tata Hydro Elec Power P.	5 5 5	109	111/75 111/75 100/00
8,15,36,000	17,99,03,832	3,61,11,341	57,28,753	1,22,80,113	29,938	3 287	Tata Power P.	5 5 5	1000	1,105/00 1,098/75 1,070/00
ENGINEERING & METAL										
33,42,200	17,06,292	44,16,374	1,54,08,311	5,79,666	1,35,820	12 266	Alcock Ashdown	17 22 1/2	100	304/00 300/00 304/00
14,75,050	7,99,713	4,61,618	2,25,568	-24,763	-33,604	3 115	Jost's Engineering	8 10	50	51/50 51/50 22/00
1,65,00,000	1,36,83,136	1,15,74,779	1,09,19,945	48,29,564	11,973	3 351	Larsen & Toubro P.	12 12 14-14*	10	23/12 22/76 22/00
11,00,000	1,03,70,225	3,45,914	..	..	1,016	7 283	Mckenzie	10 12 14	100	130/00 130/00 140/00
2,50,00,000	5,834	1,00,53,052	1,79,52,042	3,35,178	59,102	12 284	Premier Construction P.	43 1/3 33 1/3	300 33 1/3	183/50 182/50 130/00
7,99,97,300	17,30,38,018	5,09,28,017	13,84,385	3,61,61,616	14,962	3 269	Tata Eng & Locomotive P.	12 14 14 1/4	100	305/00 292/00 262/00
57,55,67,699	1,03,32,39,005	42,98,94,270	10,44,14,243	10,55,68,012	32,096	3 269	Tata Iron & Steel P.	9 1 10 36 10 36-11*	750	147/75 146/50 117/00
INSURANCE COMPANIES										
20,00,000	..	23,84,913	95,98,033	4,24,629	1,18,606	12 297	British India General	.. ..	10	12/00 12/64 11/60
18,74,940	25,01,134	2,88,61,158	4,61,49,442	38,951	4,65,316	12 65	Jupiter General P.	.. ..	15	7/00 7/00 12/52
1,42,42,125	23,46,782	8,80,68,859	1,41,74,741	92,81,236	14,28,391	12 179	New India	.. ..	15	45/00 45/75 52/20
15,96,270	..	20,41,860	59,86,789	5,05,803	3,61,242	12 255	Vulcan	.. ..	10	16/00 16/00 16/40
MISCELLANEOUS										
70,49,850	41,70,604	1,23,53,608	1,09,82,038	67,94,850	3,00,263	9 42	Belapur Sugar	58 50	50	225/50 225/50 168/00
1,83,50,000	3,34,19,072	2,76,00,447	1,67,73,491	1,13,92,935	2,25,985	9 280	Bombay Burmah Trading	30 33 33-1/5*	25	60/70 60/00 ..
84,00,000	4,66,81,360	3,97,07,011	23,74,064	4,77,27,501	33,585	12 91	Hindustan Lever	26 26 12	10	46/50 47/00 45/00
1,24,38,000	2,08,796	1,48,31,515	8,97,490	30,418	12 389	64	Industrial Invt Trust	.. ..	100	78/50 78/50 72/00
99,99,250	1,82,987	1,24,142	14,05,223	16,942	12 87	12 87	Kemp (Chemists)	.. ..	200	275/00 275/00 305/00
1,11,12,100	7,40,38,031	1,03,71,187	77,33,067	1,69,61,608	4,41,151	12 352	National Rayon	.. ..	100	385/00 387/00 353/00
11,27,98,680	25,25,08,055	11,58,24,547	11,18,89,983	48,75,907	2,82,649	12 196	Scindia Steam Navign.	.. ..	8	16/00 16/04 11/16
20,86,500	1,69,784	4,93,280	3,40,490	-11,30,191	-7,04,525	11 146	Shivrajpur Synd	.. ..	10	19/00 19/00 25/50
3,02,33,815	6,32,84,424	1,44,04,272	23,87,449	89,88,449	3,923	6 269	Tata Chemicals P.	.. ..	61	18/80 18/56 13/80
1,05,05,475	2,21,88,319	1,25,42,386	47,74,465	50,73,815	1,187	6 269	Tata Oil P.	.. ..	23	23-22* 23-22* 23-22*
2,58,00,000	1,37,35,974	3,64,27,137	85,33,891	1,78,87,313	Nil	8 360	Volta	.. ..	13	66/00 64/50 56/00
7,75,00,000	2,71,29,042	2,32,60,865	1,47,82,908	82,645	12 274	16	Western India Match	.. ..	16	264/00 261/50 237/00

* 1963

SOUTH INDIA PLANTATION COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Acreage	Outturn and Average Price per kg/lb realised for crop		Net Profits	Accounts closed	Mg. Apts. Secretaries etc.	NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until			
				Lbs.	Ra.					1960	1961	1962		Ra.	Ra.	Ra.	A year ago
Ra.	Ra.	Ra.				Ra.											
75,000	16,06,067	1,50,000	1,992	7,996 cwt	9.68	1,19,757	3	401	Amalgamated P.	10	..	..	10	10/01	10/01	10/36	
50,000	12,57,795	5,72,253	878	1,12,000	1.43	70,011	12	402	Anandam P.	15	..	..	10	14/19	14/19	15/24	
25,000	6,09,131	1,50,000	402	1,28,902	1.47 cts	3,501	2	403	Athimattam	Nil	..	..	2	1/20	1/20	0/80	
98,990	13,90,078	4,83,841	1,630	225,168	4.34	4,11,290	3	287	Bainoor P.	15	12	..	10	12/37	13/25	12/91	
30,000	3,94,072	2,05,000	319	1,07,785	3.2	1,11,970	5	404	Bainoor P.	7 1/2	5	Nil-5*	2	1/80	1/80	1/90	
22,230	13,36,711	3,36,253	977	5,99,731	1.65 cts	53,110	6	270	Be Be P.	Nil	..	..	5	2/46	2/46	2/15	
40,000	12,345,152	25,11,425	1,329	8,53,764	4.81	12,37,848	6	141	Blue Mountain	12 1/2	10	10-10*	2	2/38	2/42	2/56	
40,000	14,00,100	19,60,914	4,586	8,36,263	3.15	6,16,055	3	216	Chembra Peak	20	20	20	2	4/75	4/75	3/57	
91,278	27,96,388	14,46,380	4,586	8,36,263	3.15	8,80,694	2	210	Cochin Malabar P.	17 1/2	20	20-12*	3	6/45	6/38	6/00	
50,000	49,15,737	19,60,914	8,050	11,05,303	..	8,80,694	6	405	Coffee Lands P.	6	..	..	10	16/82	17/75	12/75	
55,000	39,31,708	30,86,661	2,710	19,48,320	..	8,81,129	6	406	Consolidated Coffee P.	20	..	..	10	20/70	20/65	16/25	
8,673	1,15,74,494	63,44,278	7,001	60,81,120	..	25,60,562	6	203	Coonor P.	17 1/2	15	17 1/2-17 1/2*	10	18/37	18/37	19/25	
	21,85,500	13,90,424	411	4,52,382	2.25	56,592											
4,80,000	10,36,448	4,76,798	432	3,53,838	1.52	1,19,880	3	407	Coorg P.	20	..	..	2	4/85	4/85	3/98	
6,00,000	11,82,508	2,17,761	1,026	1,57,785	1.47	46,942	3	12	Cottaand Plantation P.	10	..	..	10	9/60	9/60	9/31	
6,00,000	8,89,831	4,80,155	345	3,25,310	2.17	1,25,313	12	212	Devashola (Nilgiri)	15	..	..	10	24/08	24/08	24/92	
74,650	9,14,944	3,31,040	450	1,38,386	4.26	1,36,712	3	287	Devon P.	15	12	..	10	11/46	11/46	12/66	
7,50,000	3,38,952	1,26,500	197	1,12,836	2.66	28,121	12	408	Emerald Valley	..	..	..	5	6/10	6/10	5/06	
4,50,000	3,64,462	20,000	278	32,830	..	40,429	12	409	Coku	15	..	..	2	2/03	2/03	1/90	
80,000	42,82,150	17,77,500	1,465	17,21,550	2.04	2,13,414	12	410	Halleyburia P.	22 1/2	..	..	2	5/95	5/93	5/30	
11,85,700	28,02,058	17,77,705	1,528	9,59,804	1.87	3,60,461	2	402	Kailas	20	25	..	2	4/10	4/10	3/45	
6,00,000	11,83,359	8,86,159	465	2,92,200	4.64	4,14,877	5	210	Katasa Tea Produce	25	25	..	2	4/90	4/90	5/15	
77,076	27,90,278	9,40,446	741	4,46,673	5.17	5,88,691	10	213	Kil Kotagiri P.	10	10	..	10	12/00	12/00	11/09	
30,000	9,11,259	1,21,604	267	305,757	2.31	96,485	3	411	Luckv Valley	15	..	..	10	16/50	16/50	15/92	
35,50,000	17,31,286	4,85,241	1,691	6,70,174	1.48	2,08,136	3	411	Malankara								
40,50,000	74,75,217	14,33,242	4,013	740,800	4.47	13,89,961	3	270	Midland Rub & Prod P.	12 1/2	12 1/2	..	10	11/50	11/50	10/50	
14,08,250	33,53,804	7,45,346	1,587	9,98,596	2.90	1,80,000	3	402	Nilgiri P.	8	..	..	10	9/12	9/12	8/93	
28,10,000	24,28,291	11,02,621	1,037	7,29,100	2.82	16,62,532	6	14	Nomuch	20	20	20-20*	10	23/00	23/00	22/15	
6,50,000	7,01,991	3,71,464	810	1,35,230	1.17	1,41,776	3	210	Ossoo	15	..	..	2	2/50	2/57	2/71	
19,45,880	34,53,670	25,53,533	1,498	9,77,473	4.84	6,27,924	10	210	Ouchtertony	13	12	..	2	4/40	4/50	4/35	
14,88,960	27,02,359	17,22,983	679	4,13,064	2.74	7,70,117	6	203	Parkside Neilgherry	27 1/2	27 1/2	27 1/2-25*	10	26/33	26/33	24/09	
67,00,000	27,36,576	12,82,318	1,563	10,83,565	1.50	11,29,838	12	5	Peermade P.	20	..	..	10	20/62	20/50	22/50	
6,00,000	7,90,316	4,35,530	1,167	4,83,268	1.65	1,65,244	2	259	Peninsular	20	..	..	10	21/25	21/25	20/70	
97,84,880	78,72,019	20,68,711	2,074	23,46,900	3.83	13,16,964	3	210	Periakaramalai	13 1/2	20	12 1/2-15*	2	3/44	3/41	3/06	
13,50,000	48,44,469	13,58,959	952	845,000	3.16	8,05,161	6	270	Rajapur Rub & Prod P.	20	20	20-21 1/2*	10	21/25	21/25	18/70	
2,00,000	3,14,567	1,53,963	711	3,32,000	1.32	1,18,791	3	412	Raibandra P.	25	..	..	5	10/42	10/42	9/80	
1,25,000	1,90,373	15,000	216	..	..	43,411	8	413	Swinton	12 1/2	..	..	2	2/68	2/68	2/82	
10,00,000	20,71,084	2,48,373	1,454	4,30,695	1.51	63,263	3	172	Teekoy P.	Nil	..	..	10	6/60	6/60	5/03	
9,15,300	13,14,493	10,80,000	2,227	5,45,549	3.76	1,27,943	9	210	Thirumoodi	7	12	..	1	1/95	1/95	1/54	
6,00,000	6,51,402	46,742	1,307	2,23,794	3.21	90,950	12	9	Travancore Rubber	13	..	..	10	12/00	12/00	10/95	
41,00,000	72,63,801	12,63,584	2,535	12,19,484	..	10,61,172	12	271	Travancore Rub & Tea P.	9	10	10	10	10/20	10/40	9/93	
23,48,701	1,36,000	3,028	6,38,402	1.00	2,02,762	12	410	Trivonda: Plantation	8	..	..	25	21/00	21/00	19/75		
85,75,280	24,78,111	16,00,000	1,297	9,63,293	2.11	1,00,000	12	410	Tuvford's	10	..	..	10	8/55	8/55	9/10	
81,93,280	30,03,223	17,04,089	3,638	12,88,976	5.16	12,85,658	3	250	Untine Nilgiri	21	22	..	10	23/75	23/75	20/34	
8,80,010	9,28,899	2,82,051	952	4,94,400	1.50	2,20,096	12	411	Valkundam	30	..	..	10	36/50	36/50	29/45	
47,25,000	78,06,431	21,33,763	2,214	13,41,277	3.77	15,22,472	6	157	Waterfall Estates P.	12 1/2	10	10-10*	10	2/37	2/37	2/25	
9,95,000	..	..	..	..	..	88,225	3	416	Woodland P.	10	..	..	10	6/90	6/90	7/83	

SOUTH INDIA SUGAR MILLS

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares If any	Cash & Securities	Net profits	Carry forward	Accounts closed	Mg. Asst. Secretaries etc.	NAMES	Dividends per cent			Latest Market Quotations as available until		
									1960	1961	1962	Paid-up per share	24-3-64	17-3-64
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.							Rs.	Rs.	A year ago
80,00,000	62,64,264	26,55,000	5,52,400	10,92,779	22,959	9	417	Andhra P.	..	..	..	10	14/75	14/75
40,00,000	80,62,883	12,61,424	1,58,472	13,46,266	1,40,987	6	218	Cauvery P.	..	..	..	100	100/00	99/00
39,84,000	80,95,449	50,28,500	10,91,223	29,00,521	9,587	9	319	Deccan Sugar	25 1/2	12	18-18*	5	11/90	11/87
21,187,700	23,463,073	2,075,782	2,414,795	2,648,473	2,21,999	9	418	E.I.D.—Parry	21 3/7	21-3/7	28 3/7	21	36/50	36/87
63,97,850	39,62,680	15,44,848	64,64,375	12,35,437	69,501	9	418	Indian Sugar P.	14	10	8-8*	10	10/00	10/00
12,45,572	1,22,86,623	18,99,861	1,51,052	5,99,416	2,090	6	419	Jeypore P.	..	..	..	10	14/68	14/68
10,52,200	2,87,27,773	1,23,75,000	31,53,982	20,76,428	91,745	6	420	K. C. P.	..	..	..	10	24/00	24/00
79,98,000	1,40,86,784	Nil	3,14,482	-16,486	-1,26,762	6	141	Kothari	Nil	Nil	Nil—Nil*	10	7/00	7/00
31,79,280	69,98,950	1,19,98,416	46,28,924	1,22,390	4,559	6	264	Mysore	30	30	30-30*	10	44/65	44/65
30,00,000	35,93,381	11,41,000	10,12,037	4,88,902	1,46,735	4	218	Travancore P.	10	..	..	10	7/45	7/45
25,00,000	45,92,397	91,28,520	73,43,307	34,22,332	..	3	320	United Breweries	60	60	25-Nil*	10	33/00	33/00

* 1963

SOUTH INDIA MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares If any	Cash & Securities	Net profits	Carry forward	Accounts closed	Mg. Asst. Secretaries etc.	NAMES	Dividends per cent			Latest Market Quotations as available until		
									1960	1961	1962	Paid-up per share	24-3-64	17-3-64
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.							Rs.	Rs.	A year ago
1,00,00,000	86,99,116	39,83,750	10,36,609	19,80,945	1,52,818	3	421	Aluminium Industries	13	..	..	10	19/70	19/40
71,03,270	81,97,867	9,97,503	8,37,425	14,43,157	2,172	12	16	Andhra Cement P.	10	10	10-9*	10	10/10	9/75
5,02,87,658	1,59,93,383	25,63,610	1,84,694	30,01,343	20,076	12	422	Ashok Leyland	8	..	..	6	6/95	6/95
1,00,00,000	17,47,081	49,33,435	2,75,867	19,86,813	1,39,222	12	423	Binnay	12 1/2	..	..	100	282/00	282/00
7,00,000	5,45,587	..	41,650	93,226	-1,46,143	12	270	Bruntton & Co.	..	..	..	10	5/00	5/00
24,99,099	40,82,511	3,52,644	62,031	3,35,186	4,810	12	424	Enfield P.	5	..	..	10	10/50	10/50
24,44,750	321,08,642	66,66,406	73,60,475	51,28,679	1,38,608	3	425	India Cement P.	11	9	12	5	5/66	5/72
23,82,732	16,92,196	2,50,222	93,924	2,16,808	2,977	12	230	Indian Steel Rolling P.	..	..	..	10	9/95	9/90
1,40,00,000	1,39,97,059	37,48,801	36,09,251	29,82,180	11,631	3	283	Mettur Chemical Industries P.	12 1/2	12 1/2	13 1/2-18 1/2	10	13/75	13/70
24,81,220	12,69,939	10,47,778	17,48,674	9,48,641	8,514	3	339	Mysore Chem. & Fert.	10	10	..	10	7/95	9/75
3,00,000	5,20,689	4,32,189	2,18,413	2,33,791	85,187	3	181	Mysore Chemical Mfgs. P.	20	..	..	10	16/70	16/70
6,56,250	5,13,585	9,38,696	6,374	1,23,899	3,146	3	426	Mysore Lamp P.	20	..	..	10	30/00	30/00
25,00,000	55,50,342	37,12,500	2,43,661	14,29,393	36,663	3	226	Mysore Paper	13	15	..	10	12/40	12/40
10,00,000	7,56,329	3,18,884	29,32,342	75,422	622	3	201	Mysore Tobacco	10	..	..	10	12/00	12/00
10,00,000	6,54,848	8,02,000	2,60,194	4,84,835	1,51,607	3	218	Parrys Conf.	30	..	..	1	3/31	3/31
60,00,000	82,50,079	1,03,14,883	40,58,627	23,52,432	10,74,117	6	221	Spencer (Provisions)	18	18	18	10	22/37	22/37
47,00,000	86,83,610	20,65,000	51,802	1,85,986	3,880	12	427	Standard Motors P.	9	..	..	10	9/90	10/33
11,56,300	4,95,547	14,04,007	16,06,624	4,19,707	41,732	9	428	T. Stanes P.	32 1/2	..	..	10	27/40	27/40
39,84,400	42,58,650	13,07,759	26,027	9,92,616	932	4	429	Textool	15	..	..	100	142/50	145/50
25,00,000	4,24,61,684	2,14,79,630	72,21,483	85,33,001	50,510	7	430	Tube Investments	10	10	10-10 1/2	100	214/00	215/00

11963

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Account	Reserve & other Funds	Net Earnings	Carry Forward	Accounts closed	Mg. Asst. Secretaries etc.	NAMES	Dividends per cent			Latest Market Quotations as available until		
								1960	1961	1962	Paid-up per share	25-3-64	18-3-64
Rs.	Rs.	Rs.	Rs.	Rs.							Rs.	Rs.	A year ago
17,24,000	18,02,732	12,576	-2,52,424	..	3	165	Ahmedpur Katwa	1.90	1.90	1.75	100	24/87	24/87
21,69,300	34,93,819	6,11,706	3,03,621	2,918	8	32	Arrah Sasaram	5	6	6	100	29/12	30/50
34,00,000	35,33,840	21,816	-4,66,034	..	3	165	Bankura Damoodar	1.90	1.90	1.75	100	24/87	24/87
17,80,000	20,25,854	10,772	-3,07,176	..	8	165	Burdwan Cutwa	1.90	1.90	1.75	100	24/87	24/87
31,00,000	28,10,290	44,298	1,72,713	1,480	8	32	Chaparmukh-Silghat	2.90	2.90	2.80	100	40/00	40/00
4,75,000	1,48,268	5,33,368	1,35,798	3,691	9	296	Cherra Chhatak Ropeway	9	12	12	6	4/62	4/62
2,47,650	2,28,169	59,790	42,389	4,003	3	101	Deerling Ropeway	..	..	..	10	8/50	8/50
60,00,000	49,60,137	14,51,000	19,14,361	35,851	3	335	Dehri Rohtas	17	20	15	10	12/50	12/50
11,49,700	15,85,943	8,500	59,013	1,489	8	32	Futwah Islampur	1.90	1.90	1.90	10	28/70	28/70
18,00,000	49,13,338	13,07,712	1,70,485	3,022	8	32	Howrah Amta (P)	6	5	4 1/2	100	34/00	34/00
6,00,000	12,58,352	5,14,960	62,731	4,225	8	32	Howrah Sheekhah	6	5	4 1/2	100	45/00	45/00
9,91,100	11,74,348	15,024	73,560	160	8	185	Katakhal Lala Bazar	3.50	3.10	1.90	100	41/00	41/00
18,00,000	60,91,311	18,08,821	1,11,807	6,893	8	32	Shahdara (Delhi)	6	5	..	100	52/00	52/00

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

1. Anderson Wright Ltd.—7. Wellesley Place Calcutta	58. Cowasjee Jehangir & Co. Ltd.—Ready Money Mansion, Churchgate Street, Fort Bombay	116. K. G. Khanna—Solan Brewery (H.P.), Delhi	174. N. M. Cole—8. Clive Row, Calcutta.
2. Andrew Yule & Co. Ltd.—8. Clive Row Calcutta	59. N. K. Jalan—Kamini Chamber, 32, Nicol Road, Ballard Estate Bombay.	117. Hari Sons—Avlur (Cochin State), Bombay	175. Satya Narain Gupta—Subzimandi, Delhi.
3. S. N. Beri—6. Middle Road Hastings, Calcutta	60. Chandrie & Co. Ltd.—Madras	118. Hormusjee Sons & Co.—605, Girgaum Road Dhobi Talao Bombay-2	176. Moton & Co.—Maung Pauley Street, Rangoon
4. Hazareemull, Heeralall—148. Cotton Street Calcutta	61. Bagaria More Co. Ltd.—5 Clive Row, Calcutta	119. Ramnarayan Sons Ltd.—Bombay.	177. H. B. Marshall—1. Humayan Place, Calcutta
5. Amritlal Ojha & Co. Ltd.—"Security House" Netaji Subhas Road, Calcutta.	62. Dayaram & Sons—9. Old Court House Street Calcutta.	120. Industrial Financing Co.—63. College Street Calcutta	178. Madura & Co. Ltd.—Cochin.
6. Alcock, N. C.—Hultsdorf Mills, Colombo	63. Duncan Brothers & Co. Ltd.—31. Netaji Subhas Road Calcutta.	121. Imperial Chemical Industries (India) Private Ltd.—34. Chowringhee, Calcutta	179. A. D. Shroff—New India Assurance Bldgs, Mahatma Gandhi Road Fort, Bombay
7. Associated Industrial Development Co. (Private) Ltd.—"Nico House", Hare Street Calcutta-1	64. Dutt Thomas & Co.—2 and 3. Clive Row Calcutta	122. Indra Singh & Sons Private Ltd.—7. Wellesley Place Calcutta.	180. Marfatil Gagalbhai & Sons—Rustam Bldgs 29, Churchgate Street, Fort, Bombay
8. Agarwala S. L.—Indian Insurance Building, Old Cantonment Road, Dehra-Dun	65. Dass Bros—29 and 30. Strand Road, Calcutta	123. Hari Brothers Private Ltd.—Scindia House New Delhi	181. Murphy C.—Rampart Row Fort, Bombay
9. Aspinwall & Co. (Travancore) Ltd.—Chavadi Pamburu North Commercial Canal Road, Alleppey	66. A. K. Das—15. Netaji Subhas Road, Calcutta	124. R. Raja Rao—Honnawal Road, Shimoga	182. Mehta Chunilal V. & Co. Ltd.—Queen's Mansions Prescott Road, Bombay
10. Aryan Planter Agency—P-12. Chowringhee Square Calcutta.	67. Day, P. E.—Anderson's House, Bishopsgate, London E.C.2.	125. Iyer L. R. Anantharam & Bros Ltd.—Pushpagiri Trichur	183. Sir V. N. Chandavarkar—Standard Buildings Hornby Rd Fort Bombay.
11. Allum Bharucha & Co.—214. Hornby Road Bombay	68. Hari Brothers Private Ltd.—Scindia House New Delhi.	126. N. Sirur & Co. Private Ltd.—70. Forbes Street Fort Bombay	184. Mysore Industrial Development Co.—33 Gandhinagar Bangalore City
12. Associated Planters Private Ltd.—25. General Patters Road Madras.	69. Dadabhai, Sir M. B.—Kamptee Road, Civil Lines Nagpur	127. J. P. Hannay—2 Metcalfe St. Calcutta.	185. Mascarenhas B. M.—Platform Road, Bangalore City
13. Antony M. K.—Alleppey	70. N. D. Bangur—14. Netaji Subhas Road, Calcutta	128. Jardine Henderson Ltd.—4. Clive Row, Calcutta	186. Naidu G. Kuppaswamy & Co.—Papanalakenpalavam Coimbatore
14. Harrison and Crossfield Ltd.—Cochin	71. B. C. Roy—Hindusthan Buildings, 4. Chittaranjan Avenue Calcutta	129. S. S. Bhimwal—7. Chowringhee Road, Calcutta	187. Best & Co. Ltd.—The Hyderabad Laminated Products Ltd., Secunderabad-3
15. Agarwal & Co.—E. D. Sassoon Building, Douglall Road, Ballard Estate, Bombay	72. Duffs J. C. & Co. Ltd.—National Bank Buildings, Netaji Subhas Road, Calcutta	130. Jajharla Bros. Ltd.—138 Harrison Road Calcutta	188. R. Beema Naidu & Co.—Singanallur, Coimbatore
16. Andhra Eng. Co. Ltd.—22/422. Dana-vavipeta Rajahmundry.	73. C. C. Dey—25. Netaji Subhas Road, Calcutta	131. Jain N. K. & Co. Ltd.—"Devashram", Arrah Shahabad	189. Naidu A. G. Guruswamy & Co.—Peelamedu Coimbatore
17. Amte & Co.—Hubli	74. Davenport & Co. Private Ltd.—6. Church Lane Calcutta	132. J. K. Industries (Private) Ltd.—7. Council House Street Calcutta.	190. Naidu P. S. Govindaswami & Sons—Coimbatore
18. B. M. Krishan—Sri Jayachamaraja Wadiyar Road Bangalore-2	75. Desai H. M.—14. Nicol Road, Ballard Estate Fort Bombay	133. James & Co. Ltd.—25. Netaji Subhas Road Calcutta.	191. H. Roychowdhuri—18. Convent Road, Entally Calcutta
19. Macneil and Barry Ltd.—2. Fairlie Place Calcutta	76. Dodwell & Co. Ltd.—Glennie Street, Slave Island, Colombo	134. Jute Industries Ltd.—4. Lyons Range, Calcutta.	192. B. J. Agarwala—Stephen House, 4 Dalhousie Square Calcutta
20. Ojha Brothers Ltd.—Security House, Netaji Subhas Road Calcutta.	77. Darragh Small & Co. Ltd.—Alleppey.	135. John, V. C.—Kattayam, Travancore State	193. Kesarmal Manocha—529/1 Hall Bagh, Amritsar
21. Bird & Co. (Private) Ltd.—Chartered Bank Buildings Calcutta	78. Dadabhai, B. A. & Co.—Ilaco House, Sir Pirozeshah Mehta Road Bombay.	136. Jones, H. Edwin—Oriental Building, Bombay Elec. House, Ahmedabad	194. G. V. Swatika—"Pollock House" 13/B, Brabourne Road Calcutta
22. Birla Bros. Private Ltd.—8. India Exchange Place Calcutta	79. B. N. Elias & Co. Private Ltd.—1 and 3 Old Court House Corner Calcutta.	137. Jonn Kurian—Kottayam, Travancore State	195. R. R. Alier—71 Park Street, Calcutta.
23. Babulal & Co. Ltd.—13. Syed Sailey Lane Calcutta	80. Eastern Corpn Ltd.—7. Wellesley Place Calcutta	138. Kettlewell Bullen & Co. Ltd.—21. Strand Road Calcutta.	196. Srinivasan S. D.—7 Council House Street Calcutta
24. Balmer Lawrie & Co. Ltd.—21. Netaji Subhas Road Calcutta	81. Ebeling, A. F.—Rawalpindi.	139. Kibburn & Co Private Ltd.—4. Fairlie Place Calcutta.	197. Naraldas Lachmandas Ltd.—Rai-purwa Kanpur
25. British India Corporation Ltd.—Sutherland House, Kanpur	82. Poddar, P. L.—135. Canning Street, Calcutta	140. Karamchand Chapper & Bros. Private Ltd.—Thapar House, 25. Brabourne Road Calcutta-1	198. Dhanraj M. Khatawala—Scindia House, Douglas Road, Ballard Estate Bombay.
26. B. L. Thompson—Aghraharam Road, Bangalore-2	83. Pratapsingh Mathuradas—8. Wallace Street Fort Bombay	141. Kothari & Sons Agency Private Ltd.—Armenian Street, Madras	199. Nowrojee Wadia & Sons (Private) Ltd.—Neville House Ballard Estate Bombay
27. Bengal Textile Agency Ltd.—11. Clive Row Calcutta	84. Forbes, Forbes, Campbell Ltd.—Forbes Buildings, Home Street, Fort, Bombay	142. R. Suryanarayan Rao—Channappatna, Mysore State	200. Dooduwalla & Sons—5. Mukhtaram Babu Street Calcutta-7
28. Swedish Enterprise Ltd.—41. Chowringhee Road Calcutta	85. A. Firpo, Jr.—18/2. Chowringhee, Calcutta	143. S. L. Dhanuka—P-15. Bentinck Street, Calcutta	201. R. Arunachalam—17 Richmond Road, Bangalore-1
29. Beardsell, W. A. & Co. Private Ltd.—Second Line Beach Madras	86. Forbes, Forbes, Campbell Ltd.—Forbes Buildings, Home Street, Fort, Bombay	144. Khatian, D. & Sons—14. Netaji Subhas Road Calcutta	202. Octavius Steel & Co. Ltd.—14 Old Court House Street Calcutta
30. Bhagyalakshmi & Co.—Delhi Road, Udamalpet Dt. Coimbatore	87. S. V. S. Iyer—88C. Old Prabhadevi Road Bombay-28	145. P. S. Nilakantan—1. Waterloo Street, Calcutta	203. Matheson Bosanquet & Company Ltd.—Belmount Coomoor Nilgiris
31. Rameshwar Pantia—1 & 2. Old Court House Street Calcutta.	88. Gillanders Arbuthnot & Co. Ltd.—Clive Buildings, Netaji Subhas Road, Calcutta	146. Killick Industries Ltd.—Home Street, Fort Bombay	204. Oberoi Hotels (India) Private Ltd.—17. Chowringhee Calcutta
32. Martin Burn Ltd.—12. Mission Row, Calcutta	89. Gladstone Lyall & Co. Ltd.—4. Fairlie Place Calcutta.	147. Kanga H. D.—Electric House, Post Fort, Bombay	205. Oakley Bowden & Co. Ltd.—15. Armenian Street Madras
33. K. M. Wilcox—Sutherland House, Kanpur	90. H. C. Bowker—"Victoria House" Calcutta	148. Kurian John—Alleppey.	206. Ogale Glass Works Ltd.—43 Gandhinagar Bangalore City
34. Sir John Brown—8. Hare St. Calcutta.	91. P. L. Randon—India House, Fort Street Bombay	149. Khatav Makanji & Co.—6. Ballard Road Fort Bombay	207. Deepchand Kisehenali—25. Netaji Subhas Road Calcutta
35. Ramdutt Ramkissendas—9. Brabourne Road Calcutta	92. Govan Bros. (Rampur) Private Ltd.—Scindia House New Delhi.	150. Killick, A. S.—2-6. 2nd Line Beach, Madras	208. Indian Textile Syndicate Ltd.—Kanpur.
36. Bayona Calcutta & Co.—27. Brabourne Road, Calcutta	93. Govan Bros. Ltd.—Malhotra Buildings Queensway New Delhi.	151. K. Kamanathan—Chickbanavar P.O., Bangalore Dt.	209. E. R. Elliot Lockhart—4. Fairlie Place Calcutta.
37. Birla L. N. S.—Royal Exchange Place, Calcutta	94. R. N. Datta—93-A. Dharamtalla St., Calcutta	152. Broken Hill Secretariat Ltd.—31. Dover Street London E.C.2	210. Pelrice Leslie & Co. Ltd.—8/222 Beach Road Calcutta Kerala
38. Birla B. M.—India Exchange", Calcutta-1	95. Daga & Co. Ltd.—9. Royal Exchange Place Calcutta	153. Low H. V. & Co. Private Ltd.—3. Synagogue Street Calcutta.	211. H. L. Somany—2. Wellesley Place Calcutta
39. John Valentine Jardine Paterson—4. Clive Row Calcutta	96. M. L. Bexon—57B. Free School Street, Calcutta-16	154. Lomas J. & W.—19 St Swithin's Lane London, E.C.4.	212. P. G. Krishna Iyer—Mount Pleasant, Coomoor Nilgiris
40. Bhargava K. K.—Mohalla Masjid Begun Badashanagar	97. Govan K. G. & Co.—Scindia House, Connaught Circus New Delhi.	155. Bharti Ram Bhagat & Co.—45. Tangra Road, Calcutta	213. Poddar K. N.—37. Vivekananda Road Calcutta
41. Bihari Lal—161-1. Harrison Road Calcutta	98. Turnbui Ltd.—W—P-4 Mission Row Extension Calcutta	156. Hind Agents Ltd.—Indu House 15, Douglall Rd. Ballard Estate, Bombay.	214. James Warren & Co. Ltd.—31 Chowringhee Road Calcutta
42. W. H. Brady & Co. Ltd.—Brady House 12-14. Veer Nariman Road, Bombay-1	99. Abinash Chandu Das—Jalpaiguri.	157. Kothari Mehta & Co. Private Ltd.—Armenian Street, Madras	215. Parkins Ltd.—Kottaim
43. Brijlal Bilaswal & Co.—Age Khan Buildings Dalal Street Fort Bombay.	100. Guna Malini Kumar—18/11-B Raja Road Ballav Street Calcutta	158. Padampat Singhania—Kamala Tower, Kanpur	216. Parkins Ltd.—Kottaim
44. Gunan. Jhano Batta—19. Circular Garden Reach Road, Calcutta	101. P. Purushottam Pillai—5. Clive Row, Calcutta	159. Lala Gurusharan Lal—Guraru Dist., Gwalaya	217. L. K. Kand—P-8. Mission Row Extension Calcutta
45. Chakravarti Sons & Co.—22. Canning Street Calcutta	102. George A. V. & Co. Ltd.—Ancheril Bank Bldgs Kottayam Travancore.	160. Loveless & Lewes—4. Lyons Range, Calcutta.	218. Parry & Co. Ltd.—Dare House, Parry's Corner Madras
46. G. V. Purushotham Naidu—24. Krishnaswamy Mudallur Road Coimbatore.	103. Kundlia U. Sekaria—139. Meadow Street Fort Peralam-8. Ambedkar Road, Bombay-12	161. Lohia D. D.—173. Harrison Road, Calcutta.	219. India Sugar Agencies Ltd.—Mangalore
47. Chetty B. K. S. & Bros.—Singanallur, Coimbatore-5	104. Gopikisan Pvt. Parel Bombay-12	162. G. & Solomon—Dare House, Parry's Corner Madras	220. Price, R. G. N.—National Bank Bldgs., Madras
48. S. K. Poddar—33. Netaji Subhas Road, Calcutta	105. John Whittion Casson—Gillander House, Netaji Subhas Road Calcutta.	163. Mackon Strickland & Co. Private Ltd.—18. Strand Road Calcutta.	221. Z. K. Irani—1/153. Mission Row, Madras
49. Calcutta Agency Ltd.—24. Netaji Subhas Road, Calcutta	106. F. W. Heiglers & Co. (Private) Ltd.—Chartered Bank Buildings Calcutta	164. L. R. Anantaram Iyer & Bros Ltd.—Pushpagiri Trichur	222. Chrestina Mica Industries Ltd.—4. Lyons Range Calcutta
50. Chandra. A. P.—15. Paratola Road, Calcutta	107. Howrah Trading Co. Ltd.—4 Dalhousie Square East Calcutta	165. McLeod & Co. Ltd.—3. Netaji Subhas Road Calcutta	223. R. N. Agarwala—4 Lyons Range, Calcutta
51. Shoorbridge F. G.—234-3. Lower Circular Road, Calcutta	108. A. & F. Harvey Ltd.—Pandyam Building West Vell Street, Madurai.	166. Hindusthan Investment Corporation Ltd.—15. India Exchange Place, Calcutta	224. Lohia Brothers Ltd.—138. Canning Street Calcutta.
52. R. A. K. Mackay—175. West George Street Glasgow C.2.	109. Holmes Wilson & Co. Ltd.—"Stephen House" Calcutta	167. B. Barker—Barlow House 59C. Chowringhee Road Calcutta.	225. Roy B. K.—1, 2 and 3. Old Court House Street Calcutta
53. Cement Agencies (Private) Ltd.—121. Queen's Road Fort Bombay	110. R. G. Khanna—Solan Brewery. Simla.	168. Bhoos Lall & Sons—120/1. Civil Lines, Allahabad	226. M. V. Shivananjappa—Kampegowda Road Bangalore 9
54. Consolidated Elec. Agencies—17B. Eppinstone Circus Fort Bombay	111. Bote (Control) Private Ltd.—4 & 4/1. Wellesley Place Calcutta	169. K. R. Goenka—31. Netaji Subhas Road, Calcutta	227. W. Morrice—41. Chowringhee Road, Calcutta-16
55. K. S. R. Iyer—Imperia Bank Buildings Bank Street Fort Bombay	112. Glass J. D.—Bibba House 38 New Broad Street London E.C.2	170. Marshalls (Direction) Private Ltd.—33/1 Netaji Subhas Road Calcutta.	228. J. Amarnani Sons Ltd.—Bank Street, Fort Bombay
56. Chinoy, S. M. & Co. Ltd.—Radio House Adolphe Sunder Bombay.	113. B. P. Khaitan—14 Netaji Subhas Road, Calcutta	171. W. A. Maiden—P.O. Lohat Dist. Darbhanga.	229. Rajputana Textile (Agencies) Ltd.—Delisle Road Chenchpokla Bombay.
57. Cumberbatch & Co.—Colombo	114. Harrison & Crossfield Ltd.—Calcutta.	172. East India Agencies Private Ltd.—Palai Kerala State	230. Rajam J.—Oriental Bldgs. Armenian Street, Madras.
	115. B. V. Braddeloe The Great Social Building, Sir Pirozeshah Mehta Road, Fort Bombay.	173. Moulton G. S. & Co. (India) Ltd.—11 and 12, Esplanade Mansions, Calcutta.	

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

231. Ramamurthy, A.—Ravakhada (Orissa), Koraput Dist.
232. Ratnams Ltd.—Pugalur, Trichinopoly.
233. T. Shamanna—129, Vani Vilasa Road, Mysore.
234. Bangur Bros. Ltd.—14, Netaji Subhas Road, Calcutta.
235. Soorajmull Nagarmull—8, Dalhousie Square East, Calcutta.
236. Shaw Wallace & Co., Ltd.—4/5, Bankshall Street, Calcutta.
237. Srivastava, J. P. & Sons—Kanpur.
238. Bharat Ram Charat Ram & Co. Private Ltd.—Baba Hindo Rao, Delhi.
239. A. R. Kalalraja Chettiar—Coimbatore.
240. A. K. T. K. M. Narayanan Nambodripad—Kallad, Malabar.
241. Singh, Ranjit—Lucknow.
242. N. L. Roy & Co.—9, Royal Exchange Place, Calcutta.
243. Shyamal Agarwal—9, Dalhousie Sq. East, Calcutta.
244. Sovaram Keshavdeo—15, Netaji Subhas Road, Calcutta.
245. Dr. B. N. Ghose—6, Ganesh Avenue, Calcutta-13.
246. Sindaren, S.—Indian Mercantile Chambers, Nicol Road, Bombay.
247. Singhania Padampat—Kamala Tower, Kanpur.
248. E. K. Srinivasan—16, Hare Street, Calcutta.
249. Steel Bros. & Co., Ltd.—Gillanders House, Netaji Subhas Road, Calcutta.
250. T. Stanes & Co.—Coimbatore.
251. Southern India Plantations Agency Ltd.—Coonoor.
252. Saha, Bahuballav—18/11/B, Raja Raj Ballav Street, Calcutta.
253. R. B. Pradhan—Empire House, 214, Hornby Road, Bombay.
254. Singha, M. Ramchandra Rao—3rd Road, Chamaraipet, Bangalore City.
255. Setalvad, J. C.—73, Oppo. Churchgate Station, Fort, Bombay.
256. Scindia Steam Navigation Co., Ltd.—Ballard Estate, Bombay.
257. Ramnath A. Podar—Podar Chambers, Parnsey Bazar St., Fort, Bombay.
258. Swedish Match Co.—Nicol Road, Ballard Estate, Bombay.
259. S. Ramashramony Aiyer—Trivandrum.
260. Purnamal Bhubna Sons—Indu House, Dougal Road, Ballard Estate, Bombay.
261. N. Sirur & Co. Private Ltd.—70, Forbes Street, Fort, Bombay.
262. Ramnarayan Sons Ltd.—Bank Street, Fort, Bombay.
263. Seshasayee Bros. Private Ltd.—Met-tur Dam R.S.
264. V. Venugopal Naidu—Sir Jayachama-raja Wadiyar Road, Bangalore-2.
265. Shree Hanuman Invt. Co., Ltd.—173, Harrison Road, Calcutta.
266. Talukdar, B. S.—Amiasadarpur, Nadia West Bengal.
267. Tata Hydro-Elec. Agency, Ltd.—34, Bruce Street, Bombay.
268. Turner Morrison & Co., Ltd.—6, Lyons Range, Calcutta.
269. Tata Industries Private Ltd.—Bombay House, Bruce Street, Fort, Bombay.
270. Thomas, A. V. & Co., Ltd.—Alleppey.
271. Thomas, P. T.—Kottayam, S. India.
272. Thomas, M. K. & Co., Ltd.—Trivan-drum.
273. Tayabjee, O. S.—159, Gunfoundry Rd., Hyderabad (Deccan).
274. A. Hydari and S. Gotherg—Indian Mercantile Chambers, Nicol Road, Ballard Estate, Bombay.
275. United Eastern Agencies—Bombay House, Bruce Street, Fort, Bombay.
276. United Agencies Ltd.—Punalur.
277. Villiers Private Ltd.—F-3, Clive Buildings, Calcutta.
278. S. M. Smith—4 Bankshall St., Calcutta.
279. Williamson Magor & Co., Ltd.—4, Mangoe Lane, Calcutta.
280. Whitman M. J. M. C.—Mayo Road, Rawalpindi.
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284. Walchand & Co., Ltd.—Ballard Estate, Fort, Bombay.
285. Wallace & Co.—9, Wallace Street, Bombay.
287. Young India Agencies Private Ltd.—173/1, Mount Road, Madras-2.
288. Dass Group Private Ltd.—29, Strand Road, Calcutta.
289. B. L. Mathur—4, Clive Row, Calcutta-1.
290. K. S. Basu—63, Netaji Subhas Road, Calcutta.
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336. Fulsidas Kilechand—Scindia House, Dougal Road, Bombay.
337. Beriwalla & Co.—63, Netaji Subhas Road, Calcutta.
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339. M. G. Investment Corp. Ltd.—Mafat-lal House, Backbay Reclamation, Bombay-1.
340. K. O. Cherlyan—Travancore.
341. N. L. Kanoria—India Exchange, Calcutta-1.
342. O. N. Chatterjee—2, Royal Exchange Place, Calcutta.
343. Indra Singh—153, Canning Street, Calcutta-1.
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347. Tanta Brothers Private Ltd.—1 & 2, Old Court House Corner, Calcutta.
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349. Seth Sohanlal Murarka—19, Circular Garden Reach, Calcutta-23.
350. K. Agarwal—Empire House, Dr. Dada-bhoj Naoraji Road, Fort, Bombay.
351. L. & T. (Management) Private Ltd.—L. C. House, Dougal Road, Ballard Estate, Bombay.
352. Chinal And Co. Private Ltd.—Sadha-na Rayon House, Dr. Dadabhai Naoraji Road, Bombay-1.
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384. Punam Chand Batia—19, Circular Garden Reach, Calcutta-23.
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386. D. N. Jalan—McLeod House, 3, Netaji Subhas Road, Calcutta.
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389. British India Corporation Ltd.—Kanpur.
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426. J. L. D'sa—Old Tunkur Road, Malles-waram, Bangalore-12.
427. The Standard Motor Co. (India) Pvt. Ltd.—29, Mount Road, Madras-2.
428. E. R. Stanes—6/33, Race Course Road, Coimbatore-1.
429. Balasundaram & Co.—Setyamangalam Road, Ganapathy P.O., Coimbatore-6.
430. A. M. M. Arunachalam—62/63, Jehan-gir Street, Madras-1.
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CAPITAL

A Weekly Journal of Commerce, Industry and Finance
WITH WHICH IS INCORPORATED
THE INDIAN FINANCIAL REVIEW

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76th YEAR OF ISSUE

CALCUTTA, 2nd APRIL, 1964.

Vol. CLH 380.

CONTENTS

Editorials

- Engineering Industries: A Plea for Realism ... 509
- New Thinking on Oil ... 510
- Companies in which the Public are Substantially Inter-ested ... 511
- Dismal Outlook for Food ... 512
- Current News and Comment ... 512-14
- The New Conversion Offer Attracting Foreign Capital Working of the Tea Board Progress of Co-operation Paying Metropolitan Bank Depositors Progress of Indian Shipping Role of Refrigeration

A Ditcher's Diary

- Guide for Investors ... 517-20

The Stock Markets

- Chairmen's Statements ... 521
- Asiatic Oxygen ... 523
- Madura Mills ... 527
- United Bank of India ... 526
- Sen-Raleigh Industries ... 528
- Special Article
- The Need to Mass-produce Mini-tractors in India ... 532
- Newsletters
- New Delhi ... 529
- London ... 531
- Sections
- Money ... 524
- Jobs ... 533
- Commodity Markets ... 534

ENGINEERING INDUSTRIES: A PLEA FOR REALISM

THE engineering industries stand at the centre of India's import-saving strategy of development. Orderly progress in these industries should, therefore, be the prime concern of New Delhi's policy-makers even if the State is taking upon itself a large part of the responsibility at the heavy-industry end. In fact, the State's own endeavours would become infructuous if, for instance, the steel capacity being created in the public sector was not matched by parallel advance in the processing and fabricating industries. This underlines the need for tackling the problems of growth in their totality by evolving a co-ordinated approach. Otherwise, uncovered gaps in the industrial structure—in themselves small and seemingly unimportant—are bound to cause serious difficulty, as was highlighted by the shortage of welding electrodes which threatened last year to bring the whole fabricating industry to a standstill.

Experience, one hopes, has made New Delhi wiser. Mr. Cecil Cargin, chairman, was evidently putting the most favourable construction on recent official moves when he said at the annual meeting of the Indian Engineering Association on Monday that there were "encouraging signs" of a more pragmatic approach towards the problems of industrial planning. But, as he himself added later, several misgivings remain. Of these, the most important undoubtedly is the increasing variety of industrial projects being taken up in the public sector which could just as easily be left to private enterprise and the resources thus saved applied to areas of greater need. The structural engineering project in Wardha (which in the event has failed to materialise during the current plan) provides a case in point; so also does the quite unnecessary zeal displayed by the Government in increasing the production of the simpler machine tools instead of directing attention to those types which call for the large investments that are beyond the capacity of tax-squeezed entrepreneurs.

Quite rightly, Mr. Cargin refused to commit the Association to taking an ideological stand on the division between public and private enterprise. By applying common sense tests of efficiency and economy, the choice can in most cases be made on rational grounds which admit of no controversy. If there have been some lamentable deviations from this sensible principle, is it because power-hungry overlords are busy building empires regardless of the cost to the country? The production of lorries in an ordinance factory specially created for the purpose was a scandalous example which deserved the notoriety it gained, but there are others of the same class still in the hatching. The Engineering Association in a memorandum to the V. K. R. V. Rao Committee pointed to two such examples, one relating to ophthalmic glass and the other to industrial instruments, in both of which private enterprise was prevented from going ahead to make room for costlier State-sponsored projects. It is perhaps no mere coincidence that both instances related to ventures undertaken by New Delhi with Russian collaboration.

But if the concept of the mixed economy requires the State to set up its own plants in spheres

where private enterprise is already active, the least one can ask is that the competition between the two sectors should be equal. In theory, New Delhi accepts that this should be so but discrimination is not unknown in the large area of decision-making where the executive enjoys discretionary powers. The discrimination, which usually takes the form of privileged access to scarce resources like raw materials, foreign exchange or transport capacity, cannot always be proved because the evidence requires access to official records which are not available to the aggrieved parties. Yet it exists nevertheless, drawing encouragement from the tendency of political authority to turn a blind eye to the goings on until a public outcry follows. Mr. Cargin's plea for "some" assurance from New Delhi of equality of treatment is thus valid, although no formal announcement will, in the nature of things, eliminate the need for vigilance against favouritism at the level of mutual back-scratching between civil servants in the Government and their counterparts in public-sector industry.

One will, of course, need to be outspoken for this vigilance to yield any results. The I.E.A. chairman took courage in both hands when he bluntly pointed to the general reluctance to criticise aspects of official policy because of the fear of being singled out for harassment under the very wide powers wielded by the Government officials. Charitably describing this fear as "largely unfounded", Mr. Cargin admitted nonetheless that there is a preference to remain silent and very few individuals care to speak their minds. The relationship between complaisant business men and compelling officials is one that the Santhanam Committee on corruption should be considering if it were not so busy chasing the wrong quarries. Enterprising research may well be able to establish some sort of correlation between efficiency and the degree of accommodation shown by individual businesses, a generalisation prompted by the comparison sometimes made between two industrial giants of eastern India. But since the complaisant business man suffers in the long run at the hands of officialdom as much as his more outspoken compeer, one may be sure that the former will climb on the wagon once it is firmly and definitely on the move. The solution lies, therefore, in pushing ahead in a "straightforward" manner, relying upon the basic identity of interests between the Government and industry in finding the right solutions.

On issues of more direct concern to engineering, Mr. Cargin was undoubtedly right to focus attention on the future of raw material supplies. The mere fact that a 17.5-million-ton target has been adopted for steel is of no consequence to the investor unless he can be assured that performance will not fall far short of promise. This assurance is made the more necessary by persisting shortfalls—the second plan target for mild steel was attained only in 1963-64, while the lag in achieving the third plan goal of 10 million ingot tons will again be of the same order. If people are to be persuaded to put down money for new ventures today, they will need to be assured that the

raw materials—chiefly steel and pig iron in the engineering sector—will be available to work new capacity when it is built. This is an assurance that New Delhi cannot give until it has made sure of the foreign exchange requirements of steel expansion. The engineering industry sympathises with the disability, but it may well ask whether Mr. C. Subramaniam, Central Minister for Steel and Heavy Engineering, is not making his task more difficult than it need be. He is trying perhaps to do too much at one time, forgetting that the changed international circumstances no longer require the competitive bidding which brought India a rush of offers for the first generation of new steel plants. Secondly, he adamantly insists that there is no room for private investment in new steel capacity even though the Finance Minister is clearly anxious to reduce the demand for official aid by switching to private collaboration ventures. This invests steel expansion with some uncertainty; hence the plea for advance notice of the manner in which shortages are proposed to be shared. If key industries such as structural fabrication, wagon-building and equipment manufacture were told unequivocally that they will have a prior claim on whatever is available, much of the hesitation in making investments in new capacity might be removed.

Some assurance is also needed about future import policies. Both Mr. Cargin in Calcutta and Mr. J. R. Armstrong, chairman of the Engineering Association's western region in Bombay, have un-

derlined the need for immediate steps to relieve the serious shortage of pig iron. In 1962-63, imports did not exceed 1,000 tons (against 119,000 tonnes imported in 1957) but more surely could have been done despite the foreign exchange stringency if New Delhi had bothered to calculate the import-saving benefits flowing from the better utilisation of engineering capacity. This apart, the wider issue of making progress more orderly by getting more out of installed capacity before rushing through hurried additions is one that obviously merits serious consideration, a point which Mr. Armstrong made while deploring the excessive preoccupation with rates of investment rather than with the end-results.

In the final analysis, engineering capacity will have to expand, both to meet rising domestic needs and to help India pay her way in the world. But expansion is not an end in itself and will contribute nothing to improve the lot of half-starved millions unless the surplus that highly productive modern industry can yield begins to be tapped. The surplus must be earned—it does not arise of itself—by making the most of installed capacity through efficient operation and purposive planning. A succession of new projects, as the Central Finance Minister recently said, gets one nowhere; it can only restrain growth instead of stimulating it. And while fresh projects are being conceived, it is to be hoped that filling the awkward gaps which exist today will get prior attention before other ambitious new schemes.

NEW THINKING ON OIL

THE Central Minister for Petroleum and Chemicals, Mr. Humayun Kabir, told the Lok Sabha recently that India is now in a "stronger" position in its dealings with the international oil industry. He said that the cost of refineries as quoted by intending collaborators was steadily falling, the range of offers for the proposed Madras and Haldia units being Rs. 10 crores to Rs. 12 crores, against the Rs. 16 crores estimated for Cochin. The argument, as Mr. Kabir should know, is far from conclusive because refinery costs cannot be considered in the abstract, separately from the complex of facilities provided for in the design. Secondly, a "tied" refinery like Cochin is really to be seen as an outlet for the collaborating company's surplus crude rather than an investment made for its own sake. This makes it extraordinarily difficult to compare offers unless the fine print (as the American would say) of the totality of the contract is carefully examined. Finally, it was hardly necessary for Mr. Kabir to seek to prop up his general assessment of India's bargaining position with a somewhat irrelevant reference to refinery capital costs.

The fact of a persisting world surplus in crude obviously puts large buyers like India in an advant-

ageous position. As an independent observer of the international oil scene recently commented in a well-documented study, countries such as India are well placed to "put the screws" on the western oil marketer. While Mr. Kabir's bargaining strength is not in dispute, the use that he should make of it requires a good deal of careful thinking. It is eminently possible to "persuade" oil companies to accept minority participation in new refinery companies, as in the Cochin example, but that does not automatically make State majority either desirable or necessary. India should indeed try to retain the final say on larger issues of policy, a position which any country seeking foreign collaboration in a basic industry would adopt. The need is greater in oil where the interconnecting ramifications among refineries, transporters and crude producers makes it difficult to treat the final outlet in isolation. But does this necessarily have to be buttressed by majority participation? To adopt this position would immediately raise doubts about the pattern of collaboration accepted in other spheres by India, besides making nonsense of the vast armoury of regulatory powers taken by the State.

The point at issue is fairly simple: should the insistence on majority be taken to the stage where it involves India accepting as a consequence fresh burdens of short-term commercial credits to help meet the gap between the foreign equity contribution and the total foreign exchange cost of the project? On the face of it, this might seem inadvisable after what Mr. T. T. Krishnamachari, Central Finance Minister, said in his Budget speech about the staggering repayment liabilities falling due in the next plan period. Investment, of course, does have its own price in terms of profit repatriation. But the choice, it seems from the manner in which the issue has been debated so far, is being made *a priori* without really going into the economics of the problem. This is unfortunate because the scale of refinery expansion required over the next seven years is likely to make the sums involved large enough to make an important difference to viability.

Mr. Kabir will also need to decide what should be the right stance towards the international oil companies already operating in India. Their readiness to adjust themselves to the new reality of the consumers' bargaining strength indicates their willingness to move with the times instead of standing rigidly by the letter of the refinery agreements. Both the Bombay refineries have shown that they can add to capacity at much lower cost than that required for a new unit of corresponding size because they will be building upon the facilities that already exist. In return for permission to expand, they are willing to scrap the old agree-

ments and operate on the same footing as other enterprises governed by the Industries (Development and Regulation) Act. Mr. Kabir's survey of the oil scene, while winding up the Lok Sabha debate on the grants for his Ministry, gave no indication of his thinking on this issue, even though his enunciation of a new policy of keeping refinery capacity 10 percent to 15 percent ahead of demand implies an early decision. Is it that Mr. Kabir—and his senior colleagues in the Cabinet, on whom he is leaning heavily for support—is deterred from getting down to the problem by the political influences that the expansion of the Bombay refineries had acquired during his predecessor, Mr. K. D. Malaviya's term of office? Mr. Malaviya, who gallantly said in Calcutta a few days ago that the Government's oil policies had suffered no change because of his departure, continues, however, to pursue his old vendettas. This was clear from his reference to the comparative costs of new refineries, which was in essence a thinly-veiled defence of the Cochin deal in preference to Shell International's alternative proposal for Madras. But surely Mr. Malaviya's sniping need not determine the course of Central policy-making even though Mr. Kabir, through a combination of unsavoury local circumstances, may be in no position just now to take a strong line.

The case of the Bombay refineries rests largely on where the balance of advantage lies. The point has been made that, with Koyali due to come fully on stream by early 1966, Bombay's economic marketing zone will not immediately require additional capacity. It has also been suggested that the savings in capital costs may be outweighed by the disadvantages of the terms visualised for the pricing and transport of crude. These are issues of fact and should be capable of an objective assessment, but not perhaps New Delhi's unspoken fear of excessive concentration of capacity within the control of the "majors" of international oil. The seven "majors", including Shell and Esso, have been accused of working so closely together as to constitute a worldwide cartel which all consumers should beware of. Hence the plea made for encouragement to "independents" (such as Phillips Petroleum now participating in Cochin) in countries as differently placed as France, Britain and now India. But will this fear still be warranted after the oil companies voluntarily surrender the refinery agreements to accept the discipline imposed by the Industries Act? This is a question which Mr. Kabir's Ministry should be looking into afresh to help decide the expansion issue on rational grounds.

The pattern of refinery expansion will have a large bearing on the pricing of products. It does not constitute an independent problem which makes one wonder whether a second enquiry into pricing is needed at this stage when the broader issues are still wide open. The Damle Committee's lament over the presence of several intermediaries between the existing refineries and the actual producers of crude may perhaps be repeated, as also its concern that discounts available in the Middle East are not being fully reflected in invoices to Indian refineries. But this is to miss the logic of "tied" outlets which informs the existing refinery agreements, as much in the case of the older ones as of the new unit in Cochin. This facet of international oil operations underlines the need for taking an integrated view of the pricing problem within the larger context of seeking a *modus vivendi* with the supplying companies. A narrowly conceived enquiry may again miss these dimensions and produce a report which makes the task of reconciling the Indian and foreign viewpoints more difficult.

Finally, Mr. Kabir has to recognise the connection between the oil refinery end of the business and its offshoots in petrochemicals. The bargaining strength he banks on has to be seen in the light of the equally pressing need to obtain foreign participation in the new petrochemical industries to which importance is now rightly attached as part of the endeavour to diversify the economy. In addition, the lags in agriculture leave India no choice but to seek the help that synthetics can give to meet deficits in such field as fibres and rubber. This reinforces the need for seeking an understanding with the oil investor who is, one way or another, becoming increasingly associated with chemical enterprise throughout the world.

COMPANIES IN WHICH THE PUBLIC ARE SUBSTANTIALLY INTERESTED

By K. C. Khanna

IT is by now generally accepted that companies are ideal taxpayers. Being less articulate than individuals or particular classes of individuals, they are slow to object to new and heavier impositions; so the taxes on them go on rising. And if a company happens to be one in which the public are not substantially interested within the meaning of the Income Tax Act, penal and discriminatory taxation is levied in complete disregard of equity and fair-play. It is not surprising, therefore, that the steep rise in the rate of super tax payable by a company in which the public are not substantially interested, which was announced in the recent Budget proposals, has not aroused strong public protest. Even the Finance Minister in his Budget speech referred only in a casual manner to this drastic increase from the existing rate of 25 percent to the proposed rate of 35 percent, leading to a total tax of 60 percent on income. All he said was: "I propose to increase the rate of super tax from 25 percent to 35 percent in the case of companies other than those in which the public are substantially interested or which are wholly subsidiary of public companies, namely, the group generally referred to as Section 23A companies".

It is true that he has proposed slight amendments to the provisions relating to the compulsory distribution of dividends by such companies but a limited relaxation of penal provisions affords no ground whatsoever for an arbitrary enhancement in the rate of tax payable. One is, therefore, unable to understand the reasons which have prompted the Finance Minister to propose this unjust increase in tax. The mystery deepens as one recalls the observations made by Mr. T. T. Krishnamachari in his Budget speech delivered seven years ago, on 15th May, 1957. Referring to companies in which the public are not substantially interested, he then stated: "My next proposal with regard to companies relates to the tax on undistributed profits of companies in which the public are not substantially interested. This tax has frequently been the subject matter of considerable arguments. The principle on which the tax is based is unexceptionable, namely, that individuals having income in the higher brackets should not be allowed to avoid payment of super tax by forming close corporations and not distributing their profits in such corporations. However, in the context of our development plans, we have to balance against the need to prevent super tax avoidance, the needs of companies for funds required for expanding industrial activities".

How is it then that Mr. Krishnamachari has suddenly started to disapprove of the companies whose requirements of funds for expansion were fully appreciated by him seven years ago? No explanation is forthcoming for this unwarranted increase in taxation except that it may be perhaps a case of the "seven-year itch"! What is worse, the increase in tax is with retrospective effect and some companies may find themselves in an embarrassing position, having already closed their accounts and distributed the profits.

To appreciate the full impact of the increased tax it is necessary to ascertain the category and type of companies which will be affected by the proposed increase. For this purpose, it is necessary to discuss and analyse the relevant portions of Section 2(18) of the Income Tax Act which define a company in which the public are substantially interested and which read as under:

- "(18)
A company is said to be 'a company in which the public are substantially interested'—
(a) if
(b) if it is not a private company as defined in the Companies Act, 1956, and
(i) its shares (not being shares entitled to a fixed rate of dividend whether with or without a further right to participate in profits) carrying not less than 50 percent of the voting power have been allotted unconditionally to, or acquired unconditionally by, and

were throughout the relevant previous year beneficially held by, the Government or a corporation established by a Central, State or Provincial Act or the public (not being a director or a company to which this clause does not apply);

(ii) the said shares were at any time during the relevant previous year the subject of dealing in any recognised stock exchange in India or were freely transferable by the holder to other members of the public; and

(iii) the affairs of the company, or the shares carrying more than 50 percent of its total voting power were at no time during the relevant previous year controlled or held by five or less persons.

Explanation 1—In computing the number of five or less persons aforesaid—

- (i) the Government or any corporation established by a Central, State or Provincial Act or company to which this clause applies shall not be taken into account; and
(ii) persons who are relatives of one another, and persons who are nominees of any other person together with that other person, shall be treated as a single person.

The conditions laid down in sub-clause (b) of Section 2(18) of the Act are cumulative and it is apparent that (i) a company which is a private company as defined in the Companies Act, 1956, or (ii) a company more than 50 percent of whose equity capital was not allotted unconditionally to and beneficially held by the public throughout the relevant previous year, or (iii) a company whose shares were not traded in on any recognised stock exchange in India at any time during the relevant previous year or were not freely transferable by the holder to other members of the public (not necessarily in India), or (iv) a company whose affairs at any time during the relevant previous year were controlled by five or less persons, or (v) a company whose shares carrying more than 50 percent of the voting power were at any time during the relevant previous year held by five or less persons, will not qualify as a company in which the public are substantially interested. In determining the number of "persons" a company to which sub-clause (b) applies shall not be taken into account.

Obviously, Section 2(18) of the Income Tax Act creates a highly artificial definition of "a company in which the public are substantially interested", which, if strictly followed, will have extensive implications. As pointed out by the National Council of Applied Economic Research on page 77 of its study *Taxation and Foreign Investment*, "a wide range of companies engaged in *bona fide* production and manufacture which fall under the present provision of Section 23A cannot be deemed to fall within the category of companies intent upon aiding and abetting tax evasion for the personal benefit of their shareholders or any such purpose". The additional taxation now proposed will, therefore, impose a very heavy burden on many big and reputable companies which, merely because of the existing organisational structure established years ago, technically fall outside the scope of Section 2(18) of the Act, even though in fact the public are substantially interested in them.

Instances of such companies are those where the majority shareholding is in the hands of a private company and the private company in turn is owned by a company in which the public are substantially interested. The ultimate beneficiaries of such companies' activities are thousands of individual shareholders and the additional taxation which these companies will have to bear will finally be borne by this important section of the investing public. This is wholly wrong in principle and an amendment should be made to Section 2(18) of the Act so that the question of substantial public interest in a company is determined with reference to the ultimate share owner-

ship and not with reference to the status of the immediate shareholding company. The change is necessary because a large number of foreign investors may inadvertently be penalised by higher, taxation because of a technical non-compliance with the provisions of Section 2(18) of the Act.

The next question that arises is: Will a company which satisfies all the conditions mentioned in sub-clause (b) referred to above, and in which equity shares carrying not less than 50 percent of the voting power are held by one or more companies in which the public are substantially interested, be itself entitled to the status of a company in which the public are substantially interested? Since the word "public" includes a company in which the public are substantially interested, and as the word "person" excludes such a company, the answer is that if a company in which the public are substantially interested holds more than 50 percent of the equity share capital of another company, the latter company should be regarded as a company in which the public are substantially interested. Consequently, if shares carrying at least 50 percent of the total voting power are held by one or more "public" companies, the company in which the shares are held must be regarded as one in which the public are substantially interested if it fulfils the other statutory conditions.

A contrary view has possibly been expressed in certain quarters and the Income Tax Department is understood to have held in some cases that even a company in which the public are substantially interested should not be considered as a member of the public if such a company holds the controlling interest in the other company. Reliance is placed on certain observations of the Supreme Court in the case of Raghuvanshi Mills Ltd. reported as (1961) 41 ITR 613, in support of this view. On the facts of that case the Supreme Court observed: "The word 'public' is used in contradistinction to one or more persons who act in unison and among whom the voting power constitutes a block. If such a block exists and possesses more than 75 percent (as the law then stood) of the voting power, then the company cannot be said to be one in which the public are substantially interested".

The Supreme Court referred further to the facts of that case and remarked that in such a case the shares cannot be said to be "unconditionally" allotted to and "beneficially" held by members of the public. In this respect, reference is also made to the judgments of the Supreme Court in the cases of the Shree Changdeo Mills (41 ITR 667), Jayantilal Amritlal (43 ITR 331) and the Jubilee Mills (48 ITR 9). Accordingly, it is argued that if one or more public companies hold the majority of equity shares, these companies constitute a block and the shares held by them cannot be regarded as held by members of the public even though the public is substantially interested in the companies concerned.

For the reasons stated below, this view seems untenable. First, the cases referred to were decided on their peculiar facts which involved primarily the holding of shares by a group of individuals who were either closely connected with each other or who acted in concert to form, for instance, a firm of managing agents which controlled the interests of the managed company. The facts of these cases are, therefore, distinguishable from the proposition before us. In any event, the Supreme Court has held in the Jubilee Mills case (48 ITR 9) that the decision on the point should be based on the facts and circumstances of each case and no general principle of law can, therefore, be held to have been enunciated. In the circumstances, it is wrong to rely on certain observations of the Supreme Court torn out of context and to hold that a company is not a company in which the public are substantially interested, merely because a majority of its equity shares are owned by one or more "public" companies.

Secondly, it is submitted that the view, if upheld, will defeat the object of the legislature. In this connection the significance of the words in brackets at the end of sub-clause (b) (i) has to be noted. In terms of that provision, a "public" company is included in the term "public". If the shares held by such a company are not to be

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regarded as shares held by the "public", there will be an apparent contradiction. It is a well-settled and accepted rule of construction that in fiscal statutes, the doubts, if any, must be resolved in favour of the subject and the intention of the legislature must be given full effect to and no part of a statute should be treated as redundant or inoperative. It must, therefore, be held that shares owned by a "public" company are held by the "public".

Thirdly, the view is contrary to the expressed intentions of the Government and in this connection reference may be made to an article written by Mr. A. K. Roy, then Secretary to the Government of India in the Ministry of Finance which appeared in the Annual Supplement to *Capital* of 19th December, 1957. Although the article was written in a different context, the following statements there throw light on the Government's intentions. "By the amendment just mentioned, it has been secured that a company, more than 50 percent of whose shares are held by one or more companies in which the public are substantially interested, will not attract

operation of this (23A) Section.....Even where two or more foreign public companies join together to form a company in India, such a company will not become a Section 23A company so long as their joint holdings exceed 50 percent of the equity shares".

In view of the above, the position seems to be clear but to remove existing doubts and to widen the scope of Section 2(18) of the Income Tax Act in conformity with the express and implied intentions of the Government, it is suggested that a new Explanation 1 be added to Section 2(18) somewhat on the following lines:

"Explanation 1: For the purposes of this clause a company which complies with all the provisions of sub-clause (b) and all its subsidiary companies as defined in the Companies Act, 1956, shall be deemed to be 'the public' and the shares (not being shares entitled to a fixed rate of dividend as aforesaid) held by the said company and its subsidiary companies shall be treated as shares held by 'the public'".

with other consequential amendments.

DISMAL OUTLOOK FOR FOOD

THE recent Lok Sabha debate on food and agriculture once again highlighted the Government's failure to raise foodgrains output, although the Central Deputy Minister for Food, Mr. A. M. Thomas, did not hesitate to make tall claims about the success of the Government's policies. The current rice crop, the Minister said, would be a bumper one. The basis of this optimism is the information available from the States which suggests that the rice crop during 1963-64 may be of the order of 36 million tons—or nearly 2 million tons more than the record crop of 1961-62. But judging from the prevailing prices of rice—the current rate in West Bengal is now Rs. 33 or Rs. 34 a maund for the fine variety—Mr. Thomas's assessment appears to be odd in relation to the facts. As it happens, the country faced food shortages and rising prices in years when production was stated to have reached record levels. Consumers were mulcted by traders in spite of official claims of increased production. Mr. Thomas claimed success for the official policy in checking the rise in prices but frankly admitted, like his predecessors, that agriculture in India remained a gamble on the rains.

Yet, with the growing pressure of population on the one hand, and tardy progress in agriculture on the other, the country is facing one of its biggest challenges. On the basis of available indications, India is precariously poised for another bad year as far as food supplies are concerned. Even according to optimists outside the Government, both the supply and price trends will be as bad as last year, if not worse. The prices of wheat have already gone up by Rs. 8 a quintal or so following the Central Food Minister's announcement on the creation of nine wheat zones in the country. The aim was, however, to the contrary—to stabilise prices within the zones and to isolate the deficit pockets whose requirements of wheat, according to the original proposal, were to be met from imported stocks. Meanwhile, official circles think that the shortfall in wheat production may only be marginal, that is, about 1 million tons, although the trade is inclined to place the deficit at around 2 million tons. An estimate of the shortfall or surplus in foodgrains has been made difficult by the lack of co-operation from the States who, despite reminders from the Centre to furnish statistics, have refused to oblige so far. What is worse, some States are still to make their first estimate of the *kharif* crops, let alone the *rabi* ones. These estimates are likely to be available some time in April; only long afterwards will the Centre and the States finally discover how far the country has been deficit in foodgrains during 1963-64.

Rainfall and weather conditions over major parts of the country are officially claimed to have been satisfactory during the *kharif* season except in some areas of north and north-west India. *Rabi* sowings, too, have been satisfactory, but the standing crops suffered considerable damage due to the recent cold wave in Punjab, Rajasthan, U.P., etcetera. Although the millet crop in Gujarat,

Maharashtra and Madhya Pradesh has suffered, there is unlikely to be any great shortage of the commodity. The Central Food Ministry reportedly thinks that the rise in rice production is likely to be offset by a decline in the production of wheat, millets and pulses. The foodgrains trade, meanwhile, has estimated that the gap between the demand and supply will be as much as 8 million tons. The Federation of All India Foodgrains Dealers Associations has, therefore, urged the Gov-

ernment to go in for larger imports. This appears to be the only solution under the circumstances since food production within the country cannot be raised overnight.

Moreover, it is through increased imports that the tendency to hoard can be effectively curbed. New Delhi has, therefore, done well in asking the U.S. Government to extend the P.L. 480 agreement for wheat. But it is doubtful whether the country can build a buffer stock of 4 million tonnes of wheat. Last year, it will be recalled, India imported about 4 million tonnes of wheat, but the total issue from the Central buffer stock amounted to as much as 3.8 million tonnes. In view of the shortfall in wheat production, what the country needs today is a larger buffer stock so that timely releases may help avert scarcity conditions. But apart from requesting the U.S. Government to extend the P.L. 480 agreement, the Government has done precious little so far to increase imports, although it is well aware that the country is heading for another difficult year as far as food supplies are concerned.

It is a pity that India is still faced with the food problem after more than a decade of experiments on the community development programmes, National Extension Service, package programmes and co-operatives. The Planning Commission's advisory panel on agriculture has just discovered that the incentives provided to the farmer have not been properly utilised. Meanwhile, the Bharat Krishak Samaj has assured the Government that it will pay Rs. 1,000 crores to the Exchequer after ten years if Rs. 100 crores is now spent in providing agricultural subsidies. On what basis this optimistic assessment has been made, the Samaj does not say. But it evidently believes that subsidies can work miracles in converting the shortfall in foodgrains production into one of positive surplus.

Current News and Comment

The New Conversion Offer

The conversion loan offer announced by the Government of India has not come as a surprise. The Reserve Bank had already started grooming the market by suspending outright sales of two Central loans—4 percent 1969 and 4½ percent 1986. The Government has now offered two new loans for conversion. The first is a short-dated 4 percent loan maturing in 1970 at an issue price of Rs. 99 a Rs. 100 nominal. It is repayable on 15th April, 1970. The second one is the long-dated 4½ percent loan, 1989, to be issued at par, and repayable on 15th April, 1989. The holders of 3½ percent National Plan Loan, 1964, and 3 percent Loan, 1964, have been given the facility of converting their holdings into either of the new securities, which will bear interest from 15th April, 1964. The interest will be paid half-yearly, on 15th October and 15th April, and will be liable to tax under the Income-tax Act. Applications for conversion will be received from 15th April, 1964 to 22nd April, 1964, both days inclusive.

In offering the conversion loans, it appears to have been decided not to issue any medium-dated loan. In 1963, one short and another long-dated loan were offered for converting the 3 percent 1963-65 loan and the 3½ percent 1963 loan. The total offer for conversion amounted to Rs. 138.79 crores, against maturities for Rs. 174.23 crores. The borrowing programme this year shows a similar pattern. Considering that the 3½ percent 1964 loan is due for repayment on 19th April for Rs. 158 crores, the conversion offer at this time is appropriate. The 3 percent Loan 1964 is due for repayment on 15th June for Rs. 30 crores. The present tightness of the money market will naturally not affect the new loans which will not require any cash.

The prospects for conversion are encouraging. To begin with, the long-dated 4½ percent loan, 1989, offers an interest of ½ percent more than was available on the comparable loan issued in 1963. The running yield of the short-dated 4 percent loan, 1970, amounts to 4.04 percent and the redemption yield to 4.19 percent. So the yield looks slightly

better than that available on the existing comparable securities. The offer of a higher interest rate on the long-dated loan is in accordance with the new dearer money policy. Although the rate of interest offered is not attractive by current market standards, it is unlikely to govern conversion in a material way due to two factors. First, Government securities are a narrow market since the public do not usually invest money in these securities. The support, therefore, comes largely from the Reserve Bank and the institutions. Considering that the bulk of the maturing loans are held by the Reserve Bank, the Life Insurance Corporation of India, the State Bank and provident funds, the success of conversion is almost assured. Whether commercial banks will go in for conversion is difficult to ascertain. Their finances have been strained by the requirements of the busy season. As in 1963, the bulk of their support may be confined to the short-dated loan. The Life Insurance Corporation and provident funds should prefer the long-dated loan because of the higher yield.

Although the Central Finance Minister, Mr. T. T. Krishnamachari, has given no indication of the size of borrowing for 1964-65, it is almost certain that the Government will float a second tranche of loans later as it did in 1963 to mop up cash subscriptions. The terms and conditions of the future loans for cash subscription this year are expected to conform more or less to those of the new conversion loans just issued. Apart from the support of the Reserve Bank, the Life Insurance Corporation of India, the State Bank of India and provident funds, commercial banks are likely to support the future new loans for cash subscription, as they will have to increase their investment portfolio to comply with a higher liquidity ratio by next September.

The Finance Minister has already indicated that for 1964-65 the Central Government will not adopt a combined borrowing programme for itself as well as the State Governments, as it did in 1963-64. In the latter year, the Centre borrowed on behalf of the States and out of the total borrowings the States were given a sum

of Rs. 100 crores. Although separate borrowings by the States generally exert an unhealthy influence on the market because most of the subscriptions to these loans are obtained by persuasion, if not by pressure, the principle of combined borrowing has probably been suspended for the time being, in order to instill a greater sense of financial responsibility among State Governments.

Attracting Foreign Capital

In a radio talk last week, Mr. G. L. Mehta, chairman of the Indian Investment Centre, pleaded for an "open-door policy" for promoting foreign investment in India in so far as it is consistent with the Government's policies. According to a recent study of the Reserve Bank of India, foreign private investment in this country increased from about Rs. 255 crores in 1948 to Rs. 690 crores in 1960. The gross foreign private investment in India increased over the period by more than Rs. 435 crores, as indicated by the above figures, although there was also some outflow of capital. During the past three years, the net addition to foreign private investment in India has been of the order of Rs. 50 crores to Rs. 60 crores a year. But this is insufficient for the country's requirement, so efforts should be made to increase the inflow of foreign capital into India. In the past, most of the private capital came from Britain, but in recent years the share of the latter has declined. The share of Britain, the U.S.A. and other countries comprising France, West Germany, Japan, etcetera, in 1960 was 65 percent, 16 percent and 19 percent, respectively, against the corresponding shares of 82 percent, 9 percent and 9 percent in 1955. This means that India has to make efforts not only to attract private investment from Britain, but also from the U.S.A. and other countries.

In recent years, foreign capital has come to India mostly in the shape of foreign aid which means loans from Government to Government or from specialised institutions in foreign countries to the Government of India. This kind of foreign capital has its own importance. But if efforts are made to attract private foreign capital into India through joint ventures or foreign collaboration schemes, the advantage will be that the payment of interest and the repayment of capital in future years will not be much of a burden as these concerns will earn higher profits through expansion and diversification.

The advantage of encouraging the inflow of private foreign capital into India is not only that technical knowledge and advanced management techniques come with it, but that it also encourages new entrepreneurs. The economic development of any country—especially of an underdeveloped country—is conditioned by the entry of new entrepreneurs into business. Contrary to popular belief, the joint ventures and collaboration agreements are not always between big giants. Mr. Mehta said that many small foreign enterprises had joined hands with small and medium-sized Indian entrepreneurs involving a capital investment of only Rs. 10 lakhs to Rs. 20 lakhs. The Central Finance Minister announced some tax concessions for private foreign capital in his 1964-65 Budget. But it is more important to reduce the formalities and to expedite the grant of permission and other facilities for starting joint ventures.

Working of the Tea Board

The Estimates Committee's report on the Tea Board is doubtless a well-intentioned document. It does a service by highlighting the lag in replanting—still about 86 percent short of the target set in 1956—and the inadequacy of the official financing schemes. But the Committee proceeds to blame the Board as if this statutory agency can make up for the industry-wide lag through its own unaided efforts. The Board undoubtedly has a large and important rôle to play, but it is naive to imagine that the marginal assistance it is empowered to extend to the industry can take the place of the capital that should be raised from within. By refusing to look at the taxation aspect, the Committee has blundered from the right ideas to the wrong conclusions—a pity, because the situa-

tion now prevailing in the industry calls an objective, high-level assessment.

The Lok Sabha body is not far wrong when it says that the target fixed for the third plan is unrealistic. If this has proved so, it is not because there is anything inherently impossible in increasing tea output by 87 million kilograms over a period of five years. There have been times when the crop has increased by 33 million kilograms in a single year, as in 1961—just as there have been years of stagnation or decline as in 1962 and 1963 because of adverse weather conditions. The fickle monsoon and the unpredictable temperature in crucial weeks can make all the difference, but the incidence of the vagaries of nature can be gradually reduced by spreading irrigation facilities. The real test of the determination to get to any particular target is the extent to which the industry is helped in overcoming the handicaps of the weather. This is largely a matter of providing the credits which industry, enfeebled by the tax-gatherer's exactions, cannot readily obtain on its own, and of releasing foreign exchange for the equipment which must still come from abroad. The Board, encouraged by the support extended to it by the Central Ministry of International Trade, has tried to do something in both directions. It is not its fault if anything it is able to do falls far short of what is required.

The basic issue relates to the state of industry's finances. Governmental help, whether extended for replanting or any other of the needs arising out of the bid to expand production, can play at best a marginal and supplementary rôle, but the brunt of the responsibility has to be taken by the industry itself. This implies looking at taxation policies afresh to assess whether the Central and State Governments levies leave enough behind with the industry to remunerate the shareholder and the industry to ploughing back profits. The provide a margin for ploughing back profits. The tax rebate offered to certain plantation industries in the latest Central Budget shows that the need to leave more in hands of companies is beginning to be recognised in New Delhi, but the exclusion of sterling companies denies the benefit to the part of the industry which, on a rough tally, accounts for 70 percent of the output. As the Hon. S. P. Sinha said at the Indian Tea Association meeting recently, the cost of replanting—Rs. 3,000 to Rs. 4,000 an acre—throws such a large burden that even the best-run companies find it difficult to arrange the resources required. The treatment accorded to this expenditure for tax purposes makes a difficult situation worse, but none of this is taken into account by the Estimates Committee in its excessive preoccupation with the Tea Board's sins of omission.

The Tea Board, like any other institution, is not a model of perfection. Even its best friends will readily agree that it has lately tended to acquire functions—financing, for one—for which it is ill-equipped. But it is a body which has generally been helpful and understanding, as is evident from the vigour with which it has brought the industry's problems to the attention of New Delhi's policy-makers. Its part in arranging supplies to the tea districts (except for food, which is a local matter to be settled between the gardens and the State Governments) and in bringing tea down for auctions was seen at its best in the dark days of the 1962 emergency. In relation to the larger function of assisting the industry to expand output and exports, it has done a good job considering the limitations under which it has worked. It could perhaps do better if it were invested with greater autonomy, as one trade body suggested. But it would be a mistake if chagrin over the unjust criticisms of the Estimates Committee were allowed to obscure the truth about the future of tea. This depends, first, on the entrepreneur's ability and willingness to make the large and uncertain investments needed. A long-term increase in exports must, by and large, follow a rise in output, and not the other way round. The concern over exports expressed by the Estimates Committee remains futile because of the failure to recognise that the Indian industry must look to economies of scale more than ever before if it is to remain competitive in the days ahead.

Progress of Co-operation

The co-operative movement in India, numerically speaking, has made great progress during the

past decade. According to the latest report of the Central Ministry of Community Development and Co-operation, the number of co-operatives of all types increased from 181,000 at the beginning of the first plan to 332,000 at the start of the third, i.e., nearly a two-fold increase in a decade's time. Correspondingly, membership of primary societies went up from 13.7 million to 34.2 million. The share capital of all societies rose from Rs. 45.46 crores to Rs. 221.57 crores, and their working capital from Rs. 275.85 crores to Rs. 1,312.09 crores. This rapid expansion, however, needs to be consolidated and the movement strengthened through a diversification of its economic activities. For instance, the marketing and processing sides of co-operation have not developed sufficiently, and the number of service co-operatives is still inadequate for the requirements of the rural sector.

It is, therefore, gratifying to find from the report that the authorities are now paying more attention to these aspects of the movement than to a mere increase in numbers. During 1963-64, for instance, attention was given mainly to setting up more marketing societies, farming and consumer co-operatives as against just agricultural credit societies. Even a fair proportion of the latter have already started undertaking one or more service functions. According to the report, already 2,200 primary marketing co-operatives cover most of the important secondary markets, and it is proposed to set up 62 more in 1963-64 and another 200 in 1964-65 with a view to covering all the important secondary markets in the country by the end of the third plan. During 1963, the value of agricultural produce marketed was Rs. 183 crores. About 2,400 new service co-operatives are to be organised during 1964-65. Agricultural credit, however, remains the main business of the movement, as it must. In 1962-63, a total of Rs. 256 crores of credit was disbursed among the members; in 1963-64, the State Governments have fixed the target at Rs. 380 crores and in the final year of the plan, it is expected that farm co-operative credit may reach the level of Rs. 400 crores. As for the comparative newcomer, consumer co-operatives, some 143 wholesale stores and 2,341 primary stores or branches had been set up by the end of December 1963, under the Centrally-sponsored scheme, and a more rapid expansion in this sector is contemplated in the following years.

Paying Metropolitan Bank Depositors

The arbitrary way in which the Reserve Bank has withheld the payment of deposits insured under the deposit insurance scheme in the case of the depositors of the former Metropolitan Bank Ltd (which has since been amalgamated with the United Industrial Bank Ltd) shows how a good scheme can lose its value due to the inefficiency and callousness of the implementing authority. The Metropolitan Bank Ltd stopped payment after a moratorium was imposed by the Reserve Bank early last October. The payment to depositors was resumed in February when the Metropolitan Bank was amalgamated with the United Industrial Bank. Under the deposit insurance scheme, sums of up to Rs. 1,500 an account are insured, and should be paid without any hesitation. But when payment to depositors was resumed by the United Industrial Bank in February, every depositor having up to Rs. 1,500 was given a cash credit for only 70 percent of his deposit which could be drawn immediately. The remaining 30 percent, it was stated, would be credited as soon as the Reserve Bank paid the full insured amount of Rs. 1,500 an account. Since the Reserve Bank has not yet paid the amount, the United Industrial Bank has not paid the remaining 30 percent.

The entire proceeding is unsatisfactory. The fundamental principle of insurance is that its benefit should be paid to the insured as soon as the contingency against which insurance is taken, arises. The growing unpopularity of the Life Insurance Corporation is largely due to the fact that the payment of claim has not been prompt. The inauguration of the deposit insurance scheme has been of great psychological value in instilling confidence among bank depositors. It is, therefore, to be regretted that the scheme is being brought into disrepute by the Reserve Bank's mishandling.

It has not been possible to ascertain whether the depositors of the Metropolitan Bank could

have been paid up to the insured amount during the period of the moratorium. Anyway, it is worth while exploring the possibility of paying at least the insured amount to the depositors even during a period of moratorium, if the deposit insurance scheme is to have its beneficial effects. There is no justification for withholding payment of the insured amount after the amalgamation scheme has gone through. To put forward the plea that it has not been possible to do the needful due to administrative difficulties merely proves how a good scheme can be wrecked by bureaucratic inefficiency.

Progress of Indian Shipping

The Central Minister for Transport, Mr. Raj Bahadur, told the Lok Sabha last week that by the end of the third plan, India would achieve the revised shipping target of 2.5 million g.r.t., against the original target of 1.3 million g.r.t. and the National Shipping Board's expectation of 1.4 million g.r.t. He added that the shipbuilding capacity would be increased from three ships a year to six ships a year by 1968. The capacity of the Indian ports has increased to 48 million tons and would reach 60 million tons by the end of the third plan. But in spite of this praiseworthy progress, much leeway still remains to be made up.

It has been estimated that Indian trade and industry has to pay about Rs. 150 crores a year for shipping freights. It is a legitimate aspiration that Indian shipping should earn at least half of it, i.e. Rs. 75 crores a year. Although in the case of "linear cargoes"—machinery, equipment, jute, tea and textiles, for example—Indian shipping carries 30 percent to 50 percent of India's foreign trade, in the case of liquid "bulk cargoes", such as crude oil and petroleum, and in the case of dry "bulk cargoes", such as wheat, fertilisers, and ores, the share of Indian shipping in the country's foreign trade is only 3 percent to 4 percent. Mr. Raj Bahadur pointed out that the share of Indian shipping in the expanded world trade had increased from 12 percent in 1961 to 15 per-

cent in 1963 and was expected to increase further to 18 percent by the end of 1964. But a concerted effort is needed to increase the share of Indian shipping in bulk cargoes. The Minister assured the Lok Sabha that with the acquisition of 19 more bulk carriers for overseas routes, the share of Indian shipping in bulk cargoes would increase. But it is necessary to expand the capacity for carrying bulk cargoes faster than has so far been planned. With the recent depression in the world shipbuilding industry, India had an excellent opportunity to place orders for more bulk carriers. But much still remains to be done in this direction.

The position of Indian shipping is still weak in passenger shipping. True, passenger ships are expensive, so their acquisition poses a serious problem in the context of the present foreign exchange difficulties. But since shipping provides an opportunity for the training of young men in seamanship, which is of vital importance for the defence of a country like India with a huge coast line, the development of both freight and passenger shipping is a matter of vital importance for the country. This apart, Indian shipping needs to be developed since it may help the country to earn substantial foreign exchange in the future.

The position of Indian shipping is much more satisfactory as far as coastal cargoes are concerned. But unfortunately, operating costs have increased and the Government has imposed numerous restrictions on coastal shipping. So it is a sound suggestion that costs and freight rates should be referred to the Tariff Commission so that shipping companies engaged in the coastal trade are able to earn reasonable profits.

Role of Refrigeration

The refrigeration and air-conditioning industry in India has made remarkable progress during the past decade or so. A number of large contracting firms with adequate know-how in designing and application of the refrigeration and air-conditioning technique have emerged, and production of

almost the whole refrigeration plant has now been made possible with the manufacture of compressors within the country. The products of this industry can no longer be looked upon as luxury items for the rich as the industry covers several items which are more essential than the commonly used refrigerators and air-conditioners. Refrigeration, apart from preserving valuable foodstuffs for domestic use, makes it possible to export foodstuffs like fish, froglegs, etcetera, which earn about Rs. 5 crores of foreign exchange annually.

In the field of industry in general, refrigeration and air-conditioning is an essential adjunct of many vital industries, namely, textiles, chemicals, pharmaceuticals, ammunition and, atomic energy. It is also of immense use in preserving life-saving products like antibiotics, vaccines blood banks, etcetera. Even air-conditioning by itself is not a luxury in India's tropical climate as it contributes to greater efficiency and productivity. The exhibition organised recently by the Refrigeration and Air-conditioning Trade Association in Bombay brings out clearly the rôle that this industry plays in several vital spheres of the country's developing economy.

Maharashtra's Minister for Industries, Mr. S. G. Brave, who inaugurated the exhibition conceded that the refrigeration and air-conditioning industry had an increasingly important rôle to play in the country's fast developing economy. And he assured the industry that he would do his best to remove the difficulties that were hampering its growth. Mr. Barve said that the Maharashtra Government itself had plans to open cold storage plants and to promote co-operative societies for providing such facilities in rural and other areas. Speaking on the occasion, the president of the Refrigeration and Air-conditioning Trade Association, Dr. J. M. Rane, pointed out that in spite of the vital rôle that the refrigeration industry played, it had been relegated to low priority through a misconception of its rôle.

POWER FOR JUTE MILLS

IT is astonishing with so many new Jute mills going up here with all the newest improvements in their spinning and weaving machinery, that with the exception of a small installation at an existing mill, none of the Companies should have thought of adopting electricity in place of steam as a motor power for driving their machinery. Quite a number of the Dundee millowners are considering the advisability of adopting the new system. Messrs. Cox, Brothers and Co. fitted up an electric installation in their large establishment some time ago, and it is pronounced to be a complete success. And now the last mail brings the news that Messrs. James Scott and Sons, Ltd., of Dundee, have decided to replace their steam driving power by electricity. Altogether dynamos capable of producing 2,000 horse power are to be introduced for the purpose of working all their machinery. The two firms named are amongst the wealthiest, and most successful of those engaged in the Jute industry, and the decision they have made in reference to the use of electricity may well set Calcutta Mill Agents, Directors and Managers to consider the question of its economical adoption as a motor power for the mills on the banks of the Hughli. The Jute Mills on the river banks are beginning to suffer considerably for want of labour. This is the time when numbers of the workers take leave to visit their country homes, but in addition to this cause there is a great deal of sickness prevalent, and production is beginning in some cases to be seriously affected. In addition to the absence of the ordinary workers through illness I am told by a visitor to the General Hospital, that he never saw so many European Mill Assistants there at one time as there are at present. Asking a pretty shrewd Mill Manager the other day to what he attributed so much sickness amongst the people at present, he replied: "Weel ye see, its no for me to say muckle, but its a' on account o' that cursed electric-light business. We were bad enough afore, workin' frae daylight to dark, but the lengthenin' oot o' th' oors baith at the beginnin' and the end o' th' day is simply bringin' the labour, baith European an' native, to the breakin' point. Take my word for it, the electric light, whatever else it may do, does not increase the dividends to the Shareholders and the sooner they understand that the better."

FROM

CAPITAL
7th April, 1904

A Ditcher's Diary

MR. NEHRU, SAID MR. NEHRU TO AN INQUISITIVE Lok Sabha on Monday in reference to his recent illness, has "recovered a great deal". If the Prime Minister considered himself in a position to give so heartening a reply with somewhat exaggerated aplomb and assurance, it must indeed be true; and, should doubts remain, suitably worded bulletins could no doubt be coaxed out of the medical experts now joined to the Prime Minister's entourage in support of what might otherwise be discounted as a subjective, interested and lay claim. The unfortunate truth, however, is that recovery from what was by no means a minor illness is apt to be a slow process; past the age of seventy-four it is apt to be slower still. With perhaps unintended frankness, Mr. Nehru himself later admitted that he was still not fully fit; and many who heard the Prime Minister's brave effort by way of a broadcast last week might pardonably have wondered whether the warm, familiar but now weak voice came from an A.I.R. studio or from a hospital bed. Mr. Nehru's reluctance formally to shed the responsibility of high office even in the midst of physical adversity is understandable. There remains a nation to serve: there is the power and the glory of it all; and, perhaps no less important, there is a creeping horror of loneliness which haunts us all in our advancing years. But the alternative, during a process of recovery which by all accounts must still take time to complete, is not altogether enchanting. I once wrote sceptically of troikas and triumvirates; and a triumvirate of a sort has embellished the New Delhi scene for some months. Mr. Nanda's affectionate letters to Mr. Shastri notwithstanding, the results of the experiment so far have not been wholly encouraging. Mr. Nehru may sincerely believe that such ugly ideas as grooming successors, appointing a deputy or sinking into fuller retirement provide no answer; and the sureness of his political instinct, once, was indeed unquestionable. A solution still has to be found in a situation where, since Mr. Nehru's illness, the country has entered a new and more disturbing phase of drift and indecision. For the nation's sake, no less than for the Prime Minister's own, a fundamental change may be necessary. When the time comes for making the change, Mr. Nehru may find comfort in the knowledge that the greatness of men, in the last analysis, lies in themselves and not in their designations.

ALTHOUGH NO GREAT LOVER OF EUROPEAN RENAISSANCE architecture myself, I have always regarded

London's St. Paul's Cathedral as one of the finest examples of its kind, at least so far as Britain is concerned. I suspect I would have preferred the old Gothic cathedral, destroyed by the Great Fire; but as a symbol of the remarkable capacity of London for self-regeneration, St. Paul's is impressive enough. What I have never been able to understand is why Wren did not square the west front with the approach up Ludgate Hill, although I realise he had plans for the whole area which never materialised. Now, 300 years later, it appears his vision is to be frustrated again; a correspondent tells me that a wing of the new Paternoster Development will obscure all but the extreme pinnacle of the northern tower of the west front from anybody approaching along Fleet Street up the hill. Just after £10,000 has been spent on cleaning it too; understandably, voices are being raised. But what intrigues me is that they should have left it so late. The Paternoster Development was planned years ago. Part of the project was to demolish—where Hitler's bombers had not already obliged—the old buildings which have obscured so much of the Cathedral throughout the centuries, and the concept of a piazza, common enough on the Continent but unusual in Britain, was plain enough from the model which was constructed for the benefit of London's planners. And that seems to have been where the trouble arose. Models are generally viewed from above, or at any rate from an angle of elevation. They are seldom studied carefully from an eye level point of view, and it is easy to forget that this is how the majority of human beings will see the finished article. This is what appears to have happened in the case of St. Paul's; it does not seem to have occurred to anybody that the vista of the west front was threatened until the obstacle was under construction and, to quote an authority, would "cost the earth" to re-site. So much for planning. Now some apologists are trying to console the public for another 100 years or so during which St. Paul's will be overshadowed, by representing it as an historical custom among the British to permit their greater buildings to be encroached on by less permanent structures. They might be right: I seem to remember that this was one reason given for the fall of Fort William, Calcutta, in 1756.

NO ART FORM, PERHAPS, HAS GROWN MORE IMPRESSIVELY in popularity, and contributed more to human understanding, than the motion picture over the years. The horrors of television may have invaded the scene in the culturally under-

developed homes of the world; but I remain part of the shrinking minority which believes that once the novelty of it all has faded away, the cinema will re-emerge as among the greatest portrayers of art, understanding and reality in the twentieth century. The striking feature of the films shown during the Swedish Film Festival in Calcutta this past week was not merely their quality; *The Magician* excepted, they were, to my mind, superb almost beyond expectation. The more striking aspect, perhaps, was that they were firmly rooted in the ideas and legends and traditions of a society that was utterly foreign to the majority of the local audiences; and yet, by highlighting brilliantly aspects of the universality of human experience, they created, for all, drama of tremendous emotional impact. That, if I may say so, is the test of greatness in cinematic art: it must appeal not merely to the narrow audience towards which it may have initially been directed; nor merely to pretentious quibblers born within the quackery of professional criticism; but to a wider world—to those ordinary men and women who, in the midst of their humdrum lives, are capable of acquiring a new understanding, a new appreciation and a new insight into human experience through what they see on the screen. In my judgment, the finest of the films shown was *The Virgin Spring*, directed by Ingmar Bergman and based on a medieval folksong, which depicts a primitive drama of violence and revenge in a Christian setting. *Wild Strawberries*, also by Bergman, and *Miss Julie*, directed by Alf Sjöberg, were in their own different ways masterpieces too—the former, in particular, being a memorable portrayal of the spiritual death that overtakes men in the midst of worldly success. To attempt to describe or analyse films of such calibre in a few brief words would be pretentious, indeed foolish and philistine. Common sense persuades one to desist from the effort—to say no more than that we owe a debt of deep gratitude to the Cine Club of Calcutta and to the Swedish Trade Commissioner for the four evenings of glory during which these films were shown. A festival of Hungarian films is, I gather, scheduled for May. God willing, may the organisers not inaugurate it with seemingly interminable speeches of the sort which marked the inauguration of the Swedish Festival. Cinematic art, if I may be permitted to say so, is not appreciated the better for being preceded by oratorical rubbish.

IT'S ODD THE RELATIONSHIP BETWEEN FRANCE AND Mexico. The French behave for all the world as if their dearest wish is to exorcise the ghost of poor old Maximilian, while the Mexicans, despite what they consider they once suffered at the hands of Napoleon III, appear to have nothing but respect for their former patrons. It is, I suppose, what a psychologist might call a "love-hate" complex. Anyway, I am glad that President de Gaulle

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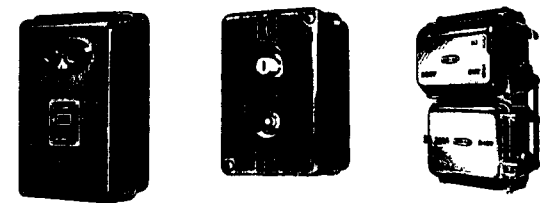
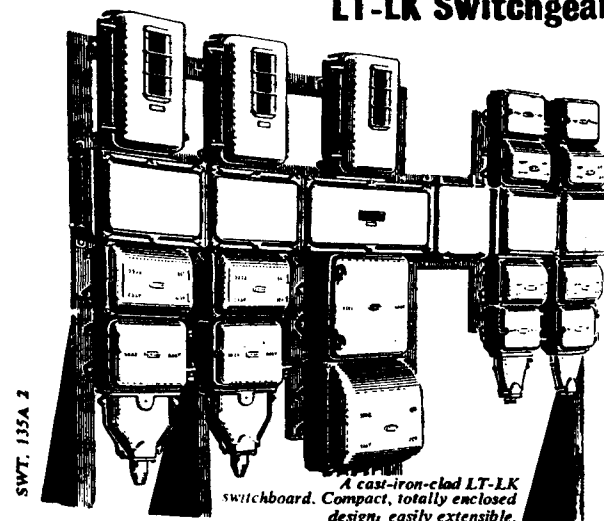
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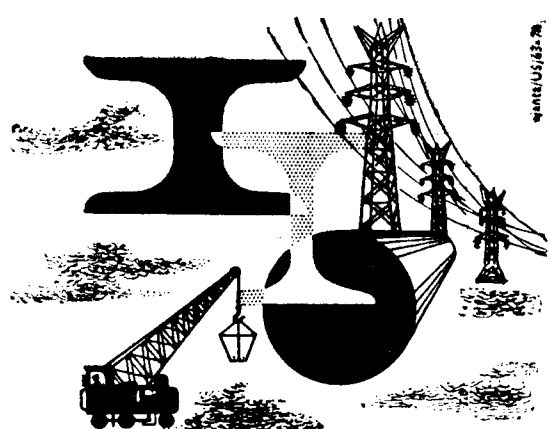
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did not suffer a Maximillian fate, or even, for that matter, a Nixonian one. But of course he is much too wily a political bird to have taken any such risk. The significance of what happened to Maximillian has not been lost on de Gaulle. He knows well enough that oppressed nations are apt to go to drastic lengths when they consider themselves threatened by a foreign tyranny. But now the tyrant is not France; rationally or otherwise, the Latin American countries consider it to be the United States, and the President is fast emerging the world over as the symbol of opposition to U.S. domination. I suspect de Gaulle would like to be regarded as rather more than that. He has realised, quite rightly in my opinion, that the world is sick and tired of the insane nationalistic and ideological posturings which have been known during the past 17 years as the "cold war". To the main contestants, Russia and the United States, this conflict has been conducted with all the solemn dedication of a religious crusade. But other nations have not always shared such attitudes, at least not with the same degree of fanaticism. Hence the enthusiasm in Latin American countries for any symbol of freedom from the rivalries of the "great two". The important thing is that the world has become utterly exasperated with the cold war, and is prepared to grasp at anything which promises escape from it. President de Gaulle is fast becoming that thing. I could almost cheer for him myself.

GEOFFREY POWELL'S RETIREMENT FROM THE EDITORSHIP of the *Statesman* on Tuesday marks the end, not of an era, but of an episode in the history of a famous newspaper. Great institutions, like great families, have their traditions, which they love, cherish and nurture; but times change, and men too, and in the process traditions are apt to be remoulded by the personal preferences and professional qualities of those entrusted with their continuance. The *Statesman* was once noted for its blend of elegance of language, and courage and outspokenness of expression, all of which made it not only a distinguished newspaper, but also a powerful participant in the hurly-burly of Indian politics. If in later years the participation became more inhibited, circumstances were perhaps no less responsible for the change than the personalities fated to cope with them. Many to this day recall the audacious resolution of Alfred Watson which survived two attempts at assassination in the heyday of terrorism in the early 1930s; the fiery brilliance of Arthur Moore's editorship; the greatness the *Statesman* achieved in exposing the disastrous miscalculations, or worse, which led to the Bengal Famine; and the courageous campaigns of Ian Stephens for sanity in the midst of the blood baths that started with the Great Calcutta Killing of August 1946. If comparable examples of powerful advocacy for causes, political and humane, have been relatively rare in recent years, the reason may lie partly in the cautious attitudes nurtured by the wider social climate: despair has blurred the challenge of causes, as often as discretion has blurred the forthrightness of those who might have fought for them. More and more newspapers in India today seem to be moving towards the conviction that in silence lies the signpost to survival and success. The *Statesman* could never fall victim to so unbecoming a conviction. But perhaps the times have changed, and the years of Geoffrey Powell's editorship have been to him a period of relative placidity in Indian political life. Those few who had occasion to know him will remember him as a gentle, kindly and lovable man, with a distaste for controversy, indeed almost for opinion. In two years, he gave the *Statesman* a different character through unswerving caution, hard work and reclusive endeavour. If in the process he won critics, but no enemies or admirers, therein may lie the measure of his achievement.

AN EXCEEDINGLY BEAUTIFUL YOUNG NURSE was walking along the hospital corridor. A staff doctor, passing by, observed that she was, to understate the situation—*décolletée*, and proceeded to scold her for this immodest exhibition of her charms.

Blushing, the nurse murmured, "I'm sorry, sir, but it's those medical students again—they never put anything back where they find it".

THE DITCHER

Guide for Investors

DUNLOP RUBBER RAISES DIVIDEND

SALES of the Dunlop Rubber Co. (India) Ltd touched a new record of Rs. 40.74 crores during 1963, compared with Rs. 37.13 crores in the previous year. The profit amounts to Rs. 3.28 crores, against Rs. 3.30 crores, after transferring Rs. 59.83 crores (against Rs. 60.80 crores) for depreciation. The taxable ordinary dividend has been increased from 15 percent to 17.5 percent to absorb Rs. 78.75 lakhs. The yield amounts to 4.8 percent at the present price of Rs. 36.56 a share of Rs. 10 each. Taxation is allocated Rs. 1.59 crores (against Rs. 2.35 crores). The smaller tax provision is due to the over-provision of Rs. 24 lakhs for super profits tax for 1962, a higher development rebate for 1963 and a net reduction in taxation of nearly Rs. 11 lakhs in view of the latest Budget proposals. Development rebate reserve absorbs Rs. 10.25 lakhs (against Rs. 3 lakhs) and general reserve Rs. 1.06 crores (against Rs. 20 lakhs).

At the annual general meeting, due to be held on 22nd April, 1964, a special resolution will be moved to increase the authorised capital of the Company from Rs. 7.50 crores to Rs. 12.50 crores by the creation of 5 million unspecified shares of Rs. 10 each. The object of increasing the share capital is to provide funds for meeting the possible future requirements of the Company and the expanding nature of its business. In order to retain flexibility of the capital structure, the new shares have not been classified. The financial position of the Company is impressive considering that against an issued share capital of Rs. 5.20 crores, divided into preference shares for Rs. 70 lakhs and ordinary shares for Rs. 4.50 crores, reserves amount to more than Rs. 6.23 crores. Fixed assets at cost less depreciation stand at Rs. 6.46 crores. The debenture stock redemption fund amounts to Rs. 45.44 lakhs and investments total Rs. 6.12 lakhs.

Sen-Raleigh Handicapped by Raw Material Shortage

SPEAKING from the chair at the annual general meeting of Sen-Raleigh Ltd in Calcutta last Tuesday, Mr. Abhijit Sen took a cautious view of the Company's business outlook. (A fuller version of his statement is printed on a later page in this issue of *Capital*.) In spite of a satisfactory demand for its products, the financial results for the year ended September 1963, were disappointing. The Company has had to pass the ordinary dividend for the first time in some years. Production has been hampered by an acute raw materials shortage. Some sections of the factory had to be laid off for more than three months or so. The profit has declined from Rs. 23.37 lakhs for 1961-62 to Rs. 11.62 lakhs for 1962-63. It was, therefore, necessary to conserve resources to finance the expansion schemes, Mr. Sen said.

As for expanding bicycle production, a scheme has been undertaken on the hope that the material flow required will be forthcoming. The profit is expected to improve with more production, but production costs have in the meantime risen. The Company has taken steps to control costs as far as practicable. Besides this, the selling prices of

various products have been voluntarily controlled. An encouraging factor is that the demand for bicycles and various components has begun to improve. In fact, the Company has not been able to satisfy the full requirements for some components. The directors have, therefore, decided to take up the question of increasing the output of components in the near future, after the bicycle expansion scheme has been in full operation.

As for the house-service meter scheme, a batch of trainees has been sent to the factory of the Associated Electrical Industries Ltd of the U.K. The import application for the plant that protection to the bicycle industry had been withdrawn. The Government has asked the manufacturers to control their prices voluntarily. Although retailers have also been asked similarly to control prices, it is doubtful whether they will do so.

The bicycle industry has shown a satisfactory export performance. The Company has exported more. But export has been hampered by widespread pilferage in Calcutta port. This has created a great deal of concern among foreign buyers. The Government should take immediate steps to stop pilferage. It should be noted that the export of bicycle has so long been promoted by the operation of a pool run by the Cycle Manufacturers Association, of which Sen-Raleigh is a member. Each member contributes to this pool on the basis of production and draws from the pool a subsidy on exports. The Government has now formulated a scheme under which any manufacturer who is not a member of the pool, will be able to draw a direct subsidy on exports without contributing towards this subsidy fund. Since new comers in the export field will enjoy straight support on more favourable terms than have hitherto been available to the members of the Association, it is feared that the former may undercut prices to compete against existing exporters.

Jay Shree Textiles Earns More

JAY Shree Textiles and Industries Ltd has made a trading profit of Rs. 55.97 lakhs for 1963, against one of Rs. 43.09 lakhs for 1962. An ordinary dividend of 10 percent, subject to tax, has been declared to absorb Rs. 7.88 lakhs. The yield amounts to 6.3 percent at the present price of Rs. 15.75 a share of Rs. 10 each. Depreciation is allocated Rs. 9.49 lakhs (against Rs. 8.11 lakhs), taxation Rs. 20 lakhs (against Rs. 16.55 lakhs), development rebate reserve Rs. 2.69 lakhs (against Rs. 8.60 lakhs) and general reserve Rs. 13.25 lakhs (against Rs. 1.25 lakhs). The carry-forward is Rs. 12.265, against Rs. 12.038 brought in. Sales rose from Rs. 2.20 crores to Rs. 2.97 crores.

Bharat Commerce Repeats

BHARAT Commerce and Industries Ltd has earned a trading profit of Rs. 43.36 lakhs for 1963, compared with one of Rs. 39.84 lakhs for the previous year. Depreciation

absorbs Rs. 16.06 lakhs (against Rs. 11.62 lakhs), development rebate reserve Rs. 9.61 lakhs (against Rs. 5.88 lakhs) and contingency reserve Rs. 1.50 lakhs (against Rs. 2 lakhs). There is no provision for taxation which was allocated Rs. 6.25 lakhs for 1962. A taxable ordinary dividend of 15 percent has been repeated to absorb Rs. 7.50 lakhs. The yield works out to 6.7 percent at the present price of Rs. 22.31 a share of Rs. 10 each. General reserve is allocated Rs. 6 lakhs (against Rs. 5 lakhs), leaving a carry-forward of Rs. 3,758, against Rs. 17,588 brought in. Sales rose from Rs. 3.32 crores to Rs. 4.30 crores.

Asiatic Oxygen Making Good Progress

ASIATIC Oxygen Ltd has made good progress. Presiding at the annual general meeting of the Company held in Calcutta last Monday, Mr. B. L. Jalan said that the Durgapur factory had started operating from last December. (A full text of the speech is printed on a later page in this issue of *Capital*.) The Bombay factory has gone into production. The acetylene plant in the Madras factory has been commissioned. The factory in Hyderabad is being constructed. The Company has started a scheme to train welders and welding supervisors.

Mr. Jalan emphasised that industrial growth would be promoted if official procedures concerning various matters were simplified. Since business men have to travel abroad, it is necessary to issue them travel permits without delay, particularly in *bona fide* cases. As for the last Budget, he thought that the treatment of bonus shares as capital gains and the levy of a tax on dividends would deter investors. The frequent changes in the Indian fiscal system had disturbed domestic and foreign investors. Unless the fiscal policy was stabilised, confidence would be difficult to revive. He also pointed out that the multiplicity of taxes had created considerable difficulties for trade and industry. He did not think that there was any need to set up a monopolies commission since there was no monopoly in this country, except in the field of public utilities.

Kamani Engineering Maintains

KAMANI Engineering Corporation Ltd reports a further improvement in its working results for the

year ended September 1963. Both sales and gross profit are higher, although the increase in the profit is smaller in relation to sales. As against an increase of nearly 10 percent in the turnover from Rs. 4.65 crores to Rs. 5.13 crores, the gross profit for 1962-63 is higher by about 7 percent from Rs. 39.11 lakhs to Rs. 41.84 lakhs. The dividend has been maintained at 12 percent. Appropriations include depreciation Rs. 6.65 lakhs (against Rs. 8.01 lakhs), development rebate Rs. 37,000 (against Rs. 35,000), general reserve Rs. 5.15 lakhs (against Rs. 1.15 lakhs), preference dividend Rs. 68,850 (the same) and equity dividend Rs. 5.40 lakhs (the same). After making certain adjustments, there remains a surplus of Rs. 4,511 to be carried forward, against Rs. 4,403 brought in. The directors state that the Company will benefit under the new tax proposals in the shape of a 10 percent relief in corporation tax and 20 percent in surtax as the transmission line industry has been included among the industries which are to be accorded preferential treatment.

The production of galvanised and painted steel structures fell from 20,363 tonnes to 18,940 tonnes, due mainly to difficulties in obtaining necessary steel and zinc. The order position for the domestic market continues to be satisfactory, and orders on hand for towers and structures at the end of the year totalled 46,156 tonnes, against 34,810 tonnes at the end of the previous year. The pending orders for erection of transmission lines were 2,000 kilometres, against 2,156 kilometres.

During the year, all the pending orders for export were successfully completed in spite of numerous difficulties. Order for the supply of 132 kV transmission line towers for the Nigerian Government is being executed. The Company has been successful in securing large orders totalling 3,460 tonnes from the National Power Corporation of the Philippines, bringing the total export effort to Rs. 88 lakhs. In order to cope with the growing demand, the Company is going ahead with the establishment of the new factory in Rajasthan. The Government has already given clearance to the Company's application for import of machinery worth Rs. 45 lakhs. The production capacity of the new factory will be considerably higher than that of the existing factory in Kurla.

New Machine Project of Mysore Kirloskar

MYSORE Kirloskar Ltd proposes to promote a new company to undertake the manufacture of drilling, milling and special purpose machines. The well-known James Archdale Company of the U.K. will collaborate in the new venture. Mysore Kirloskar is already engaged in the manufacture of a wide range of lathes and hacksaw machines. The new venture will enable Mysore

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Kirloskar to utilise its existing capacity fully because the new Company will be erecting only such balancing equipment as is at present not available with Mysore Kirloskar. The new Company will have an authorised capital of Rs. 1 crore—all in equity shares of Rs. 100 each. The initial issued capital will be Rs. 30 lakhs, of which Rs. 12 lakhs will be subscribed by James Archdale which is collaborating in the venture. Mysore Kirloskar will take up another Rs. 9 lakhs and the remaining Rs. 9 lakhs will be raised through public subscription. An extraordinary general meeting of the shareholders of Mysore Kirloskar has been convened on 18th April to approve the various resolutions necessary for undertaking the new project.

A Good Year for Madura Mills

MADURA Mills Co. Ltd has done well in 1963. Its net profit has risen from Rs. 31.81 lakhs for 1962 to Rs. 42.79 lakhs for 1963, after increasing the depreciation and development rebate provisions. In his chairman's address at the annual general meeting held in Madurai, Madras, last week, Dr. Rajah Sir M. A. Muthiah Chettiar said that the

modernisation scheme and the rationalisation of workloads have begun to show beneficial results. (A fuller version of the speech is published on a later page in this week's issue of Capital.) The Company has a large capital base, so it will not be adversely affected by the surtax on profits. But the burden of the dividend tax should not be overlooked. Although there is a great disparity between the paid-up share capital and the working capital employed, the possibility of increasing the share capital by using reserves which are ample, has become difficult due to the penal tax provisions.

The Company's production programme has not been affected by the shortage of foreign yarn. Sales have been running at a satisfactory level in spite of power cuts. The Company's export performance has been satisfactory, although competition in foreign markets has increased. The chairman expects a further improvement in exports during the current year. The Company has implemented its 450-loom project, and its weaving section has made a good beginning. Its products have been received well in the domestic and foreign markets. Madura Mills intends to expand its looms up to 950, of which 850 will be installed in the near future. Orders for 500 looms have been placed with Picanols



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of Belgium. The directors have applied to the Government for its sanction to expand the bleaching, dyeing and finishing plants.

Indian Bank Earns More

THE net profit of the Indian Bank Ltd for the year ended December 1963 amounts to Rs. 17,00,155, against Rs. 15,25,151 for the previous year. With Rs. 1,43,787 brought forward from the previous year, the total available for appropriation comes to Rs. 18,43,942. Out of this, the directors have transferred Rs. 1,80,000 to the reserve fund under Section 17 of the Banking Companies Act, 1949. The interim dividend of 7 percent, including a 2-percent bonus, absorbed Rs. 6,22,000. The directors have now recommended a final dividend of 8 percent, including a bonus of 3 percent, and this will absorb Rs. 7,10,600. A further sum of Rs. 1,70,000 has been transferred to the reserve fund under Section 17 of the Banking Companies Act. The balance of Rs. 1,61,942 is carried forward. Deposits and other accounts stood at Rs. 49.88 crores, against Rs. 44.03 crores in the previous year. Advances stood at Rs. 34.79 crores, against Rs. 30.38 crores. The total dividend for the year is 15 percent (against 14 percent).

Kil Kotagiri Tea Pays Less

CONSIDERING that no provision has been made to meet the increased liabilities which may be expected shortly as a result of the publication of the reports of the Tea Wage Board and the Bonus Commission, the directors of the Kil Kotagiri Tea and Coffee Estates Co. Ltd have recommended a dividend of 20 percent (against 25 percent) for the year ended October 1963. Although the profit for the year is lower than that of the previous year, this is reasonably satisfactory in view of the fact that 1961-62 was an exceptionally good year for the Company.

The profit, before taxation, amounts to Rs. 7,80,209, against Rs. 10,45,004. After deducting Rs. 3,58,000 (against Rs. 4,85,000) for taxation, the net profit, after taxation, comes to Rs. 4,22,209 (against Rs. 5,60,004). With Rs. 73,949 brought forward from the previous year, the total surplus available for appropriation comes to Rs. 4,96,158. Out of this, provision for super profits tax for the year ended October 1962 amounts to Rs. 44,000. Development rebate reserve gets Rs. 2,426 (against Rs. 1,38) and general reserve Rs. 60,000 (against Rs. 50,000). The dividend at 7 percent on preference shares amounts to Rs. 17,500. The proposed dividend at 20 percent on ordinary shares will absorb Rs. 3,43,415. The balance of Rs. 28,817 is carried forward. The percentage of earnings on equity and preference capital has declined to 40 percent from the previous year's 53 percent.

The tea crop for the year amounted to 462,975 kilograms (against 515,350 kilograms). The coffee crop for the year amounted to 91.156 tonnes (against 121.819 tonnes). The estimated tea crop for 1964-65 is placed at 500,000 kilograms. The all-in-cost of production during the year was higher at Rs. 3.89 a kilogram, against Rs. 3.49 a kilogram. The average sale price amounted to Rs. 5.54 a kilogram, against Rs. 5.35 a kilogram.

Maiden from Elecon Engineering

ELECON Engineering Company has declared a maiden dividend of 6 percent for 1963, of which 4

CAPITAL, 2nd April, 1964.

percent is said to be free of income tax. The Company has done fairly well during the year. The sales have gone up from Rs. 27.63 lakhs to Rs. 1.03 crores and the Company has made a gross profit of Rs. 16.27 lakhs, against a loss of Rs. 2.37 lakhs in the previous year. The directors have provided Rs. 4.55 lakhs (against Rs. 2.45 lakhs) for depreciation, Rs. 4.59 lakhs (against Rs. 2.26 lakhs) for development rebate and Rs. 63,000 (against nil) for taxation. After writing off the previous debit balance of Rs. 2.27 lakhs, the Company has set aside Rs. 3.60 lakhs for the proposed equity dividend and carried forward the balance of Rs. 62,863. The Rs. 100-paid share of Elecon Engineering is available around Rs. 83.

Mahendra Mills Repeats

THE preliminary report on the working of Mahendra Mills Ltd (Kalo) for the year 1963 shows a fair improvement over the previous year's performance. Sales have risen from Rs. 2.70 crores to Rs. 3.06 crores and the gross profit has risen from Rs. 38.65 lakhs to Rs. 41.75 lakhs. The dividend has been maintained at 14 percent, subject to the approval of the Industrial Finance Corporation. After Rs. 18.07 lakhs (against Rs. 20.16 lakhs) for depreciation, Rs. 89,000 (against Rs. 69,000) for development rebate, Rs. 13.30 lakhs (against Rs. 11.02 lakhs) for taxation and Rs. 2 lakhs (against nil) for general reserve and deducting other prior charges, there remains a net profit of Rs. 5.32 lakhs, against Rs. 5.16 lakhs, in the preceding year. The Company has taken in hand the project for installing 25,000 spindles and 500 automatic looms with complete range of processing and finishing machinery which would be named as Mill No. 3. The work on this project is progressing. The Company will have the benefit of procuring most of the plants imported from the U.K. on ten years deferred payment terms under the S.T.C.-Pitts package deal.

Associated Bearing Shows Fair Progress

THE directors of the Associated Bearing Co. Ltd state in their third annual report for 1963 that the Company's factory in Chinchwad (Poona) is likely to go into production before the end of the current year. The factory building will be completed during the third quarter of the year. The water tower has been constructed and power has been available since February 1964. Nearly all the machinery required has been shipped. The machinery for the ball bearing and pendulum arm project is expected to arrive before May 1964. To complete the Chinchwad project, the Company will need additional finance to the tune of about Rs. 3.15 crores. It is proposed to borrow Rs. 1.65 crores from the I.C.I.C.I. against an issue of debentures secured by the mortgage of all immovable property and plant, and Rs. 1 crore from scheduled banks by an additional issue of debentures against hypothecation of stocks of raw materials and finished goods. In the meanwhile, the assembly of pendulum weight arms continues at the Company's factory in Worli in Bombay. Nearly 60 percent of the components are at present delivered by local manufacturers. The sale of the products of this factory amounted to Rs. 24.28 lakhs during 1963. The assembly of top rollers was commenced during 1963 at the rented

CAPITAL, 2nd April, 1964.

premises in Chinchwad. This factory has reached a monthly production of about 20,000 rollers within three months of its commencement. Sales of top rollers during the year amounted to Rs. 27,031. The Company's working during 1963 has resulted in a pre-tax profit of Rs. 77,930, against the loss of Rs. 1.52 lakhs in 1962. Sales have risen from Rs. 6.55 lakhs to Rs. 24.55 lakhs. After providing Rs. 60,253 (against Rs. 61,312) for depreciation, Rs. 39,000 (against Rs. 28,000) for development rebate and Rs. 35,000 (against Rs. 2,25 lakhs) for taxation, there is a profit of Rs. 3,930, against a loss of Rs. 4,05 lakhs. Adjusting this profit against the loss of Rs. 6.35 lakhs brought forward, the deficit of Rs. 6.31 lakhs is being carried forward. The Rs. 100-paid share of Associated Bearing which once fetched an unofficial premium of about Rs. 150, is currently available at Rs. 110.

India United Mills Pays More

THE India United Mills has raised the dividend for 1963 from Rs. 1.10 to Rs. 1.25 a share on ordinary shares and from 25.26p to 31.25p a share on deferred shares. The increase in the dividend seems fully justified by the Company's encouraging performance during the year. The gross profit, according to the preliminary report, has shot up by about 50 percent from Rs. 86.62 lakhs to Rs. 1.30 crores. After providing Rs. 17.10 lakhs (against Rs. 13.54 lakhs) for depreciation and Rs. 19 lakhs (against Rs. 15 lakhs) for taxation, the net profit amounts to Rs. 94.21 lakhs, against Rs. 58.08 lakhs in 1962.

After bringing in a surplus of Rs. 4 lakhs (against Rs. 4.20 lakhs) from the previous year and taking into account unclaimed credit balances amounting to Rs. 1.62 lakhs (against nil) and including Rs. 1,185 (against Rs. 12.90 lakhs), being refund of taxes for previous years, the disposable surplus amounts to Rs. 99.84 lakhs. Appropriations include Rs. 9.40 lakhs (against Rs. 3.26 lakhs) for development rebate, Rs. 3.96 lakhs (against Rs. 4.31 lakhs) for short provision of bonus for 1961, Rs. 23.05 lakhs for bonus for Rs. 1959, 1960 and 1962, Rs. 2.60 lakhs for dividend tax and Rs. 15 lakhs (nil) for general reserve. After providing Rs. 25 lakhs (against Rs. 22 lakhs) for ordinary dividend and Rs. 15.62 lakhs (against Rs. 12.62 lakhs) for deferred dividend, there remains a surplus of Rs. 5.21 lakhs to be carried forward.

Atul Products Pays the Same

DESPITE a modest improvement in the turnover from Rs. 4.73 crores to Rs. 4.83 crores, the gross profit of Atul Products for 1963 has fallen by about 25 percent from Rs. 124 crores to Rs. 92.83 lakhs. The decline in the profit margin is due both to the rise in production costs resulting from high prices of scarce raw materials and the none-too-favourable conditions in the dyes market. The dividend, however, has been maintained at 12 percent and the total distribution is larger at Rs. 36.74 lakhs, against Rs. 32.99 lakhs because of the increased capital following the one-for-three rights issue in July 1963—the new rights shares are entitled to a proportionate dividend. Appropriations include depreciation Rs. 34.26 lakhs (against Rs. 26.24 lakhs), development rebate reserve Rs. 6.90 lakhs (against Rs. 1.60 lakhs) and taxation Rs. 17 lakhs (against

Rs. 34 lakhs). No provision has been made for general reserve which received Rs. 30 lakhs in the preceding year.

After providing for the proposed dividend and making certain adjustments, there remains a surplus of Rs. 19,425 to be carried forward, against Rs. 61,183 brought in. The directors have taken credit for Rs. 3.54 lakhs, being the refund and excess provision for income tax. A sum of Rs. 3 lakhs has had to be withdrawn from general reserve to provide for dividend payment. The preliminary report states that the raw material position is likely to improve during the current year. The Company's bonn acid plant worked for a greater part of 1963. The caustic soda plant has gone into production and the plant for naphthalene intermediates is expected to start production in April 1964. Plant and equipment for expanding the sulphuric acid plant and for manufacturing chlorosulfonic acid are being erected. It is hoped that all the subsidiaries of the Company will be working to full capacity by early 1966, and supply the much-needed raw materials.

Anil Starch Earns More

ANIL Starch Products Ltd has reported encouraging results for 1963. The turnover has risen from Rs. 3.39 crores to Rs. 3.59 crores, and the gross profit has increased from Rs. 50.96 lakhs to Rs. 54.59 lakhs. The decision on the dividend has been deferred as the directors would like to await the Finance Minister's final decision on the various representations which have been made for modifying the tax proposals, particularly the dividend tax. However, from the appropriations which have been made, according to the preliminary report, all that the shareholders can hope for is the maintenance of the dividend and for that also, the directors will need to withdraw a small sum from the past reserves.

Allocations include depreciation Rs. 17.95 lakhs (against Rs. 13.15 lakhs), development rebate Rs. 1.70 lakhs (against Rs. 3.12 lakhs), taxation Rs. 22.14 lakhs, including Rs. 6.70 lakhs for the previous year (against Rs. 16.60 lakhs) and donation Rs. 55,200 (against Rs. 55,300). After making these appropriations, there remains a surplus of Rs. 8.63 lakhs (against Rs. 13.82 lakhs) which together with Rs. 5,399 brought forward from the previous year makes a total of Rs. 8.68 lakhs. This has been transferred to general reserve. The dividend, when declared, will be paid from reserves. The preference dividend absorbs Rs. 35,000 and dividend absorbs Rs. 35,000 and equity dividend at the previous year's Rs. 25 a share will require Rs. 9.96 lakhs. Apparently, even for maintaining the dividend, the directors will need to draw on the past reserves. The superphosphate and the sulphuric acid plants of the Company, located in Bhavnagar, have started trial runs and commercial production will start within a month or so. The Company's starch plant in Ahmedabad is being gradually renovated. The Rs. 100-paid share of Anil Starch is currently quoted around Rs. 590.

More from Premier Construction

THE Premier Construction Company has stepped up the dividend for 1963 from 9 percent to 14 percent, and this is fully justified by the Company's improved performance during the year. The gross profit has risen by as much as 45 percent

from Rs. 16.35 lakhs to Rs. 23.84 lakhs. Earnings by way of dividends have gone up from Rs. 18.98 lakhs to Rs. 25.12 lakhs and the share in agency commission is higher at Rs. 1.89 lakhs, against Rs. 1.20 lakhs. Works bill fetched Rs. 5.13 lakhs, against Rs. 3.81 lakhs in 1962. The amount set aside for depreciation is Rs. 63,000, against Rs. 66,000. No provision has been made for development rebate which received Rs. 11,000 in the previous year. The directors have transferred Rs. 23.66 lakhs to general reserve out of which will be paid the dividends for 1963. The preference dividend will absorb Rs. 4.09 lakhs, and equity dividend will take up Rs. 18.20 lakhs (against Rs. 11.70 lakhs). The Company has a paid-up capital of Rs. 1.2 crores which is supported by reserves amounting to Rs. 1.28 crores.

Shivrajpur Skips Dividend Again

THE Shivrajpur Syndicate Ltd has again skipped the dividend for the year ended November 1963. The shareholders have thus to go without a dividend for the third year in succession—it was in 1959-60 that the last dividend was paid—and the directors hold out little hope of the Company returning to the dividend list in the near future. The current performance is bad enough and the prospects seem even worse. The Company's output of manganese ore during 1962-63 amounted to 25,826 tonnes, against 46,186 tonnes in the preceding year and shipments fell from 36,267 tonnes to 25,806 tonnes. The heavy fall in output is attributed to the further reduction in the scale of mining operations in the open-cast workings. As a result of smaller shipments and deliveries, the Company's turnover registered a fall of

nearly 29 percent from Rs. 52.71 lakhs to Rs. 37.18 lakhs. The slight improvement in the average realisation price was due to the delivery of a larger quantity of high grade ore. The directors point out that in view of the poor demand for the Company's ore, steps have been taken to surrender two of the mining leases, namely, the Shivrajpur "North" lease and the Bamakua lease, with effect from 1st November, 1964.

The Company's working results for 1962-63 show a profit of Rs. 1.05 lakhs, against a loss of Rs. 7.87 lakhs in 1961-62. The directors have provided Rs. 4.45 lakhs (against Rs. 5.23 lakhs) for depreciation, leaving a net loss of Rs. 3.40 lakhs, against Rs. 13.10 lakhs in 1961-62. This loss, together with the deficit of Rs. 20.24 lakhs brought forward from the previous year, makes a total of Rs. 23.64 lakhs which is being carried forward.

The directors state that manganese ore is a surplus commodity at present, and as better grade ores are available at competitive prices in countries much closer to the important consuming centres, foreign buyers did not show any interest in buying Shivrajpur's ore during 1962-63. However, local demand for the Company's ore improved towards the latter part of the year, and sales involving fairly substantial quantities were effected, thereby enabling the Company to dispose of a large portion of the accumulated stock. Although the price factor was most disappointing, the stocks were reduced from Rs. 29.50 lakhs to Rs. 23.29 lakhs. Referring to future prospects, the directors add that although many barter deals involving the export of manganese ore have been concluded recently, the demand for the Company's ore for servicing such barter has so far been disappointing and there seems to be little hope of any appreciable improvement in the fore-

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subdued. Ahmedabad Electric and Bombay Suburban have shown losses.

Madras

BUDGET ANXIETIES CHECK TURNOVER COFFEE AND TEA SHARES ATTRACT INTEREST

Tuesday Evening.

THE Madras stock market has been slightly steadier during the past week, but turnover has been small. Buyers and sellers have been inclined to proceed cautiously since the outlook for equities has suffered due to the Central Budget proposals. The

stock market has faced a growing shortage of funds due to the Reserve Bank's tighter credit policy. Since commercial banks are likely to reduce their advances, the shortage of funds, it is feared, will worsen. The prospect for an increase in lending rates has induced caution. In clearing shares, business has been confined only to selected scrip. In the cash section, attention has centred largely on good tea and coffee shares due to hopes of better exports.

Government securities have been dull and prices of most State Government loans have declined on balance. Small business in bank shares has been transacted, and Andhra have come to hand at Rs. 94.40 on declaring a taxable ordinary dividend of 8 percent. Indian Overseas have been done at Rs. 146.50. Good electric companies have been fully steady due to investment sup-

port. Negapatnam have met with demand up to Rs. 10.70 and Vellore have been taken at Rs. 15.62. Sugar shares have weakened on a predominance of sellers. Deccan have dropped to Rs. 11.90 and E.I.D. to Rs. 36.75. Jeypore have been sold at Rs. 14.68, but K.C.P. have been steady at Rs. 24. Mysore have been available at Rs. 44.65, but Travancore have weakened to Rs. 7.45.

Among planting shares, Blue Mountain have quoted lower at Rs. 2.38 and Cochin Malabar at Rs. 6.50. Support has been extended to Consolidated Coffee at Rs. 20.70 and to Ouchterlony at Rs. 4.40. Periakaramalai have changed hands at Rs. 3.44. T.R. and Tea have been steady at Rs. 10.20, Nelliampathy at Rs. 3.82 and Peermade at Rs. 20.62. Interest has been taken in Kil Kotagiri at Rs. 4.85, in Coorg at Rs. 4.85 and in Nilgiri at Rs. 9.12. In coffee shares, Amalga-

CAPITAL, 2nd April, 1964.

mated have been steady at Rs. 10.01, Kumergode at Rs. 4 and Ossoor at Rs. 2.50.

In the textile section, South India Viscose have declined to Rs. 131 and Travancore Rayon to Rs. 24.10. Lakshmi have been maintained at Rs. 134.50 and Madura at Rs. 35. Buckingham have been quiet at Rs. 291 as it has only repeated the ordinary dividend at 12 percent taxable. Coimbatore Cotton have changed hands at Rs. 167 due to the declaration of a taxable ordinary dividend of 15 percent. Balarama Varma have quoted Rs. 107.75 on declaring a taxable ordinary dividend of 10 percent. Kannappan have changed hands at Rs. 11.24 on paying a taxable ordinary dividend of 10 percent. Ranga Vilas have been sold at Rs. 43.50 on paying a taxable ordinary dividend of 6 percent. Ramakrishna have quoted Rs. 217.80 and Anglo-French Rs. 153.

Among miscellaneous shares, Aluminium Industries have gained slightly at Rs. 19.80, while Ashok Leyland have been depressed at Rs. 6.95. Cement shares have been weaker. Dalmia have dropped to Rs. 13 and India Cement to Rs. 5.64. Mettur Chemical have been about steady at Rs. 13.65, but F.A.C.T. have weakened to Rs. 5.40. Seshasayee Paper have lost at Rs. 7.70, but Standard Motors have been steady at Rs. 10.10. Binny have been bought at Rs. 282 on paying a final taxable ordinary dividend of 13 percent. Travancore Ogale have met with support up to Rs. 5.85 on declaring a taxable ordinary dividend of 6 1/2 percent. Parry's Confectionery have been steady at Rs. 3.31 and Spencer at Rs. 22.37. Kirloskar Electric have lost at Rs. 18.40, but Madras Rubber have gained slightly at Rs. 14.37. Textool have quoted Rs. 142.50, and Andhra Scientific have been done at Rs. 13.50.

THE WEEK'S TRANSACTIONS

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

CLEARED SECURITIES

Birla Jute—Rs. 33/19—33/25—32/12—32/12—(25/00).
Burrakur Coal—Rs. 16/19—16/19—16/19—16/19—(14/87).
Dunlop Rubber—Rs. 36/37—36/94—36/37—36/37—(32/00).
Guest, Keen, Williams—Rs. 25/12—25/25—24/87—24/87—(30/00).
Hindustan Motors—Rs. 18/44—18/50—18/25—18/28—(15/50).
Howrah Jute—Rs. 17/00—17/00—16/75—16/75—(19/00).
Indian Aluminium—Rs. 31/62—31/75—31/50—31/50—(29/75).
Indian Copper—Rs. 3/54—3/54—3/37—3/46—(4/12).
Indian Iron—Rs. 24/64—24/81—24/50 S.T.—24/64—(19/25).
Indian Cable—Rs. 35/94—36/00—35/87—35/94.
J. K. Cotton—Rs. 12/00—12/00—12/00—12/00—(12/75).
Jaipur Udyog—Rs. 11/56—11/56—11/50—11/50.
Kesoram Industries—Rs. 26/81—26/81—26/06—26/06—(19/31).
Orient Paper—Rs. 37/35—37/95—37/20—37/50—(31/25).
Orissa Cement—Rs. 13/75—13/75—13/68—13/75—(14/50).
Rohas Industries—Rs. 11/94—12/06—11/91—11/91—(10/50).
Shree Gopal Paper—Rs. 25/12—25/12—25/06—25/06—(22/75).
Textile Machinery—Rs. 28/00—28/10—27/70—27/80—(20/10).

GOVERNMENT SECURITIES

U.P. Zemindary Rehabilitation Grant Bond—Rs. 33/75—33/75—33/75—33/75.

CAPITAL, 2nd April, 1964.

3 % Loan (1986)—Rs. 63/10—63/25—63/00—63/25.

3 % " (1968)—Rs. 97/90—97/90—97/90—97/90.

3 1/2 % " (1968)—Rs. 98/00—98/00—98/00—98/00.

3 1/2 % " (1965)—Rs. 99/60—99/65—99/60—99/62.

3 1/2 % " (1967)—Rs. 99/15—99/20—99/10—99/10.

3 1/2 % " (1964)—Rs. 99/85—99/90—99/85—99/90.

3 1/2 % " (1968)—Rs. 99/45—99/45—99/45—99/45.

3 1/2 % " (1974)—Rs. 96/75—96/75—96/75—96/75.

4 % " (1969)—Rs. 99/40—99/45—99/40—99/40.

4 % Madras (1967)—Rs. 99/05—99/05—99/05—99/05.

4 % U.P. (1967)—Rs. 99/05—99/05—99/05—99/05.

4 % Maharashtra (1967)—Rs. 99/05—99/05—99/05—99/05.

4 % " (1969)—Rs. 98/40—98/45—98/40—98/45.

4 % Rajasthan (1971)—Rs. 96/75—96/75—96/75—96/75.

4 % Andhra (1968)—Rs. 98/70—98/75—98/70—98/75.

4 1/2 % Loan (1973)—Rs. 99/90—100/03—99/90—99/98.

BANKS

Hindustan Mercantile—Rs. 10/75—10/75—10/75—10/75.

Punjab National—Rs. 19/00—19/12—18/94—18/94.

United Bank of India (Rs. 10/- paid)—Rs. 8/19—8/25—7/65—7/69—(6/62).

Do. (Conty) (Rs. 20/-) (Rs. 10/- paid)—Rs. 7/19—7/25 x.d.—7/19—7/25 x.d.

United Commercial—Rs. 71/00—71/50—71/00—71/50.

COTTONS

Basanti (Pref.)—Rs. 7/19—7/19—7/19—7/19.

Bowreah—Rs. 23/12—23/37—23/00—23/00—(23/81).

Cawnpore—Rs. 6/44—6/50—6/44—6/47—(6/94).

Jay Shree—Rs. 15/75—15/75—15/62—15/62—(13/50).

Jijajerao—Rs. 11/00—11/00—11/00—11/00.

Muir—Rs. 60/00—63/00—60/00—63/00.

New Victoria—Rs. 1/31—1/41—1/31—1/31—(1/62).

Sutlej—Rs. 92/50—92/50—92/50—92/50.

Shree Bhawani—Rs. 7/50—7/62—7/50—7/62.

Swadeshi (P.O.)—Rs. 6/37—6/44—6/37—6/44.

COALS

Associated Karanpura—Rs. 5/12—5/12—5/12—5/12.

East Indian—Rs. 29/00—29/00—29/00—29/00—(29/00).

Katras Jheriah—Rs. 31/25—32/00—31/25—32/00—(48/75).

New Beerbhoom (Pref.)—Rs. 10/44—10/62—10/44—10/62.

Pench Valley—Rs. 17/25—17/31—17/19—17/31—(19/12).

Shree Mahakali—Rs. 4/00—4/00—4/00—4/00.

JUTES

Barnagore—Rs. 213/00—214/00—213/00—214/00.

Bally—Rs. 242/00—242/00—242/00—242/00—(256/00).

Chitavalsah—Rs. 8/75—8/75—8/69—8/75—(11/00).

Cheviot—Rs. 20/19—20/25—20/19—20/25—(23/62).

Dalhousie—Rs. 123/00—123/00—119/00—121/00—(145/00).

Delta—Rs. 146/00—146/00—146/00—146/00—(140/00).

Ganges—Rs. 13/25—13/25—13/25—13/25—(11/62).

Gourepore—Rs. 22/75—22/94—22/75—22/94.

Hukumchand—Rs. 19/85—19/85—19/85—19/85—(18/00).

Kankannarah (Pref.)—Rs. 80/00—80/00—80/00—80/00.

Kelvin—Rs. 151/00—153/00—144/50—144/50—(165/00).

Kinnison—Rs. 120/00—121/00—120/00—121/00—(140/00).

Lawrence—Rs. 99/50—99/50—99/50—99/50—(101/00).

Naihati—Rs. 80/00—80/00—80/00—80/00—(81/00).

New Central—Rs. 11/87—11/94—11/69—11/87—(12/00).

Northbrook (Pref.)—Rs. 72/00—72/50—72/00—72/50.

Presidency—Rs. 4/37—4/44—4/37—4/44—(5/12).

Reliance—Rs. 7/31—7/50—7/31—7/50—(6/25).

Shree Ambica—Rs. 24/44—24/50—24/44—24/50—(25/00).

Union—Rs. 144/00—144/00—144/00—144/00—(146/00).

CEMENTS

Ashoka—Rs. 6/94—7/06—6/87—6/87—(7/00).

Dalmia (Bharat)—Rs. 13/06—13/19—13/06—13/19—(13/00).

Sone Valley—Rs. 4/25—4/31—4/19—4/22—(4/20).

MININGS

Karanpura Development—Rs. 10/06—10/19—10/06—10/19—(11/00).

Metal Corp.—Rs. 7/47—7/47—7/44—7/44—(7/25).

ELECTRICS

Bhagalpur—Rs. 6/12—6/25—6/12—6/25—(6/00).

Benares—Rs. 12/25—12/25—12/25—12/25—(12/37).

Calcutta—Rs. 14/25—14/25—14/00—14/12—(14/12).

Do. (Pref.)—Rs. 7/75—7/81—7/75—7/81.

Jubbulpore—Rs. 12/00—12/00—12/00—12/00.

U.P.—Rs. 150/00—156/00—150/00—156/00—(119/00).

CHEMICAL

Alkali & Chemical—Rs. 30/37—30/37—30/37—30/37—(29/44).

INSURANCES

New Asiatic—Rs. 7/50—7/50—7/50—7/50.

Ruby General—Rs. 10/37—10/37—10/37—10/37—(8/69).

ENGINEERINGS

Binani Metal—Rs. 12/69—12/81—12/62—12/81.

Burn & Co.—Rs. 292/00—292/00—286/00—286/00—(495/00).

Britannia Eng.—Rs. 9/81—9/87—9/81—9/87—(8/00).

Bharat Ball Bearing—Rs. 12/50—12/50—12/37—12/37.

Damodar Enterprise—Rs. 111/00—112/00—111/00—112/00.

Hindustan Wire—Rs. 9/56—9/56—9/56—9/56.

Indian Standard Wagon—Rs. 36/12—36/25—36/12—36/25—(30/37).

Jessop & Co.—Rs. 23/00—23/12—23/00—23/12—(20/31).

Jay Eng.—Rs. 19/37—19/62—19/37—19/62—(19/69).

J. K. Steel—Rs. 16/37—16/37—16/25—16/37—(15/75).

Kumardhubi—Rs. 5/12—5/31—5/12—5/31—(6/87).

National Iron & Steel—Rs. 5/81—5/87—5/81—5/87—(4/25).

Textile Machinery (2nd Pref.)—Rs. 62/50—62/50—62/50—62/50.

Do. (64% Pref.)—Rs. 102/00—104/00—102/00—104/00.

MISCELLANEOUS

Asiatic Oxygen—Rs. 12/00—12/12—11/62—11/75.

Angelo Brothers—Rs. 23/50—23/50—23/44—23/44—(21/75).

Assam. Match—Rs. 26/50—26/50—26/50—26/50—(28/75).

American Refrigerators—Rs. 5/00—5/00—5/00—5/00.

Balmer Lawrie—Rs. 260/00—260/00—260/00—260/00—(257/00).

Bhartia Sons—Rs. 2/69—2/69—2/69—2/69.

B. I. Corp.—Rs. 8/75—9/12—8/56—9/03—(8/87).

Do. (Pref.)—Rs. 108/50—110/50—108/50—110/50.

Clive Row Investment—Rs. 8/37—8/37—8/19—8/31 C.T.—(9/19).

Electric Construction—Rs. 12/69—12/75—12/56—12/75—(12/12).

English Electric—Rs. 13/87—13/94—13/87—13/94.

General Tyres—Rs. 8/25—8/25—8/25—8/25.

Goodyear India—Rs. 27/25—27/37—27/25—27/37.

Hindustan Aluminium—Rs. 12/81—12/81—12/75—12/81—(11/81).

Hindustan National Glass—Rs. 6/25—6/25—6/25—6/25—(6/28).

Hoare Miller—Rs. 5/50—5/50—5/50—5/50—(4/75).

Hindustan Twyford—Rs. 12/50—12/56—12/25—12/25—(13/50).

Do. (Pref.)—Rs. 100/00—100/00—100/00—100/00.

India Carbon—Rs. 15/00—15/12—15/00—15/12.

Isaac Holdens—Rs. 13/00—13/12—13/00—13/12—(15/75).

Indian Oxygen—Rs. 26/31—26/62—26/31—26/62—(26/75).

Jayshree Tea Industries—Rs. 14/69—15/12—14/69—15/12—(15/25).

Jardine Henderson—Rs. 76/00—76/50—76/00—76/50—(67/00).

J. K. Synthetics—Rs. 11/31—11/50—11/31—11/50—(10/25).

Metal Distributors—Rs. 4/19—4/22—4/00—4/00.

Metal Box—Rs. 30/62—30/69—30/12—30/69—(42/00).

National Rubber Mfg.—Rs. 12/62—12/69—12/56—12/62—(11/62).

National Tobacco—Rs. 12/00—12/00—12/00—12/00—(10/75).

Do. (1st Pref.)—Rs. 69/00—69/00—69/00—69/00.

National Rolling & Steel Ropes—Rs. 19/06—19/06—19/03—19/03—(19/56).

National Insulated Cable—Rs. 22/25—22/25—22/19—22/19—(25/00).

Phillips India—Rs. 27/00—27/12—26/65—26/65—(26/25).

Phillips Carbon Black—Rs. 14/50—14/50—14/00—14/00.

Rallis India—Rs. 119/00—119/50—119/00—119/50—(120/00).

Sirsik—Rs. 7/81—7/87—7/81—7/87—(8/06).

Schrader Scovill Duncan—Rs. 13/00—13/00—13/00—13/00.

Shaw Wallace—Rs. 16/25—16/25—16/25—16/25—(18/37).

Tungabhadra Ind.—Rs. 9/15—9/25—9/15—9/25.

Universal Cables—Rs. 11/56—11/69—11/45—11/45.

Window Glass—Rs. 7/25—7/25—7/00—7/00.

OIL

Indo-Burma Petroleum—Rs. 21/00—21/37—21/00—21/12—(23/12).

RESERVE BANK

ISSUE DEPARTMENT		Week Ended		
(In 00's of Rupees)		27-3-64	20-3-64	20-3-63
Liabilities—				
Notes in Banking Dept.	...	19,80.08	16,80.83	9,56.44
Notes in Circulation	...	24,53,98.86	24,56,25.73	22,41,95.75
Total Notes Issued	...	24,73,79.94	24,73,06.56	22,50,52.19
Assets—				
A. Gold Coin and Bullion	...	1,17,76.10	1,17,76.10	1,17,76.10
Foreign Securities	...	1,12,45.69	1,17,45.69	1,05,08.43
Total of A	...	2,30,21.79	2,35,21.79	2,22,84.53
B. Rupee Coin	...	1,09,11.19	1,08,16.81	1,16,25.51
Rupee Securities	...	21,34,46.96	21,29,67.96	19,11,42.15
Total	...	24,73,79.94	24,73,06.56	22,50,52.19

BANKING DEPARTMENT

Liabilities—				
Capital Paid-up	...	5,00.00	5,00.00	5,00.00
Reserve Fund	...	80,00.00	80,00.00	80,00.00
National Agricultural Credit (Long Term Operations) Fund	...	73,00.00	73,00.00	61,00.00
National Agricultural Credit (Stabilisation) Fund	...	8,00.00	8,00.00	7,00.00
Deposits—				
(a) 1. Central Govt.	...	84,14.96	91,31.27	55,82.85
2. State Govts.	...	15,97.20	26,24.95	37,42.45
(b) Banks	...			
(i) Scheduled Banks	...	76,66.26	81,56.74	74,91.14
(ii) State Co-operative Banks	...	2,34.04	2,07.00	2,48.58
(iii) Other Banks	...	4.88	6.28	4.38
(c) Others	...	1,61,71.02	1,60,24.28	1,72,39.18
Bills Payable	...	48,84.91	36,44.75	44,52.11
Other Liabilities	...	67,91.12	66,14.90	65,65.14
Total	...	6,23,63.69	6,30,10.17	6,00,26.83
Assets—				
Notes	...	19,80.08	16,80.83	9,56.44
Rupee Coin	...	3.51	2.65	3.14
Small Coin	...	3.81	3.55	2.34
National Agricultural Credit (Long Term Operations) Fund	...			
(i) Loans and Advances to—	...			
(a) State Govts.	...	27,24.27	26,57.85	23,87.47
(ii) State Co-operative Banks	...	8,78.37	8,79.28	9,36.19
(iii) Central Land Mortgage Banks	...			
(b) Investment in Central Land Mortgage Bank	...	3,39.35	3,39.36	2,34.88
National Agricultural Credit (Stabilisation) Fund	...			
Loans and Advances to State Co-operative Banks	...			
Bills Purchased and Discounted—	...			
(a) Internal	...			
(b) External	...			
(c) Govt. Treasury Bills	...	64,59.75	51,49.38	66,00.18
Balances Held abroad	...	12,82.31	17,17.51	11,30.05
Loans and Advances to Govt.	...	43,37.81	44,49.05	28,88.75
Loans and Advances to—	...			
(i) Scheduled Banks	...	84,16.40	99,90.70	71,28.37
(ii) State Co-operative Banks	...	1,25,19.59	1,26,01.60	1,24,96.62
(iii) Others	...	2,81.65	2,60.65	1,57.90
Investments	...	2,00,03.87	2,03,44.05	2,14,02.39
Other Assets	...	30,13.11	30,13.71	35,40.15
Total	...	6,23,63.69	6,30,10.17	6,00,26.83

SCHEDULED BANKS

(In 00's of Rupees)		Week Ended		
		20-3-64	13-3-64	22-3-63
(I) Demand Liabilities—				
(a) Demand Deposits:	...			
(1) From Banks	...	61,55.53	59,14.38	51,13.14
(2) From others	...	10,49,62.65	10,44,77.87	8,48,41.74
(b) Borrowing from Banks	...	28,51.93	25,04.30	22,29.55
(c) Others	...	65,36.47	62,11.75	59,50.68
(II) Time Liabilities—				
(a) Time Deposits:	...			
(1) From Banks	...	20,51.58	21,10.52	19,82.38
(2) From others	...	12,23,83.87	12,32,39.78	11,81,84.75
(b) Borrowing from Banks	...	12,82.09	13,50.98	16,50.41
(c) Others	...	11,36.39	11,72.77	10,66.38
(III) Borrowing from State Bank—				
(a) Demand Liabilities	...	15,64.99	12,67.42	11,72.51
(b) Time Liabilities	...	11,95.00	11,10.00	8,70.00
(iv) Borrowing from Reserve Bank	...	98,81.90	95,65.95	69,51.52
(v) Cash	...	50,48.44	59,58.17	51,67.66
(vi) Balances with the Reserve Bank	...	80,32.23	76,75.72	69,82.01
(vii) Balances with other Banks in current account	...	22,37.18	21,62.66	20,05.97
(viii) Money at call and short notice	...	35,30.50	33,13.40	38,06.42
(ix) Investments in Central and State Govt. Securities	...	6,36,74.40	6,38,05.91	5,97,10.95
(x) (a) Loans, Cash Credits and Overdrafts	...	15,07,77.83	15,03,75.06	13,05,30.68
(b) Due from Banks	...	18,44.19	16,50.72	15,55.04
(xii) Inland Bills purchased and discounted	...	2,29,58.05	2,27,13.20	2,17,57.80
(xiii) Foreign Bills purchased and discounted	...	65,19.06	65,34.56	56,08.56
(xiii) Total of X, XI and XII	...	18,20,99.13	18,12,59.54	15,94,52.06

Products of—
SHARAT ELECTRICAL INDUSTRIES LTD.
 17, R. N. Mukherjee Road, Calcutta-1.
 Agents—
THE ORIENTAL MERCANTILE CO. LTD.
 Calcutta, Bombay, Kanpur, Delhi, Madras.

Money

THE CALCUTTA MONEY MARKET

CALL RATE REMAINS HIGH

Wednesday, 1st April.

THE general level of advances has increased a little in the Calcutta money market during the past week. Most of the increase is accounted for by the sugar mills, and the iron, steel and engineering industries. The credit given to the cotton and jute mills, and to the foodgrains and seeds trade is unchanged. In the interbank market, conditions have been tight and the call rate remains at 6½ per cent.

The exchange market has been active, with an excellent supply of gunny bills and a fair number of tea bills. The demand for remittances is moderate. In the London market, sterling shows a mixed tendency after narrow fluctuations.

SILVER WAS STEADY IN CALCUTTA during the past week. The price rose from the previous week's level of Rs. 254 to Rs. 258.25, quoted today. The London and New York prices stood at 11½d and 129.3 cents.

In spite of a rise in silver, gold was quiet due to the lack of support and the price of 14-carat declined from Rs. 66.25 to Rs. 65.25.

DURING THE WEEK ENDED 27TH MARCH, Government of India Treasury bills for Rs. 227.31 crores were sold in favour of the Reserve Bank.

TENDERS FOR Rs. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 31st March. The total amount offered was Rs. 2 crores. Tenders at Rs. 99.250 percent were accepted in full. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 3 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 6th April.

IT IS STATED THAT 91-DAY INTERMEDIATE Treasury bills will be sold from 1st April to 4th April at Rs. 99.250 percent. Sales can be stopped at any time without notice if the Government thinks it necessary. These bills sold from 25th March to 28th March amounted to Rs. 10 lakhs.

THERE WAS A DECLINE OF Rs. 2.26 crores to Rs. 2,454.26 crores in active notes, according to the return of the Reserve Bank of India for the week ended 27th March, 1964, while the total note issue was up by Rs. 73 lakhs to Rs. 2,473.80 crores. The currency expansion was adjusted by reducing foreign securities by Rs. 5 crores to Rs. 112.46 crores and raising rupee securities by Rs. 4.79 crores to Rs. 2,134.47 crores in the paper currency reserve. Deposits of the Government of India dropped by Rs. 7.16 crores to Rs. 84.15 crores and those of State Governments by Rs. 10.27 crores to Rs. 15.98 crores. Balances of commercial banks at Rs. 76.66 crores showed a loss of Rs. 4.36 crores. Balances held abroad dropped by Rs. 3.36 crores to Rs. 13.82 crores in spite of a transfer of securities from the Issue Department to the Banking Department. Investments rose by Rs. 3.40 crores to Rs. 203.44 crores. Loans

to scheduled banks declined from Rs. 98.91 crores to Rs. 84.16 crores of which advances against usance bills amounted to Rs. 47.59 crores (Rs. 46.24 crores). Ways and means advances stood at Rs. 43.38 crores, against Rs. 44.49 crores.

THE RETURN OF THE STATE BANK OF India for the week ended 20th March, 1964, shows a rise of Rs. 4.48 crores to Rs. 612.31 crores in total deposits. Investments in Government securities are up by Rs. 2.02 crores to Rs. 234.08 crores, while other authorised investments remain unchanged at Rs. 9.44 crores. Advances, including loans, cash credits, overdrafts and bills discounted and purchased have risen by Rs. 2.20 crores to Rs. 360.39 crores. Cash and balances are, in consequence, shown at Rs. 25.33 crores or Rs. 5.16 crores higher.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 20th March, 1964, shows Demand and Time Liabilities at Rs. 1,205.07 crores (Rs. 28.52 crores on account of borrowings from banks) and Rs. 1,268.56 crores (Rs. 12.82 crores), compared with Rs. 1,192.08 crores (Rs. 26.04 crores) and Rs. 1,278.74 crores (Rs. 13.51 crores), respectively, in the previous week. Cash has declined by Rs. 10 lakhs to Rs. 59.48 crores, while balances with the Reserve Bank have increased by Rs. 3.56 crores to Rs. 80.32 crores. There is a drop of Rs. 1.32 crores to Rs. 636.74 crores in investments. Advances and bills discounted at Rs. 1,820.99 crores show a rise of Rs. 8.39 crores. The ratios to total liabilities of cash and balances, and of advances and discounts are, in consequence, shown at 5.7 percent and 73.6 percent, against 5.5 percent and 73.4 percent.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 3-4-64.

Issue Date	Maturity Date	Amount (00's of Rs.)	Average Acceptance Rate
3-4-64	6-7-64	2,00.00	Rs. 3.000%
26-3-64	29-6-64	2,00.00	Rs. 2.750%
20-3-64	23-6-64	2,00.00	Rs. 2.500%
13-3-64	16-6-64	2,00.00	Rs. 2.360%
6-3-64	9-6-64	2,00.00	Rs. 2.360%
28-2-64	31-5-64	2,00.00	Rs. 2.350%
21-2-64	24-5-64	2,00.00	Rs. 2.340%
14-2-64	17-5-64	2,00.00	Rs. 2.340%
7-2-64	10-5-64	2,00.00	Rs. 2.325%
31-1-64	3-5-64	2,00.00	Rs. 2.325%
24-1-64	27-4-64	2,00.00	Rs. 2.325%
17-1-64	20-4-64	2,00.00	Rs. 2.315%
10-1-64	13-4-64	2,00.00	Rs. 2.315%

Monthly Maturities (00's omitted)	
April, 1964	6,00.00
May, 1964	10,00.00
June, 1964	8,00.00
July, 1964	2,00.00
Total	26,00.00

CLEARING HOUSE RETURNS

Week	Calcutta	Bombay
26-3-64	1,09.61	1,09.47
20-3-64	1,02.66	1,02.78
13-4-64	1,05.14	1,05.18
6-3-64	1,23.96	1,50.39

ASIATIC OXYGEN LIMITED
CHAIRMAN, MR. B. L. JALAN'S PLEA
FOR STABLE FISCAL POLICY

Extracts from the Chairman's Address of Mr. B. L. Jalan at the Annual General Meeting of Asiatic Oxygen Limited held at Calcutta on Monday, the 30th March, 1964.

Gentlemen,

You would have noticed that the Directors have stated in their Report dated the 29th February that our Durgapur factory was commissioned to production in December last. They expected that the Bombay factory which was undergoing the test operations would commence production by the time the Report was in your hands. I am happy to say that the Bombay factory is now in production. The foundation stones of Madras and Hyderabad factories were laid by the then Chief Ministers of Madras, Shri Kamaraj, and of Andhra Pradesh, Shri Sanjiva Reddy, in August, 1963. The Directors reported to you in the Annual Report that the Madras factory was in an advanced stage of construction and is expected to be in production next month. I am very happy to say that the acetylene plant of the Madras factory has already gone into production.

Most of the technical and administrative personnel have been recruited. Some of the engineers who went abroad for training have returned and others are expected to return by the end of the next month after completing their training. Arrangements are being made for another batch of trainees to go abroad. To fulfil the long felt need of the welding industry, we have started a training scheme for welders and welding supervisors.

Tax Burden

While the taxes in the 1963 Budget of the Government of India brought higher burdens on the finances of our subsidiary company, it produced similar effects on the financial results of almost all companies which have after strenuous efforts put up a record of efficient and profitable operations. Some basic and important industries which had earlier suffered from the teething troubles and now begun to yield fair return have been hit hard. The super profits tax was, as it were, a tax on efficiency. Our present Finance Minister must be congratulated on the new look which he has sought to give to our fiscal policy. He has so clearly enunciated the basic criteria which should govern our economic philosophy. It is a matter of special significance that these criteria have received approbation from almost all quarters. This demonstrates once again that the economic interests of all the sections of the country are the same and that the economic policy has to be essentially an integrated national policy. It cannot be a sectorial policy.

Industrial Growth

The Finance Minister has very rightly pointed to the urgent need for speedier execution of, and higher return in, the public enterprises. It is very appropriate, in this context, however, to look at the performance of public undertakings. The Government of India have invested in operating public undertakings other than Railways about Rs. 1,038 crores. The total sales of these undertakings were Rs. 388 crores. The total gross profit of these concerns, excluding Hindustan Steel, was Rs. 24 crores and net profit Rs. 15.4 crores. The net profit, therefore, was about one and a half per cent. When adjustment is made for the loss of Hindustan Steel, there is an overall loss. This cannot, by any means, be termed as a creditable performance. This does not merely involve the

failure to achieve the targets of the Third Five Year Plan but indicates a sizable loss of national wealth. If the increase in national wealth and prosperity is the objective, these figures do point to a moral.

The problem of speedier implementation of industrial programmes is inextricably interwoven with governmental procedures and decision-making. It takes a long time from "dream to stream", that is from the day the project is conceived by the entrepreneur to the day the plant is put on production. The Government decision-making and licensing procedures contribute a lot to the delays involved. I am glad that this is now being realised by all concerned. And to go into the matter the Government appointed the Swaminathan Committee. The Committee made interim recommendations which are of far-reaching importance and which have been accepted by the Government. These will go a long way in expediting our industrial programmes. The problem, however, is not merely of industrial licensing under the Industries (Development and Regulation) Act. One is confronted with similar difficulties in acquisition and registration of landed properties, obtaining raw materials, fixation of transportation rates and commodity prices, securing approvals for foreign exchange expenditure, capital issues, concluding borrowing arrangements and the like. It needs an overhaul of governmental procedures and not merely a few changes in certain areas only. It may be safely suggested, for example, that issue of exchange permits for travel abroad has to be a lot more expeditious. I realise that some unscrupulous persons do travel abroad for not very legitimate reasons and there must be proper safeguards against this. But proper safeguards against this. But there must be no undue restrictions on travel facilities related to development programmes. If prompt and proper sanction for foreign travel is denied to negotiators and project planners, it does a lot of harm to our financial and foreign exchange interests. When the applications are submitted with documentary evidence, I see no reason why the issue of permits should take a long period. When we consider its effect to streamline procedures and effect economies, we in the field of private industries take assistance from special management consultants and experienced management consultants and experts. To borrow or hire specialised knowledge does not reflect on any body's dignity or efficiency and should be restored to with an open mind and frequently. Incentives, monetary and otherwise, should be provided where targets of efficient management are accomplished.

serves any purpose to shift responsibility. We all have the same mission.

The estimates of national income reveal a very interesting picture in this area only. The proportional share of mining, manufacturing and small enterprises was almost constant between 1948-49 and 1962-63 in spite of all the emphasis on industrial programmes. The share of commerce, transport and communications increased by just over one percent. The decline in the share of the agricultural sector by over 5 percent was set-off almost wholly by the share of "other services". Government administration constitutes a major part of "other services". The increased share of unproductive services within the industrial and commercial sectors is concealed in the respective shares. In other words, speaking comparatively, the services which do not directly contribute to our productive effort are the only sector which has made progress. These components of our national income demonstrate the need to divert our national effort in well-conceived alternative directions to achieve a higher input-output ratio which is the key to our real economic progress.

The other two worthy objectives of our economic policy which were defined by our Finance Minister and earlier by our Home Minister Shri Gulzari Lal Nanda related to incentives for industrial growth and inflow of foreign capital. While we have to thank the Finance Minister for several reliefs proposed for the industries including selective corporation tax relief, one wonders whether the budget proposals will, on the whole, achieve these objectives. Great doubts have been expressed, which are reinforced by the prevailing investment climate on the stock markets. The treatment of bonus shares as capital gains and the imposition of a fresh dividend tax are measures which are bound to deter investors while the gains to the national exchequer may be negligible.

Fiscal Policy

What, however, is really disturbing is the fact that our basic fiscal policy undergoes structural changes almost every year. The re-introduction of expenditure tax, the raising of Estate Duty rates to 85% and the uncertainty introduced about the development rebate, are matters which have obviously deterrent effects on the will to save and invest. While it was gratifying to learn that the Finance Minister had promised that he did not propose to make any basic changes in the coming years, there cannot be any doubt that the changes which have been already brought about in our fiscal structure from year to year have been so substantial that one's confidence in our stable fiscal policies is bound to be shaken. Important decisions for large investments cannot be properly made when projected results are completely upset even before the decisions are finally taken and implemented. How is the foreign investor who has opportunities for profitable investments throughout the world going to reconcile himself to this kind of insecure financial conditions? It is my firm belief that a stable fiscal policy will be a great contribution in inducing higher investments and attracting larger volume of foreign capital.

In the context of the basic principles of taxation, I hope the question of multiplicity of taxes will soon be examined more thoroughly. The mul-

ti-ple-tax system has a limit, and if it is stretched beyond that limit, decreasing returns are bound to operate. Actuated by the desire to simplify our tax system, the Income Tax Act was overhauled in 1961. And yet, our tax system today is more cumbersome than perhaps anywhere else in the world. In the context of our planned effort, there cannot be any valid argument against controls and taxation but we must ensure that such controls and taxation do not impinge upon or jeopardise our efforts for balanced and speedier growth. A lot of governmental effort as well as of the people in private industry is being wasted in conforming to a complex controlled system. A large army of very brilliant government officers and industrial planners and managers are engaged today in what might be called "unproductive project development work". We are not too plentifully supplied with such management skill and if we can put this national pool of managerial talent to productive works, the pace of planned effort would be accelerated and the process would become less expensive.

Monopolies Commission

To achieve our well-defined economic objectives, it is, indeed, very difficult to appreciate the proposal for the setting up of a Monopolies Commission. What is a monopoly? A monopoly is a state of market in which one or a couple of sellers control the market and dictate the price. Leaving alone public utilities which are inevitable monopolies and the operations of which are severely controlled, are there any monopolies in India in the correct sense of the term? The basic fact is that owing to limited markets and the extreme dearth of managerial skill, there was in many industries not enough scope for a very large number of competing units. When markets expanded more units came into existence. A careful and comprehensive survey of our industrial development would fully corroborate the fact that, depending on the raw material availabilities and dimensions of the market, the number of units in each industry has been growing. Such growth has taken place in spite of the size of units continuing to be uneconomic. There is no monopoly in India outside the field of public utilities unless we include public sector monopolies such as the monolithic Life Insurance Corporation, Fertiliser Corporation of India and the like. Now, if there are no monopolies, there is no scope for a monopolies commission. This proposal is understandable when one has to consider the necessity to satisfy the more vocal sections of the public which is concerned with very superficial consideration of ideological catchphrases. Nevertheless, such attempts do detract from the laudable objectives which our Finance Minister has defined in his budget speech.

(This does not purport to be the proceedings of the Annual General Meeting.)

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(SCHEDULED BANK)

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UNITED BANK OF INDIA LTD.

CHAIRMAN, DR. N. N. LAW'S REVIEW

YEAR OF SIGNIFICANT PROGRESS: INCREASE IN DEPOSITS

The following are the extracts from the speech delivered by Dr. N. N. Law, Chairman, United Bank of India Limited, at the Annual General Meeting of the shareholders of the Bank held on March 30, 1964.

Bank's Progress

The past year has been a period of significant advance by your Bank. The Profit has increased by Rs. 5.19 lacs or 24.5%. The dividend has been raised to 7½%. This is the third rise in dividend since the amalgamation. Deposits have increased by Rs. 7.9 crores, i.e., 12.2% (as against 10.1% rise in the deposits of all scheduled banks). Seven new branches were opened during 1963 and so far this year 2 new branches have been opened. The emoluments of the employees have also been further improved.

Another important and significant event that has taken place during the year is the acquisition of a site measur-

ing 57 Cottahs—nearly an acre—on Old Court House Street. On this site is proposed to be constructed a new home for the Head Office of your Bank. The detailed plans for the building are being drawn up by the architects, and it is hoped that construction work will commence during the year.

I do not wish to give you the impression that the results achieved so far should lead to complacency. On the contrary, in view of the mounting operating costs, referred to later in this statement, a greater responsibility has devolved on all of us, the Directors as also the workers in various spheres and levels in this Bank. A number of steps have been initiated early this year to achieve a wider decentralisation of functions, and as the year progresses, efforts will be made to implement the programme in a phased manner. Our aim should be the attainment of a deposit level of Rs. 100 crores within the next two years, if we are to cater to the increasing credit requirements of the developing economy. I do hope that with the concerted efforts of the workers, shareholders and present and prospective customers, the target may be achieved even earlier than contemplated.

Interest Rate

The biggest task before the Bank today is, therefore, to accelerate the rate of growth, and to meet the growing burden of interest on deposits. We shall try to achieve this by intensifying our efforts, opening more branches and by diversifying our services.

As I speak to you, banks are considering whether a further rise in the rates of interest on deposits is necessary, their attention to this matter having been recently drawn by the Reserve Bank. It seems likely that a further rise will be effected, and such a step will add to the already high operating cost and will consequently tend to step up the lending rates. My view on the lending rates is well known to be against such rise.

To my mind, it should be the aim of the larger banks in the country to be able so to rationalise, at an early date, their lending rates as will bear a reasonable relation with the line and pattern of the largest bank in the country. It should, at the same time, be their aim to remain free from anxiety concerning liquidity. An important method for achieving these ends would be to make concentrated efforts to increase deposit resources through means other than that of raising the interest rates. At the same time, an expedient utilisation of resources has also to be ensured.

In this context, I would like also to refer to the conditions obtaining in the Stock Exchanges. Ultimate safety and liquidity of bank advances in a growing economy, incapable, due to various reasons, of planning for extinguishment of debts, depend considerably on the ability of borrowers to shift the credit facilities in due course by obtaining equity and long-term finance through the Stock Exchanges. Apart from the inhibiting taxation, high rate of interest on bank advances stands in the way of the development and expansion of Stock Exchange services. On this ground also it would be against the interest not only of the banks themselves, but also of industrial expansion, to encourage a rising structure of interest rates.

However, the present mood seems to be to ignore these implications and to

depend on an upward revision of the rates. In that case, since we cannot swim against the current, we shall also have to fall in line, much as I would have wished that the trend were checked.

If the rates have to go up, it would be better to confine the rise to that portion of bank deposits which could be marginally sensitive to interest rates, viz., term deposits for periods over twelve months, and not to cover the whole range of deposits. The incidence of the cost of term deposits can then be somewhat neutralised by reducing the cost of demand deposits, including Savings accounts which have virtually become Current accounts. One of the ways to do so would be to introduce two types of Savings accounts and to reduce the rate on those with very small balances, limiting the frequency of withdrawals, in such un-economic accounts. Adjustments of other service charges may also have to be undertaken.

Small Industries

I am happy to report that further headway has been made by the Bank in the matter of providing finance to the small scale industries. As you will recall, a separate Section was started about two years ago, with a view to processing with special care, such proposals from smaller industrial units as could not straightaway be considered, in the normal course, by our Advances Department. After the initial experimenting and probing, some tangible progress has now been made and a number of small scale industrial units have been financed and are being given special service. Steps are now being taken further to expand the activities of this Section in the matter of financing small scale industrial units.

It has been our experience that more than the question of bank finance, the small entrepreneurs are faced with other problems, these relating, for example, to risk capital, marketing, raw materials, power, land, technical know-how, etc. The difficulty that we mostly face in financing these units is the deficiency in financial management. There have been cases where after proper assessment and discussion it was discovered that a good portion of the required development finance could be found from resources within and that only a small advance from the Bank could satisfy their requirements. In some other cases it was also possible for the Bank to suggest ways and means by which the concerned units could raise finance from other more profitable sources. Our approach, therefore, has been to provide the best possible financial guidance and advice along with the required finance. This is much appreciated by the concerned borrowers.

Nationalisation of Banks

The most significant issue that developed in the past year relates to the nationalisation of banks. I do not understand the wisdom of this clamour for nationalisation. Take the case of this Bank. The ownership is widely distributed, the management is conducted by people who have risen from the bottom of the ladder, the employees are drawn from the middle class families and number around 4,000. It serves the common man with sincerity and warm friendliness. Could nationalisation make any difference for the better? The only difference it could make, to my mind, is that the profit would then

CAPITAL, 2nd April, 1964.

go to the State Exchequer instead of being paid to you as dividend.

The charges levelled by the protagonists of nationalisation are mainly those of concentration of power, of diversion of resources to big industries and of failure to spread in the rural areas. With the recent amendment of the Banking Companies Act, the already existing wide powers of the Reserve Bank of India have been further expanded. It can now remove any director, chief executive or any other employee of a bank and also appoint persons of its choice in place of those removed. It has also been provided that no shareholder can have a voting right in excess of 1% of the total voting rights of all the shareholders of the banking company. With these powers vested in the Central Banking Authority the talk of concentration of power is not tenable.

In the matter of making advances also, the Reserve Bank has extensive powers to issue directives to all the banks generally, and to an individual bank particularly, in various matters regarding advances, including the maximum amount of advance that may be made to an individual borrower.

If the banks are financing big industrial projects it is only in accordance with the industrial policy of the nation. In the situation of control in this regard, installation and expansion of big units can only be in accordance with the industrial policy and with the permission of the Government. If, therefore, such projects are vital to economic development, it is only proper that the commercial banks should assist these to the best of their ability. What is really to be regretted is that on account of inadequate growth of deposits, the banks are not always able fully to cater to the requirements of these projects.

As for the question of expansion to the rural areas, it must be remembered that this could not be undertaken indiscriminately. It is a well-known fact that branches in rural or semi-rural areas incur losses for a number of years. The rate of expansion in this sphere, therefore, must be determined by the ability to bear losses. For any economical unit, whether in the public sector or the private, a balance must be struck between that part of its operation which is already economic and that which is, or is for some time likely to remain, uneconomic. Yet, the banks have already been expanding in these areas and during the past few years the coverage that has been extended must, in the circumstances, be considered satisfactory.

While it augurs well that views advocating nationalisation are held by a very small group and that the government has not endorsed these views, it is imperative that a thorough reappraisal and self-analysis be made by the industry itself with a view to devising ways and means to alter the image of its services to the community. The bankers are conscious of this need. An important step in this regard would be, besides an enlightened collective public relations programme, to develop, with a positive purpose, a wide range of promotional activities with adequate "social content", particularly in assisting growth of self-employment through small scale industries.

These efforts would no doubt need a lot of pioneering in finance, but that need not deter nor delay any such programme. Further, such activities would attract much more resources to the banking system than what higher rates on deposits are likely to fetch. On the other hand, such dissipation of bank earnings through higher rewards to depositors, by charging more to the people who undertake productive economic activity, increases consumption and adds to the factors distorting the efforts to hold the price line. Bank earnings devoted to the promotion of

CAPITAL, 2nd April, 1964.

self-employment will accelerate economic development and go a long way in resisting inflationary pressures.

Development Banks

In this connection, the role that is being played by the development banks in the country comes to my mind. These institutions, while performing very useful services, are dependent, to a very high degree, on the Government for their resources. The resources made available to the Industrial Finance Corporation are interest bearing. While to State Financial Corporations such funds are not at all made available. Their own attempts to raise resources from the community in the form of increased equity or bonds have not been successful to the extent required. It is true that the conditions prevailing in the country are not yet conducive to the success of attempts by the development banks to raise their own resources. This is because in their case the prospects of profits are not only low, but long-term as well.

It would, therefore, be advisable that adequate funds be made available to these institutions in the form of junior capital. At the same time the commercial banks, which are not in a position to play an unrestricted direct role in providing development finance to industry on a substantial scale, though they are doing their best to provide medium term loans and working capital might orientate their operations and provide more resources to these specialised institutions. This would be a worthwhile contribution for the commercial banks to make and would help them as to liquidity. Similar contribution could be thought of in the field of agriculture also. It will still be necessary for the development banks, however, to create their own cells for initiating efforts to place their commitments in capital subscriptions and issue of bonds, direct with the public. This again makes the need for activating Stock Exchanges more urgent.

For assisting the small and medium scale industrial sector, a number of institutions are now functioning: the State Financial Corporations, the National Small Industries Corporation, the Small Industries Service Institute, the agencies functioning under State Aid to Industries Act, and the Guarantee Scheme operated by the Reserve Bank through the scheduled banks. Perhaps it may serve the purpose better if instead of multiplication of agencies dealing with small and medium scale industries, a separate single agency is set up for each region, with a combination of all the varieties of functions now performed by these multifarious agencies. Such an institution at the state level would be better equipped to render not only financial assistance, but also services in the form of marketing information, technical and managerial assistance, etc., which these industries so badly need. Through its provision, even if partially, of risk capital to the small entrepreneurs, such an institution would act as a catalytic agent in the capital market, on the lines of the functions performed by the Industrial Credit and Investment Corporation of India at the national level.

General Economy

Coming to the overall economic development in the country, it is being increasingly realised that in recent years the rate of growth has not been up to the desired level and that vigorous steps should be taken to accelerate the tempo of development. A number of steps in this regard have been taken recently in the form of relaxation of capital control, price control, streamlining of licensing procedures, increased resources of the development banks, establishment of the Unit Trust and the Industrial Development Bank. The Finance Minister has also repeatedly emphasised the need for achieving faster growth and for this purpose he is contemplating further measures, over and above the fiscal incentives which

in a limited way have been provided for certain industries in the budget.

At the same time it is equally necessary to establish a measure of continuity of these policies. An illustration of the lack of continuity in policies, which we have so often experienced, is provided by the recent budget proposals vided by the recent budget proposals concerning the Annuity deposit, the expenditure tax and the increases in the rates of wealth tax and estate duty. The essence of a sound fiscal policy in the context of the situation prevailing in the country, is its ability to stimulate investments. An essential ingredient of investment decisions is confidence by reasonable expectations regarding the future course of events. Lack of continuity of policies does not weaken such expectations, and set at naught all forecasts and planning so very vital in any industrial operation.

There is another facet of this aspect of expectation or forward projection, and that is psychological. But it plays a very significant part in any human activity. To my mind, what seems to be happening is that, while it is a declared objective to encourage investments and thereby to achieve a higher growth rate, there is not yet the full realisation of the significance of the psychological factor of expectations regarding the future. In the absence of reasonable optimism on this score, no amount of institutional props and persuasion will be adequate to generate the desired degree of economic growth.

What the country needs is an all-pervading atmosphere of development and a climate of self-employment through small and ancillary industries spread all over the country. While fiscal policy, in so far as it had been inhibitive, has undergone certain adjustments, this by itself will hardly be enough. Every region in the country should make a determined and positive move to generate a real movement for stimulating industrial growth at all levels. An essential step in this respect would be to provide against a degree of risk which is inherent in any pioneering effort. When it is ensured that the community will back up the venture, much will be achieved in orientating the common man to the idea of self-employment through industries. No movement can achieve results without the readiness to pay the price for it.

At the State levels adequate funds should be found to take care of the financial risks which may develop through such a movement. Bearing the risks at the State level, in this manner, would actually be an investment in the future and will prepare the basic background for self-employment through industrialisation. If, from this point of view, it becomes desirable—which possibly it is—to pool the resources of the development banks operating in a particular region, that also should be done. The budgets of the States should be carefully examined and the impact of each item of expenditure should be analysed to see what proportion of the budget is directly aimed at encouraging self-employment. Provision of adequate funds, as mentioned earlier, would constitute a very small percentage of the total State resources but would go a long way towards fulfilling the goals of economic development.

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

MADURA MILLS COMPANY LIMITED

REGD. OFFICE: NEW JAIL ROAD, MADURAI

CHAIRMAN REVIEWS PROGRESS

The following is the speech of the Chairman, Dr. Rajah Sir M. A. Muthiah Chettiar at the Annual General Meeting of the Shareholders of the Company held at Pandyan Building Madurai, on 25th March, 1964.

Gentlemen,

The Report of the Directors and the Audited Accounts of the Company for the year ended 31st December, 1963 having been circulated in the prescribed manner, I propose with your permission to take them as read.

The country is still in the grip of the Chinese cold war and although there is at the moment no fighting at the border, the state of emergency cannot be said to have abated. Your Company and its associates continue to play their full part in meeting the defence requirements of the country.

The small carry-over of 13.90 lakh bales of cotton which the country had at the beginning of the season 1962-63, caused a certain amount of anxiety and Mills resorted to buying heavily as the crop started moving. Prices had a tendency to pierce the ceilings. But the system of quality surveys and the Supervisory Scheme introduced by the Textile Commissioner helped to bring down prices somewhat and I am pleased to be able to say that the purchases made by your Company were at reasonable levels.

Shortage of Foreign Cottons

Because of import restrictions due to the country's limited foreign exchange resources, there was acute shortage of foreign cottons during the year. However, our production programme of fine counts and of our industrial lines was not impaired to any great extent.

There was very good demand for our yarns in inland markets throughout the year. Sales were maintained at a steady level as in the previous year and the revision in the yarn prices which came into force from 7th February, 1963 enabled the Company to maintain a satisfactory turnover notwithstanding power cuts for a number of days on a voluntary basis and an enforced 100% cut for a fortnight during June/July. Market prices for all counts of yarn continued to show an upward trend and the Government continued with their scheme of compulsory allocation of a certain percentage of the production to handloom weavers.

The export performance during the year, although satisfactory, shows a slight fall over the previous year. This is mainly due to increasing competition in all overseas markets and the new licensing procedure which came into force during December 1962 for all yarn exports to U.K. However, there is an encouraging trend in recent months and it is expected that our per-

formance during 1964 will be better than in the year under review.

The Looms Project

You will have noticed from the Directors' Report that the 450 Looms Project has been implemented. The year 1963 has thus seen the establishment of the first phase of our Weaving Project, although only in temporary accommodation at present. Our target for the present is 850 looms of which 850 will eventually be erected at Ambasamudram where an up-to-date modern Weaving Shed is under construction. Once again we are placing order with Picanols, Belgium for the additional 500 looms, out of the Belgium credit negotiated by the Government of India.

So far as the production on the existing 450 looms is concerned I am pleased to report that in spite of many difficulties a most satisfactory start has been made, both in the export markets, where we have more than met our obligations and in the Inland Market together with considerable Defence orders and it is anticipated that this progress will be maintained during 1964.

The addition of Bleaching, Dyeing and Finishing Plants has also been taken up and our application having been recommended by the Textile Commissioner is under consideration by the Government of India. We are hopeful that we shall receive their approval before long.

The Net Profit

As for the accounts, you will have noted a change in the presentation of the figures in the Directors' Report showing a profit of Rs. 80,17,083. You will no doubt agree that the net profit of Rs. 42,79,031, is a marked improvement on last year's figure of Rs. 31,81,355 bearing in mind the increase in the depreciation charge and Development Reserve. The Modernisation Scheme and Rationalisation of workloads are beginning to show their beneficial results. The Company, with its large capital base, will not be adversely affected by the levy of Sur-tax which has been introduced in the place of Super Profits Tax but the imposition of the Dividend Tax is indeed an additional burden.

I should like to invite the attention of the shareholders to the net fixed assets position compared with the Paid-up Capital. In view of the very satisfactory Reserve position the disparity could no doubt be righted somewhat by bringing the Paid-up Capital position rather more into line with Capital actually employed, but the penal tax provisions contained in the recent budget act as a deterrent.

Before concluding, I wish to express my appreciation of the efforts of the staff and other employees who have contributed a great deal to these satisfactory results, and with their continued support we can look forward to increasing prosperity.

NOTE: This does not purport to be a report of the proceedings of the Meeting.

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SEN-RALEIGH LIMITED

CHAIRMAN'S REVIEW

The Fourteenth Annual General Meeting of Sen-Raleigh Limited was held in Calcutta on the 31st March, 1964. Below is the statement of Mr. Abhijit Sen, Chairman of the Company:

As anticipated in my last statement to you, the year under review turned out to be one of our more difficult ones. In spite of a continuing demand for our products, sales were appreciably lower than in the preceding period as it was not possible to maintain production at desired levels owing to chronic shortages of raw materials, when sections of the factory had to be laid-off for periods extending up to 2/3 months at a time. As a consequence the financial results of the Company for the year have been extremely disappointing. For the first time in some years, your Directors have been unable to recommend pay-

ment of a dividend on the Ordinary Share Capital of the Company.

I am sure you would agree with me that in view of the heavy financial commitments ahead of the Company for implementing its expansion schemes about which reference was made in my last report to you, the wisest course for the Company to follow would be to conserve its resources to the fullest extent for the present.

Expansion Scheme

Towards the end of the year under review your Company was ready to put into effect this vital scheme for expansion of bicycle production but it was not till the end of 1963 that it was entirely satisfied that the material flow required for such expanded production would be forthcoming. The expansion of bicycle production which is now under way, is one of a number of steps that

the Company needs to take to bring back reasonable profits in its operation.

After three years of near stagnation, the demand in general for bicycles and some of its components has once again started looking up. Your Company intends to reap the full benefit of this rise in demand. In some components where the demand has grown to the degree that it is embarrassing for the Company to have to refuse orders even for supplies to other cycle manufacturers, the matter of expanding production is now actively engaging the attention of your Directors.

Progress in the House Service Meter Scheme of the Company has been limited to sending over the first batch of trainees to Associated Electrical Industries Ltd., Manchester and completing the import application for the plant. It is expected that with the first

CAPITAL, 2nd April, 1964.

batch of trainees now actively associated with the planning of the Indian production in the U.K., this scheme will gather necessary momentum.

The protection granted to the Bicycle Industry fell due for review in 1963 and a Tariff Enquiry was held on the subject in July of that year. After the enquiry, the Tariff Commission recommended that protection be withdrawn in the case of the Bicycle Industry and this recommendation was accepted by the Government of India. However, to protect the interests of the consumer, the Tariff Commission further recommended that the manufacturers' prices of bicycles be brought under a system of voluntary control, and as this recommendation was also accepted by Government, today bicycle manufacturers cannot increase their prices without reference to Government. A further recommendation sought to establish a ceiling on retail prices of the bicycle. Both these latter recommendations appear inconsistent with the conditions prevailing at the moment. Whilst it may be possible to effect a control on manufacturers' prices voluntarily, there is little possibility of maintaining a voluntary ceiling on dealers' prices in a market where demand far outstrips supply.

Export Performance

After many years of consistent effort on the part of manufacturers, the export performance of the Bicycle Industry as a whole is showing a satisfactory trend. In common with other manufacturers your Company's exports rose appreciably in the period under review. Orders are now flowing in steadily for the Balaka bicycle which was introduced to African and Middle Eastern markets during the year.

A disquieting feature of exports—particularly from the port of Calcutta is the pilferage that appears to take place at the docks here. Few of the consignments sent out over the last year from Calcutta seem to have escaped pilferage and importers in other countries are now chary of placing orders on Indian manufacturers as a result of this evil. No dealer in a competitive market can be expected to risk losses by ordering on India when he is assured of certain supplies by ordering on other countries. This matter deserves the serious attention of the Ministry of International Trade, as, a remedy to this problem is only possible at Government level and does not lie in the hands of the exporter.

A fresh Five Year Agreement in replacement of the expiring one has been negotiated with the Employees Union and is now in the final stage of drafting. It is hoped that the New Agreement would bring in improved operations on the part of the Company and even better relations with its workers.

It was with deep sadness and a sense of personal loss, that the news of the sudden demise of Mr. G. H. B. Wilson, in an unfortunate car accident was received in December. Many of you, who also knew him must have felt the loss acutely. Mr. Wilson was a man of rare vision whose interest in the cause of spreading cycling gained for him the soubriquet of "Mr. Bicycle" in his own country—and for India its thriving bicycle industry.

I would extend a welcome to Mr. D. P. Harris, the Works Director of Raleigh Industries Limited who now joins our Board. The experience Mr. Harris brings to this Board would be of great value to the Company in its efforts to tide over its present difficulties.

We were very pleased to receive a visit from Mr. R. D. Young, the Chairman of Raleigh Industries Ltd. Although fleeting, the visit was extremely helpful, and it is hoped it would be the precursor of many more in future.

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

CAPITAL, 2nd April, 1964.

New Delhi

F.A.C.T. GETS LETTER OF INTENT FOR MAKING CHEMICAL EQUIPMENT

(FROM OUR NEW DELHI CORRESPONDENT)

THE Government of India, it is learnt, has issued a letter of intent to Messrs Fertilisers and Chemicals, Travancore Ltd. in Alwaye, Kerala—a Company jointly owned by the Central Government, the Government of Kerala and a few other State Governments—for setting up a workshop for the manufacture of pressure vessels and other items of chemical equipment. Further steps are being taken for creating additional capacity for manufacturing various types of machinery in the light of the targets fixed for the third plan and the likely requirements during the fourth plan period.

In September 1963, the Government of India constituted a working group for fertiliser and chemical equipment to advise it on the manufacture of equipment for fertiliser, petroleum refining, petro-chemical and other heavy chemical industries during the fourth plan period. The following is a summary of the interim recommendations of the working group. The targets of increase in production during the fourth and fifth five year plans should be fixed as follows:

(a) Two nitrogen factories each with 100,000 tons' capacity a year should be established every year.

(b) P₂ O₅ capacity should be increased every year by 100,000 tons a year.

(c) The sulphuric acid capacity should be raised every year by 350,000 tons a year.

(d) Caustic soda and soda ash capacities should be raised every year by 70,000 tons each a year.

(e) The petroleum refining capacity should be raised every year by 2 million tons a year.

The working group says that a modest estimate of the requirements of medium pressure vessels and allied specialised mild steel and stainless steel equipment required for establishing the above capacities would be of the order of 40,000 tons to 60,000 tons a year. A preliminary study of the capacity available for this purpose has shown the following:

(a) there is as yet very little capacity established for the purpose;

(b) the expansion programme contemplated by the existing structural shops are far too inadequate to meet even a sizeable fraction of the total requirements;

(c) there is an urgent need for establishing capacity solely for the manufacture of such equipment; and

(d) the volume of equipment required will call for the establishment of at least two, if not three, units each capable of producing about 10,000 tons to 12,000 tons of such equipment a year on a single shift basis.

As reported earlier, the Government has approved the proposal of the Fertilisers and Chemicals, Travancore Ltd. to establish a fabrication shop in Alwaye for the manufacture of pressure vessels, stainless steel equipment and heat exchangers in collaboration with Messrs Davy-Ashmore of the U.K. The shop will have a capacity of 2,260 tons to start with.

The shop proposed should be able to take up the manufacture of medium pressure vessels, stainless

steel equipment and heat exchangers. These items are required in almost all chemical industries. The capacity aimed at in the first stage is as follows:

Item	On a single shift basis (In tons)
M.S. medium pressure vessels, heat exchangers, pipings ...	3,000
M.S. normal pressure vessels ...	1,000
Stainless steel vessel for normal and medium pressure service ...	1,000
Stainless steel foundry	200

The capacity of the shop can be raised gradually to 10,000 tons to 12,000 tons a year. An assessment of the growth prospects of such industrial groups, namely, fertilisers, petroleum refining and petro-chemicals for the next ten years is roughly as follows:

Item	New additional production capacity (tons a year)	Unit capacity (tons a year)	No. of units a year
Fertilisers			
Nitrogen	200,000	100,000	2
P.O. ₅	100,000	25-35,000	3-4
Sulphuric acid (for P.O. ₅ fertilisers and other miscellaneous uses)	350,000	60,000	6
Petroleum			
Petroleum refining	2 million	2 million	1
Petro-chemicals			
(a) Synthetic rubber			
(b) Polyethylene and P.V.C.			
(c) Synthetic fibres			
(d) Solvents			

The group has suggested the launching of a new project during the third plan itself. An analysis of the missing gaps and the pressing requirements in the immediate future is indicated as follows:

(a) Fabrication of the chemical plant and vessels and equipment for medium pressure services up to 30 kg/cm² operating pressure.

(b) Stainless steel vessels for normal and medium pressure services up to 8 atm. working pressure.

(c) Heat exchangers, both carbon steel and stainless steel for operating pressures up to 30 kg/cm².

Furthermore, it would be an advantage to have two ancillary shops, namely (i) pipes and pipe fittings; and (ii) highly specialised stainless steel castings. These are too small to sustain independent viable units, but are specialised and will require highly trained manpower, special inspection and testing facilities and a highly quality-conscious management.

The pipes and pipe fitting shop will largely concentrate on pre-fabricated pipes of medium pressure service (the straight pipe lengths being obtained from pipe manufacturing plants in Rourkela, Jamshedpur, Cuttack, etcetera) inclusive of elbows, bends, reducers and tees. At a later stage, the shop will also take up the production of standard flanges, and possibly cast steel valves.

The foundry for stainless steel castings is intended to meet an important gap in the production of stainless steel valves, stainless steel pumps and stainless steel flanges and other miscellaneous castings. At

present, all these important items are imported. There is also a growing demand for these items to meet the normal spares requirement of the existing factories. The foundry will also use the stainless steel scrap from the vessel and heat exchanger shop and will thus afford an opportunity for integrated and economic operation. The foundry for stainless steel castings will be able to carry out specialised types of castings required for the chemical industries. A capacity of 200 tons a year has been provided. The stainless steel foundry provided in the project should, it is expected, be able to meet the demand for highly specialised types of equipment as well as special stainless steel valves, fittings, etcetera, during the fourth plan period.

An initial capacity of 5,000 tons a year comprising dished pressed parts, heat exchangers, pressure pipes and pipe fittings, stainless steel fabrica-

Unit capacity (tons a year)	No. of units a year
100,000	2
25-35,000	3-4
60,000	6
2 million	1
Roughly one such industry during the fourth plan	

tion work as well as foundry for stainless steel castings, has been recommended. This has been done in order to obtain the maximum results within the shortest possible period. It will, however, be necessary to plan this shop for future expansion in the third year of its operation to 10,000 tons to 12,000 tons.

Foreign Collaboration

Foreign collaboration is required for specialised fabrication techniques. This can be secured on the basis of either payment of royalty or by persuading the foreign firm to participate in the equity capital of the new company. In case the foreign firm does not show an inclination to participate in the equity capital, the negotiations may be confined to the continuous supply of know-how on fabrication techniques on the basis of a royalty to be decided by mutual agreement.

It is estimated that the capital investment required is Rs. 3.07 crores. An amount of Rs. 1.18 crores has also to be provided for towards working capital. Thus the total investment required will be Rs. 4.25 crores. The project needs a provision of Rs. 1 crore as foreign exchange.

Out of the total investment of Rs. 4.25 crores, Rs. 2.25 crores may be raised as equity capital, and the rest in the form of loans. These loans could be availed of in the form of Rs. 1 crore as long-term loans and the balance of Rs. 1 crore in the form of cash-credit accommodation from commercial banks.

Out of the equity capital of Rs. 2.25 crores, if foreign participation is forthcoming, Rs. 1 crore may be re-

served for the foreign collaborator and the rest for the Government or public subscription depending on whether the project is taken up in the public or private sectors.

The total capacity of the shops and the approximate value of the fabricated equipment is as follows:

Shop	Tons a year	Value of annual production (Rs. 000,000)
Normal pressure vessels at Rs. 2,000 a tonne	1,000	2
Medium pressure vessels, inclusive of pressed parts, heat exchangers, pipes and pipe fittings (at Rs. 5,000 a tonne)	3,000	15
Stainless steel fabrication (at Rs. 22,000 a tonne)	1,000	22
Stainless steel castings (at Rs. 25,000 a tonne)	200	5
	5,200	44

The total annual turnover will thus be of the order of Rs. 4.4 crores from the ultimate capacity of the shop at 5,200 tons a year as shown above.

SHIPBUILDING

The Cochin Yard

An Indian delegation will visit Japan in April to sign an agreement on the construction of the second shipyard in Cochin, it is announced here.

EXPORTS

Diversion Reported

Reports have gained currency in India and abroad that in a few cases, some of this country's traditional products such as deoiled cakes, cashewnuts, jute goods, and black pepper have been sold by some of the importing countries at third country ports while in transit to destinations in eastern Europe. The Government is carefully examining these reports. Such complaints have also been brought to the notice of the Governments concerned with reference to the provisions in the trade agreements.

It is explained that in the absence of precise material on this point, it is difficult to give an assessment of the diversion of such exports. It was, however, claimed that against such exports, India was importing essential items from the countries concerned.

WORLD BANK

Time-limit for Loan Extended

The World Bank has agreed to extend the time-limit up to 30th September, 1965, of the disbursement of its loan to private collieries. Originally, a sum of Rs. 14.29 crores, out of the total loan of Rs. 16.67 crores, was to be used by 31st July, 1963. The delay in the use of the loan may not have any serious adverse effect on the production programme. But the modernisation of collieries has undoubtedly slowed down. If the entire loan is now utilised by the revised date, the benefits of modernisation will be felt only during the fourth plan.

N. C. D. C.

Pact with Poland

The National Coal Development Corporation has entered into three agreements with Messrs C.E.K.O.P. of Poland. The first one is for the supply of shaft sinking equipment at a cost of Rs. 56.18 lakhs. The second one relates to the supply of a project report and detailed designs and drawings, valued at Rs. 4.35 lakhs. The third one is for making available Polish specialists to supervise the shaft sinking work. Their salaries, etcetera, will be paid by the N.C.D.C.

Shaft sinking operations at the Moonidih mine commenced on 17th March, 1964. The mine will have an

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ultimate production target of 2 million tonnes a year. The mining will be done by caving method.

COAL

Estimate of Reserves

According to the assessment of an expert committee, the reserves of Class I (namely, Selected A and Selected B) coal with ash content of up to 17 percent in these coalfields are as follows:

	(In million tonnes)
Jharia ...	661.79
Raniganj ...	418.71
East Bokaro ...	23.01
	1,103.51

HEAVY ELECTRICALS

Making High-pressure Boilers

The Heavy Electricals (India) Ltd., Bhopal, is setting up a plant for the manufacture of high-pressure boilers for a capacity of 650,000 kilometres a year to suit 100 to 120-megawatt and larger-sized steam turbines in Tirunelveli, Tiruchirappalli district, Madras State. The plant is expected to commence production early in 1965.

The Government of India has approved the expansion of the Bhopal plant for the manufacture of steam turbines and turbo-alternators for a capacity of 600,000 kilometres a year with the present collaborators, Messrs Associated Electrical Industries Ltd., of the U.K.

SWEDEN

Delegation Expected

A delegation of co-operative societies from Norway and Denmark visited India in February-March this year to explore business prospects. A similar delegation from Sweden is expected later this year.

Indian coffee is finding an expanding market in Norway and tea in Sweden. Indian spices are being increasingly bought by Sweden and cotton textiles by Denmark.

JUTE

Delegation for Africa

A shippers' delegation will be visiting north and west African markets in April 1964 to study their requirements of jute goods. Quality control and preshipment inspection have also been introduced on a voluntary basis with a view to ensuring the requisite quality of goods exported to all destinations.

WHEAT

New Zones Formed

The Government of India announced its decision last week to form wheat zones in the country with immediate effect. The Government considers that the formation of such zones is necessary in order to conserve supplies of wheat in the important consuming areas and to concentrate on the areas of shortage in which the Government could distribute supplies of imported wheat from Central stocks. The following wheat zones have been formed:

(1) Punjab and the Union Territories of Delhi and Himachal Pradesh. Export of wheat and wheat products from this zone to Jammu and Kashmir will be permitted. (2) Uttar Pradesh; (3) Rajasthan; (4) Madhya Pradesh; (5) Bihar; (6) Maharashtra. Export of wheat and wheat products from this zone to Goa will be permitted; (7) Gujarat; (8) Southern States of Andhra Pradesh, Madras, Mysore, Kerala and Pondicherry; and (9) the residual zone of the States of West Bengal, Orissa, Assam, Nagaland and the Union Territories of Tripura and Manipur.

The export of wheat and wheat products from, and import into, each

of the zones will be prohibited except under permits to be issued by the State Governments with the concurrence of the Central Government. The intention is that such permits should not be normally granted on private trade account. In the circumstances, inter-zone movement of wheat would be restricted to Government or State-sponsored accounts.

The State Governments have been asked to take measures required to enforce the zonal system and to check smuggling between States. The Government hopes that the step will not only improve the price and supply position in important wheat consuming States but also enable it to meet the needs of other States for imported wheat. Supplies of imported wheat to roller mills in all States will continue, if it is necessary, at an accelerated pace.

The formation of the wheat zones announced last week was only the first step in the Government's effort to control the rise in prices. Another measure which it intends to take is the enforcement of the ceiling prices for wheat and rice as soon as the circumstances require.

Procurement Prices Revised

The Government has reviewed the procurement prices obtaining in different States and has revised those in force in Andhra Pradesh, Madras, Madhya Pradesh, Assam and Uttar Pradesh. The revised price a maund for the common variety of rice in these States is as follows (the price prevailing before this revision is given in brackets):

Andhra Pradesh—Akkullu—Rs. 19.50 (Rs. 17.50); Madras—Kattai Samba—Rs. 19.25 (Rs. 17.25); Madhya Pradesh—Gurmatia—Rs. 17 (Rs. 16); Assam—coarse—Rs. 19.39 to Rs. 20.59 (Rs. 18.39 to Rs. 19.59); and Uttar Pradesh—Gadri—(Grade IV)—Rs. 17 (Rs. 16).

Corresponding changes have also been made in the prices of other varieties of rice on the basis of the existing differentials.

India has signed an agreement for the purchase of 150,000 tonnes of Burmese rice. The quality of rice is Ngasein full-boiled variety. Shipments have to be completed by the end of September 1964, the price being payable in pound sterling.

An agreement was signed on 25th December, 1963, for the import of 35,000 metric tons of rice from the United Arab Republic. The shipments would be made at a monthly rate of 10,000 metric tons starting from February 1964.

CAPITAL ISSUES

Consents Granted

According to official information, the Controller of Capital Issues sanctioned 95 consents for raising capital amounting to Rs. 87.33 crores during the last quarter of 1963. One hundred and three consents for Rs. 82.88 crores were given during the corresponding quarter in 1962. During the quarter, 118 applications for a total of Rs. 86.30 crores were received, against 125 applications for Rs. 139.73 crores during the same period in 1962. In the third quarter of 1963, 146 applications were received involving a total amount of Rs. 125.43 crores.

Of the 95 consents granted in the fourth quarter of 1963, 14 were given to Government companies for a total amount of Rs. 36.08 crores and 81 to non-Government companies involving an amount of Rs. 51.25 crores. The distribution of consents given to non-Government companies ac-

cording to the type of security is as follows:

	(In Rs. crores)
Equity ...	28.69
Preference ...	2.97
Debenture ...	4.42
Bonus ...	3.82
Loans, etcetra ...	11.35
	51.25

During the entire calendar year 1963, 475 applications were received for issuing capital amounting to Rs. 624.88 crores, against 506 applications involving Rs. 429.08 crores during 1962. Four hundred and ten consents were issued by the Controller of Capital Issues in 1963 for Rs. 544.31 crores, against 447 consents for Rs. 381.49 crores in 1962.

Out of the 130 consents amounting to Rs. 126.90 crores granted to companies for the issue of capital for the first time during 1963, 54 consents for a total amount of Rs. 62.76 crores involved foreign participation to the extent of Rs. 21.15 crores. During 1962, 65 consents for Rs. 52.55 crores involved foreign participation of Rs. 15.59 crores in initial issues.

TRACTORS

Import from Russia

India proposes to import in all 1,403 tractors from Russia during 1964. The types of tractors to be so imported and the c.i.f. price a unit are as follows:

Model	c.i.f. unit price	Quantity
DT-14B	Rs. 3,500	700 Nos.
DT-28	Rs. 6,250	100 Nos.
MT Z5	Rs. 8,500	553 Nos.
Byelarus MT Z50	Rs. 10,620	50 Nos.

POWER

Schemes Approved

The Planning Commission has so far accepted in principle the following ten power schemes proposed for the fourth plan for advance action in the current plant:

Name of State and Project	Installed capacity	Estimated cost (Rs. lakhs)	Year of commissioning
Andhra Pradesh:			
1. Kothagundam extension (thermal) ...	120 MW	1077.86	1967-68
2. Ramagundam extension (thermal) ...	200 MW	1450.00	1967-69
Gujarat:			
3. Dhuvaran extension (thermal) ...	250 MW	2276.15	1967-69
Madras:			
4. Kodayar hydro-electric scheme	90 MW	*775.89	1968-69
5. Basin bridge power-station (thermal) ...	30 MW	288.79	1966-67
6. Neyveli extension (thermal station to be executed by the Neyveli Lignite Corporation)	200 MW	2265.00	1967-69
Maharashtra:			
7. Purli power-station (thermal) ...	60 MW	723.00	1967-68
8. Nasik power-station (thermal) ...	280 MW	2300.00	1967-69
Uttar Pradesh:			
9. Harduaganj Extension (thermal) ...	100 MW	1184.00	1967-68
West Bengal:			
10. Durgapur coke-oven (sixth unit—thermal) ...	150 MW	1201.34	1967-68

SOCIAL SECURITY

New Committee

The Government of India has constituted the committee on social security measures with the following:

Mr. V. T. Dehejia, Secretary to the Central Ministry of Finance, Depart-

CAPITAL, 2nd April, 1964.

ment of Revenue and Expenditure—chairman; Mr. P. M. Menon, Secretary to the Ministry of Labour and Employment; Mr. L. P. Singh, Special Secretary to the Ministry of Home Affairs; Mr. P. C. Mathew, Special Secretary to the Ministry of Finance; and Mr. G. C. Katoch, Joint Secretary to the Ministry of Finance—(member-secretary). In addition, Mr. S. Bhoothalingam, Secretary to the Department of Economic Co-ordination, and Mr. B. N. Datar, Chief of the Labour and Employment Division of the Planning Commission, are associated with the work of the committee.

The matters referred to the committee relate to the formulation of social security measures for Government servants (Central and State) and generally for all employed persons, in relation to: (a) pensions and allied benefits for the family; (b) educational facilities for children of Government employees; (c) medical facilities; (d) housing facilities; (e) financial security in terms of purchasing power; and (f) old age pensions, etcetera.

The committee considers each item from time to time after collecting relevant facts, and makes its recommendations to the Government.

NEW ZEALAND

World Trade Fair

The Government of India has decided to participate in the New Zealand second international trade fair to be held from 20th August to 5th September in Wellington, New Zealand. So far, India's exports to New Zealand have largely been on a traditional pattern with jute, cotton goods, tea and tanned leather accounting for nearly 90 percent of exports to that country. There are good prospects for the diversification of the trade by introducing new items. Imports into New Zealand from the Commonwealth countries enjoy the British preferential tariff and the "most favoured nation" treatment.

CAPITAL, 2nd April, 1964.

London

N.E.D.C. PRODUCES A PROGRESS REPORT ON U.K. ECONOMY

(FROM OUR LONDON CORRESPONDENT)

ident until it has seen the stop-go spell broken.

Higher Productivity

The progress report states that during this year, productivity may come close to hitting the 3.2 percent annual increase rate on which depends the achievement of the 4 percent annual growth target set by the National Economic Development Council. Sir Robert Shone reports: "During 1964 it is probable that demand will continue to increase at a high rate. There is likely to be a large increase in fixed investment, both public and private, a high level of stockbuilding and a substantial growth of public consumption and consumer expenditure; exports should be helped by a continued expansion of world trade, although they are likely to grow more slowly than imports. In the circumstances, there is likely to be a substantial increase in output and employment, and there are also grounds for believing that there will be a good rise in productivity which could bring it close to the trend line implicit in the growth programme."

Output, however, could not continue to increase indefinitely at the present high rate as this depended to a considerable extent on the bringing into use of under-employed resources and was more than the average rate required to achieve the growth programme during the rest of the period until 1966. Measures to adjust demand to a sustainable rate of increase would have to be taken in good time so that they were not too abrupt. There had been occasions in the past when a rapid economic recovery had been followed by years of more or less static production and productivity. Prospects were in certain respects more favourable on this occasion, but this would depend on the solution of eight difficult problems:

Investment in manufacturing: Several of the 17 major industries consulted by the N.E.D.C. office feared that steady and rapid growth would not be sustained. One of them, the report reveals later on, was the motor-car industry. Unless these industries could be convinced to the contrary, there might not be sufficient investment to maintain rapid growth after 1966. Therefore, it would be necessary to convince businesses that expansion would not be sharply checked and to consider as soon as practicable the rate of growth likely to prove feasible in the longer run.

Stocks: Heavy investment in stocks seemed likely in the years ahead as stockbuilding had been low during the last two years. This would place a considerable burden on the nation's resources and on the balance of payments. It was important that everything possible should be done to economise in stocks.

Savings: Consumer expenditure would need to be a smaller share of the growing national product in the next few years if there were to be sufficient savings to support the rapid increase in investment. Measures might be needed to stimulate private savings or to increase Government savings.

Construction: This was a sector of the economy in which demand in the years ahead now seemed like-

ly to be even higher than had been estimated a year ago. The construction industry faced an exacting task. It would be necessary to train more skilled workers, apply new building methods, and substantially increase productivity.

Manpower: Skilled manpower shortages had already appeared and many of the 17 industries consulted expected them to become more widespread and acute. It was essential that manpower should be used as efficiently as possible. The N.E.D.C. intended to review at an "early opportunity" the progress of work on the forward planning of labour requirements, training, mobility, preservation of pension rights and financial provisions for redundancy.

Unemployment Rates

Regional balance: The rate of unemployment in the less prosperous regions was still more than two and a half times the rate elsewhere. A more balanced demand for labour was necessary to make fuller use of the resources of the less prosperous regions, which contained an important part of the nation's remaining reserves of manpower, and it was important for the achievement of the growth programme that industry should seize the opportunity to expand in these regions.

Balance of payments: The outlook for world trade in manufactures in 1964 was promising and there had recently been encouraging increases in export orders. Nevertheless, the rise in exports was likely to be less than the rise in imports. "Since there was a surplus on current account in 1963, the worsening in the trade balance is unlikely to put the current account into substantial deficit in 1964. But allowing for long-term capital movements, there is likely to be a significant overall deficit. While such a deficit could be financed or contained for a time, it is essential for the continued expansion necessary to achieve the growth programme that any deficit should be seen likely to be, and in fact prove to be, temporary."

If exports failed to increase by 5 percent a year, there would be a serious danger that the expansion of demand would have to be held below the rate required by the economic growth programme. It was vital that further efforts should be made to expand exports. The Council intend-

ed to study the development of imports, particularly of manufactures, in the hope that goods which were now being substantially imported might be produced competitively at home.

Prices and incomes: Britain could not afford more than a very slight increase at most in the general level of costs. A policy of broad stability of prices needed in the first instance to be based on the successful achievement of higher efficiency and productivity. On this basis, real incomes could increase faster than in the past and prices could be kept stable if aggregate incomes, including profits, wages and salaries, did not increase faster than national output.

The Council, says the report, had fully discussed these questions and had recognised responsibilities on incomes—as well as prices—that had to be widely shared over the whole community. But there were difficult problems of expressing the varying responsibilities in detailed terms when they concerned so many different groups. An answer must continue to be sought as it was one of the "key elements" in sustained growth.

The Challenge of Growth

In a passage headed "The Challenge," Sir Robert states: "For the growth programme to succeed, the essential needs are a faster rise in productivity and in efficiency generally, a stable level of costs and prices, a more rapid growth in exports, and a lower growth in imports through more effective competition from home producers and economies in stockbuilding. ... The modernisation of industry must be speeded up and more savings will be required to finance the growing investment of all kinds."

"In the longer run, the rate of growth that can be achieved will depend on the extent to which new conditions can be created to secure a large and sustained rise in productivity. The next 12 to 18 months will, however, present a particular challenge. ... There are opportunities this time of avoiding the difficulties which have checked growth in the past, but this will not be easy. It will require constructive effort in many directions and the widespread acceptance of new responsibilities. If it proves possible to break through the stop-go cycle, the confidence engendered, and its effect on investment and on willingness to accept measures to raise efficiency, should substantially improve prospects for longer term growth."

In a more detailed section on the balance of payments, the report says that the estimate of the annual increase in imports over the growth period had had to be revised from 4 percent to 4.7 percent after a year's experience and if Britain's competitive position failed to further improve even this figure might be exceeded.

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THE NEED TO MASS-PRODUCE MINI-TRACTORS IN INDIA

By Robert W. Brock

The trade policies of the developed economies are proving increasingly unhelpful to the developing nations. A country like India must, therefore, change her present pattern of development, and go in for products which could be at once useful for her progress and provide some export earnings. In Mr. Brock's view, the mini-tractor is one such item, which deserves to be mass produced in this country.

INDIA and other developing countries have little reason to take an optimistic view of the probable outcome of the current U. N. Trade and Development Conference, and of the discussions. The least probable of all the many possible results is any organised or substantial expansion of Western markets for Eastern manufactures. The whole trend of current discussions and programmes is towards fuller and freer trade, not between the developed and developing countries but among the developing countries—between the U.S.A. and European Six and in Europe, between the Six and the Seven. Even the Russian bloc is focussing, both for economic and political reasons, on programmes designed wholly to multiply own commercial and financial links with the Western countries. Meanwhile, because of differing interests, the developing countries have no joint programme whatsoever.

As no developing country is relying more heavily than India on the reduction of Western import restrictions on "cheap" manufactures, it may be worthwhile to indicate why this legitimate hope is unlikely to materialise. As emphasised by the eminent American economist, Sidney Dell, in his book, *Trade Blocks and Common Markets* there is a sharp contradiction in the fact that while the developed countries appear to be quite ready to free their imports of manufactures from one another in the interests of a competitive market, they seem determined to control corresponding imports from underdeveloped countries. As he comments: "Particularly striking in this connection is the provision in the United States Trade Expansion Act of 1962 whereby tariffs may be eliminated on items in which the United States and Common Market countries together supply 80 percent of the world's trade. The elimination of tariffs is thus not intended for those items in which over 20 percent of world trade is supplied by the underdeveloped countries. In the developed countries, the excuse offered for keeping out imports of manufactures from the underdeveloped countries is that the latter pay very low wages. But differences in costs are precisely what make international trade. But this is only another way of loading the dice once again in favour of the developed countries, as on so many other scores. Moreover, if countries refrained from trading with other countries where labour was cheaper, virtually all the world's trade would have to stop. For the United States would refuse to import from Sweden, Sweden from Britain, Britain from Italy, Italy from Japan—and so on down the scale of labour incomes until the bottom is reached."

This writer is not suggesting for one moment that these phoney pretexts for limiting Western purchases of Indian manufactures justify any cessation of effort by the Indian Government or by Indian exporters in any category. The fact remains that the old pre-independence, or prewar, channels of trade are gradually silted up, and that if any substantial overall expansion in Indian exports is to be achieved the manufacture of

new products for new markets offers incomparably the best chance of progress. Mass production of peasant tractors in India, for domestic and export purposes, offers one major line of development in pursuance of that dynamic objective. And that form of production, designed to give a powerful impetus both to agricultural output and to export earnings, can begin to take shape as soon as the Government of India guarantees the necessary manufacturing facilities.

As attested by every official and non-official analysis (including the authoritative contributions to *Capital's* 75th Anniversary Number) in its present anemic condition Indian agriculture requires, and urgently, not only a "shot in the arm" but in several other parts of its anatomy for good measure. And only the Government of India, in close collaboration with the Indian steel and engineering industries, can make these galvanising injections available for application. One may even go further and assert categorically that unless the steel and engineering industries, in which so much capital has been invested, now make it their first and foremost task to mechanise agricultural production, in terms of food and cash crops alike, they will be evading the earliest and most substantial contribution they could make to the creation of a self-sustaining, and self-propelled, national economy.

Over the greater part of the country the buried fertility of Indian soil will not yield its full potential until power-cultivation is fully applied. When co-operative cultivation gets into its full stride, every farmer's co-operative will become a productive *panchayat* in its own right and by its own effort. When that day dawns, Mother India will cease to be also Mother Hubbard, and, after centuries of privation, no food cupboard will be bare.

A Peasant Tractor

To come back to earth, literally as well as metaphorically, if India is prepared to mechanise agriculture by mass production of peasant-size tractors, there are to quote the *New Commonwealth* magazine, some revolutionary models on the way which may be undergoing overseas tests in the near future. For example: One such model was demonstrated to a group of experts in Bedfordshire on 25th April. It is a simplified job designed specifically for use in underdeveloped countries. Made by the Trojan firm of Croydon it is as nearly fool-proof as such a machine can be. A three-wheeler, powered by a 7 horsepower petrol or diesel engine, it has a front-mounted tool bar—a tremendous advantage in that the driver, perched between the three wheels, can see exactly where he is going, and what he is doing. Plough, inter-row cultivator, ridges spraying equipment and other implements can be fitted to the front tool bar or can, if necessary, be attached to a mid-rib of the construction below the driver's feet. Steering is by a tiller bar and it can safely be used for normal farm transport...and the price f.o.b. works out at under £200."

A tractor of this type, produced in the U.K., would probably cost £250 delivered to upcountry recipients in India. Mass-produced in India, it could be produced for a maximum of £150—probably less, allowing for the lower prices of Indian steel, and also for lower wage costs. It would be uneconomic, to say the least, to base mechanisation of Indian farming on imported equipment. In any event mass-production of Trojan tractors in India depends wholly on the outcome of negotiations already initiated. If Delhi applies the brake, production will be deferred. If Delhi steps on the accelerator, it can begin without any avoidable delay.

In Western countries, tractor manufacture is based on competitive production carried to fruition by competitive salesmanship. In India, minimum price levels will be achieved only by monopoly production of one standardised model (including standardised spares) rounded off by monopoly distribution. In other words, one Indo-British firm should be the sole manufacturer, and the Government of India should be the sole buyers and distributors, basing delivery prices on an agreed cost-plus basis.

In the U.K., the Government pays roughly £300 million a year to 300,000 farmers to produce 50 percent of the food requirements of 50 million people: each farmer producing, on average, enough to feed 30 fellow-citizens. With some knowledge of both countries, this writer is inclined to think that, over and above present allocations to farm development, the most profitable form of agricultural subsidy in India would be achieved by the Government of India bearing the capital cost of all peasant-tractors produced, leaving the farm co-operatives to carry operational and maintenance costs, employing drivers recruited and trained by the Central or Provincial Governments.

At £150 a tractor, the cost of making a tractor available in every one of India's 500,000 villages would represent a negligible addition to the country's overall development expenditure, but would produce a considerable and permanent impact, psychological as well as economic, on India's rural population and economy. When bullock-power is displaced by mechanised horse-power, and villagers become "mechanically-minded", the long march to modernisation of farm production will at least begin.

Multi-purpose Vehicles

Tractors in Indian villages would become multi-purpose vehicles. With their power take off attachments, they would embody portable power, operating as mechanised "men-of-all work" on tasks too varied, but also too familiar, to need enumeration. Furthermore, tractors-plus-trailers could operate as short-journey conveyors of "input" and "output" materials over tracks impassable to commercial vehicles—and most rural roads fall into that category. On major routes, the task is to adapt roads to the available vehicles. In and around the villages, there is the simpler and less expensive task of distributing vehicles adaptable to the available roads (or substitutes for roads). Peasant tractors come into the latter category. This writer has

CAPITAL, 2nd April, 1964.

a production target of 1 million tractors a year, as soon as practicable, to cover export as well as domestic requirements, based on the calculation that export demands would expand as the initial internal requirements were satisfied.

If co-operative cultivation proves practicable and profitable in India, there is no overt reason why the same pattern should not emerge in most more or less contiguous countries east and west. As a topical example, it may not be inappropriate to take east Africa, and to assume, for the sale of discussion that, instead of employing under-paid soldiers, it might promote both peace and prosperity to employ reasonably well-paid tractor drivers operating Indian-made peasant tractors on the co-operative cultivation of peasant farms. In that event, one would assume an inter-Governmental transaction, between the Government of India and the three Governments in east Africa; payment taking the form of payments into India's sterling balances by the U.K. Government as the cheapest and most productive form of "economic aid" to the three countries which have recently acquired political independence.

The French memorandum for the Geneva Tariff Conference is under favours the continuation and extension of existing preferential trade arrangements between particular groups of under-developed countries and industrialised ones. On that basis, the Six will give most of their "economic aid" loans and grants to their "Associated" African countries.

Analogously, the U.K. and Commonwealth countries which have recently found it necessary to develop closer collaboration in terms of defence, will find it even more essential to develop closer economic links, an to do so on a mutually profitable basis.

In a recent White Paper, the U.K. Government adopted an attitude of unctuous pride in the fact that whereas most American and Continental "aid" is "tied" only one quarter of U.K. "aid" is "tied". Indeed, it went further and almost sought "economic aid" for the U.K. by suggesting that if American and Continental aid was able to compete for the contracts thus financed. How unrealistic is it possible to become? If 80 percent of American aid was not "tied", thereby becoming an export subsidy, it would never secure Congress ratification. The same political factor governs Continental aid. Current U.K. investment in Commonwealth development will remain on its present powerfully low level until the same powerful impetus is applied. In a world in which three continents out of five remain undeveloped investment and exports are increasingly interdependent and it could not be otherwise.

Freedom from Hunger

Eastern countries will only achieve "freedom from hunger" when the richer countries achieve "freedom from humbug—political and economic". At the World Food Congress the great Swedish economist Gunnar Myrdal spoke with justifiable contempt of Western "aid", masquerading as political philanthropy, although in fact it represented highly profitable business for the donors. On another occasion he declared: "I cannot overcome the temptation to repeat my quotation from the Bible: 'For unto every one that hath shall be given, and he shall have abundance: but from him that hath not shall be taken away even that which he hath.' That there is a tendency inherent in the free play of market forces to create regional inequalities, and that the tendency becomes the more dominant the poorer a country is, are two of the most important laws of economic underdevelopment, and development under *laissez-faire*."

CAPITAL, 2nd April, 1964.

Jute

STRESS ON QUALITY NEEDED IN MAKING CARPET-BACKING CLOTH

THE production of carpet-backing cloth in India has been increasing faster than the demand for it from the U.S. tufted carpet industry, said Mr. William A. Nugent, the I.J.M.A. representative in North America and the vice-president of the U.S. Burlap Council, at a Press conference held on the eve of his departure from Calcutta last week. Mr. Nugent said that more stress should be laid on quality rather than on quantity in producing carpet-backing cloth. The importance of quality and competitive prices cannot be over-emphasised in a fastidious and sophisticated market where the threat from substitutes and of competition from other producing countries always exists. Mr. Nugent was optimistic that the voluntary quality control and inspection scheme introduced by the I.J.M.A. would create a favourable impression on U.S. consumers.

Speaking on the outlook for burlap in the U.S.A., Mr. Nugent said that the country recorded an increase of about 10 percent in the production of carpets alone. In view of the continuing boom conditions in the U.S. economy, there is reason for being optimistic about the burlap prospects in that country. The development work now being carried on in the U.S.A. by the I.J.M.A. is expected to stimulate the demand further.

The Major Grievance

The major grievance of the U.S. buyers, Mr. Nugent said, is the inordinate delay in settling arbitration proceedings in Calcutta. Many customers find it difficult to make representations to the arbitration committee. So they have been demanding the holding of such proceedings at the point of unloading, but the Calcutta Jute Fabrics Shippers Association did not agree to this proposal. Mr. Nugent said that as a result of his discussions with the C.J.F.S.A., it has now been agreed that the Association will recognise mutually acceptable surveyors. Their reports on quality, measurements and other relevant aspects of the cases in dispute will be considered by the arbitration committee at the time of hearing. The C.J.F.S.A. contract form will be amended accordingly. The contract form of the East India Jute and Hessian Exchange Ltd will also be modified suitably.

Raw Jute Exports

Addressing the Calcutta Hydraulic Press Association last week, Mr. J. R. Modi, chairman, said that exports of lower grade jute from India would help her earn foreign exchange with which she could pay for the import of good quality long jute and cuttings from Pakistan. Pleading that such exports should be encouraged, he urged the Government to announce further relaxation of controls, within the quality restrictions at present obtaining. Up to the end of February 1964, 291,090 bales were packed, against 243,667 bales in the corresponding period of 1963. The final figures for the last season reached the "impressive" total of 416,777 bales, which was almost equal to that for the record year of 1959-60 with a total turnover of 417,075 bales.

Of the baling done this season, exports absorbed 74,900 bales, against 115,000 bales registered so far. These figures are hardly satisfactory from the standpoint of the industry.

Nevertheless, the acceptance of raw jute exports as part of official policy is welcome. Other welcome measures, Mr. Modi said, are the abolition of a fixed overall quota for exports which are now licensed on an *ad hoc* basis after proper scrutiny of quality and prices; the withdrawal of the export duty of Rs. 15 a bale and the elimination of official intervention in the actual sale. But the chairman regretted that business was still confined to a few of the rupee-payment countries, and some among these were even refused supplies. There was almost no business with a large number of countries from which foreign exchange could be earned by direct trade. As a large number of countries were interested in importing raw jute from India, it was necessary to take proper steps to expand the volume of trade.

Decline in Fibre Arrivals

In February, there was a decline in the arrivals of raw jute in Calcutta and mill stations to 575,590 bales from 728,230 bales in January. Imports of Indian jute declined from 717,530 bales to 567,770 bales, while those of Pakistani jute fell from 10,700 bales to 7,820 bales. In February 1963, arrivals totalled 613,230 a year, consisting of 604,590 bales of Indian and 8,640 bales of Pakistani fibre. During the eight-month period ended February 1964, total arrivals were 5,133 million bales, against 5,235 million bales for the corresponding period of the previous year. Of the imports during the 1963-64 season, 5,046 million bales were from India and 86,810 bales from Pakistan. The corresponding figures for the same period in the 1962-63 season were 5,027 million bales from India and 207,570 bales from Pakistan.

THE JUTE MARKETS

Manufactured Goods: In spite of the absence of fresh overseas business on a substantial scale, the Calcutta gunny market was steadier during the past week. The shed berth, lighterage and draft conditions in the port continued to be unsatisfactory. But shippers said that fair progress was maintained in the clearance of February and March shipment cargo. A hardening trend in New York burlap prices from 11.45 cents to 11.50 cents a yard for heavy duty (duty-paid) spot and afloat hessian—combined with brisk enquiries for hessian and heavy goods from the U.S.A., Russia, the Continent, Argentina and Australia and short- and shipper-covering against due date transactions—helped prices to firm up appreciably. Mills became reserved due to the continuing firmness in the fibre market. Sentiment in the futures market was governed by the trend in the spot market. Heavy goods gained more than hessian. But the top gains were partially trimmed as the bulls booked profits at the bulges. The turnover was moderate in the spot market and fair in the futures section. The undertone was cautious, but firm at the close.

Wednesday's quotations were as follows:

	Ready	April	Apr.-	July-	Oct.-
			June	Sept.	Dec.
40in. 7½oz.	34.00	34.25	34.45	34.65	34.50
40in. 8oz.	35.70	—	—	—	—
40in. 10oz.	45.60	46.00	46.25	46.60	46.45

B Twills	112.15	113.15	113.75	114.80	115.15
Corn sacks	116.25	116.25	116.25	116.75	117.00
Heavy Cees (Plain)	113.00	113.25	113.25	114.00	114.50
A Twills	133.25	134.00	134.75	135.75	135.75
Liverpools	129.00	128.25	128.25	128.00	128.00

Total 134 795

Mo. Av. 67 66

U.S. burlap stocks (as reported to T.B.M.A.) (in million yards)

	1964	1963
Jan.	71	61
Feb.	63	78
Mar.	75	73
Apr.	68	77
May	65	76
June	60	69
July	60	68
Aug.	63	70
Sept.	67	80
Oct.	68	79
Nov.	66	77
Dec.	65	75

Total 135 913

Mo. Av. 78 76

U.S. burlap stocks (estimated industry total) (in million yards)

	1964	1963
Jan.	240	266
Feb.	230	251
Mar.	261	261
Apr.	254	300
May	252	296
June	251	296
July	252	297
Aug.	235	279
Sept.	232	289
Oct.	230	272
Nov.	232	281
Dec.	245	294

Wednesday's quotations were as follows:

	Landed at Mills (Basis Bottoms)	Current Prices	T.S.D. Minimum Prices
		Rs. A Qtl.	Rs. A Md.
Assam-Agartala Jute	85.73	32.00	80.38 30.00
Northern Jute	83.05	31.00	79.04 29.50
Western Desal Jute	77.70	29.00	73.68 27.50
Selected Daissee	92.43	34.50	85.74 32.00
Assam-Agartala Tossa	88.41	33.00	83.05 31.00
Mesta:			
Assam-Northern	68.32	25.50	72.34 27.00
Local Daissee	69.66	26.00	72.34 27.00
Bihar Dist.	64.30	24.00	68.32 25.50

U.S. BURLAP CONSUMPTION AND STOCKS

U.S. burlap consumption during February was 8.8 million yards less than during January and 16.3 million yards less than in February a year ago. But the total consumption for the first two months of this year is almost equal to that of the same period last year. Last month's bag cut-up was 58 million yards and piece-goods deliveries 15 million yards, compared with 66 million yards and 23.3 million yards, respectively, in 1963. U.S. spot stocks and afloats decreased from the end of January by 7.6 million yards. At 283.5 million yards, 154.4 million yards were spots (up 3.1 million yards) and 129.1 million yards were afloats (down 11.7

million yards). Stocks represent about 3.7 months' supply.

U.S. burlap consumption (as reported to T.B.M.A.) (in million yards)

	1964	1963
Jan.	71	61
Feb.	63	78
Mar.	75	73
Apr.	68	77
May	65	76
June	60	69
July	60	68
Aug.	63	70
Sept.	67	80
Oct.	68	79
Nov.	66	77
Dec.	65	75

Total 134 795

Mo. Av. 67 66

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THE U.K. JUTE MARKETS

FIBRE REMAINS QUIET

(FROM OUR DUNDEE CORRESPONDENT)

THE raw jute market in Pakistan remained quiet during the past week. Offers of the fibre are being freely made but little buying interest is shown by Dundee spinners. The demand from Continental countries remains steady, and this is expected to continue. Dundee spinners have secured a substantial quantity of jute this season and the quality of all grades has been satisfactory. Offers of jute ex warehouse are still being made, but prices asked are higher than spinners are prepared to pay. Offers of afloat parcels are also being made.

Reports on the progress of the new crop are satisfactory. But few speculative offers are being made here, the main reason being that buyers will expect the quality of the various grades to be equal to the standards set this season. Old crop prices are at £144 for Mill Firsts, at £110 10s for Mill Lightnings, at £97 for Mill Hearts and at £82 for Grade Hearts, c.i.f. U.K. for April-May shipment. Grade Tossa-2/3 is available at £125 and Grade Tossa-4 at £108. There are sellers of Output Tossa-2/3 at £95 10s and of Output Tossa-4 at £84 10s, April-May. A few more offers of cuttings are now being made with S.N.C. at £60 10s and N.C. at £52. Mesta is steady at £85 10s for A, at £75 for B, at £69 10s for C and at £51 for cuttings, c.i.f. U.K., April-May.

No interest is now shown in Siam jute, since prices asked are considered too high for the quality of the fibre. Grade A is at £78 10s, grade B at £69 and grade C at £65 10s, delivered mill Dundee for April-May shipment.

The Calcutta goods market is also quiet and not much buying interest has been shown here of late. Quotations are at 68s 11d for 40in. 10oz. and at 51s 9d for 7½oz. a 100 yards, f.o.b. Calcutta, for March shipment, at 69s 6d and 52s April-June and at 70s and 52s 1d, July-September. B Twills are at 170s, 172s and 173s 6d for the respective shipment periods. The prices of Dundee jute yarns are firm and slightly higher rates have been paid for small quantities of some descriptions. Supplies are only available for forward delivery. The carpet trade continues to take

regular deliveries, and there is every indication that this will continue.

The cloth end of the trade is quiet. The demand for wide cloth by the tufted carpet industry is good. But ordinary hessian is rather quiet in spite of the recent order for sugar pulp bags. There is some short-time working in the heavy end of the trade due to the lack of demand for narrow sackings.

THE PAKISTANI JUTE MARKETS

FIBRE RISES

(FROM OUR Dacca CORRESPONDENT)

LOOSE jute arrivals are still poor. White grades are very scarce, and whatever is available consists largely of S.M.R. and Export Hearts. Prices have risen, but fortunately, the condition, except for one or two areas, is not bad. The pucca bale prices have also risen and cuttings have now recovered to above the overseas parity.

There has been sporadic rain, and by and large preparation of the land and sowings in certain areas are proceeding. River levels so far are slightly below last year's.

The £2 below the E.P.C. minima privilege granted to small shippers has been of great help to them. Some have already shipped so much that they have now achieved the doubtful distinction of being rated as big shippers and as such have to sell at the full minimum. Many of the so-called big shippers have, of course, considerably reduced their exports, and eventually if this system is maintained, the small shippers will become big shippers and vice versa.

It is reported that Mr. I. A. Khan will take over as vice-chairman of the Jute Board from 1st April, and it is possible that with his appointment, the new jute policy for the coming season may be announced. The trade's interest lies mainly in declarations

concerning the quota system and the E.P.C. prices.

The overseas market continues weak and inactive. Nevertheless, in the first 15 days of March, E.P.C. registrations totalled 225,834 bales. The U.K. was once again the largest buyer with 52,000 bales. Although this is largely unsold to spinners, it at least implies that stocks in Dundee are being used up. It is also interesting to note the greatly increased quantity of Export Lightnings and Export Hearts which is being bought by Dundee. Belgium bought 34,895 bales and France 16,420 bales. Poland bought 15,400 and the U.S.A. 13,600 bales, mostly of cuttings. Egypt bought 13,100 and West Germany 9,305 bales. Portugal 8,972 bales and Japan 7,000 bales. India once again came into the market, after a long absence, with a purchase of 4,098 bales. The total E.P.C. registrations up to 15th March are 3,342,271 bales compared with 3,188,147 bales last year. Exports up to the end of February totalled 2,653,084 bales, compared with 3,088,434 bales during the previous year.

The last season's total mesta registrations up to 15th March were 94,048 bales and exports up to the end of February were 26,988 bales. This season's registrations are more than 50 percent up at 161,484 bales, and exports have totalled 69,464 bales. This increase is obviously at the expense of Siam.

As forecast two weeks ago, the position in Chalna is much better and it is now possible to get occasional barges for export of raw jute. In Chittagong conditions improved for a few days, but are gradually deteriorating again. Everybody, of course, blames everyone else but the fact remains that the port authorities have had to close railway bookings for nearly a month because 54,000 bales of raw jute are awaiting export in spite of the fact that vessels are coming in and that shippers want their goods shipped.

Commodity Markets

RAINS IMPROVE OUTLOOK FOR PLANTATION CROPS

(FROM OUR SOUTH INDIAN CORRESPONDENT)

THE planting districts of south India had a few useful showers in the course of the past two weeks. These rains received after a fairly long spell of dry weather, will have a good effect on the plants and will improve crop prospects, particularly in the case of tea which suffered most due to drought conditions obtaining during the past three or four months. Planters were getting worried about the weather and they had serious doubts as to whether south India would be able to maintain her increase in tea production. Last year, south India produced 87 million kilograms of tea which was the largest on record.

PEPPER

Recovery in Prices

Indian pepper prices have recovered well. In the course of the past one month, the export grade spot delivery pepper has made a gain of about Rs. 50 a quintal at Rs. 346.50 which was the closing rate on 28th March on the Cochin market. In the futures market, May delivery has improved from Rs. 305 to Rs. 372 a quintal within the past one month.

Trade circles attribute this improvement in pepper prices to the following factors. The growers here are at present not in a mood to part with their crop for unattractive prices. It is said that the arrivals in the market this year are below normal. This is attributed to pledging of the new crop on a larger scale by the growers with the co-operative societies as the latter are now in a position to advance more money to the rural population. Distress selling on the part of the growers is less this year, according to reports from the growing centres in Kerala where 95 percent of India's pepper is produced.

As against this firmness on the part of the sellers, there were some buying enquiries from abroad. Russia and some other east European countries have lifted fairly large quantities of Indian pepper since the beginning of the season. Russia alone is reported to have bought about 4,000 tons. India's largest buyer, the United States, on the other hand, has been indifferent. She bought only about 1,000 tons, according to one report. This was really discouraging. But according to latest reports, she has started showing more interest in Indian pepper, and she is expected to enter the market in a big way soon. American buyers are said to have bought some parcels recently at prices around 35½ cents a lb. It is said that the American price ideas are still 1 cent lower than the Indian quotation so much so that there is some difficulty in doing business with that country. Indian shippers do not foresee any prospect of prices here adjusting to the American offers, particularly in view of India's present coveted position as the main source of supply.

On account of the strained relations between Indonesia and Malaysia, Singapore is not getting Indonesian pepper as it did in the past and its position as a major marketing centre for pepper has gone. Indonesia is now trying to establish new marketing outlets for its export commodities. Until the dislocation in the supply line from the Far East is removed, the U.S. and other major con-

sumers of pepper may have to depend on a larger scale on India.

In the meanwhile, the latest crop estimates place the world production of pepper in 1963 at 168.5 million lbs, 6.3 million lbs more than the 1962 output. Production in Asia from where 90 percent of the world's supply comes is put around the same level as that of 1962. The increase is credited to Africa and the United States. According to these estimates, Indian production was to the tune of 64 million lbs, against 71.6 million lbs in 1962. The decline was due to adverse weather conditions at the flowering time. Indonesia which comes next to India in the order of priority in the matter of production harvested about 46 million lbs which was substantially larger than the 1962 output of 35.3 million lbs. The Sarawak crop was lower than the 1962 output of 26 million lbs because of heavy rains and floods. Production in the Malagasy Republic and Brazil were 2.4 million lbs and 5 million lbs, respectively.

BONUS REPORT

Representation by Planters

The United Planters Association of Southern India has urged the Central Government through a recent memorandum to withhold approval to the recommendations of the Bonus Commission until careful consideration is given to the objections submitted on behalf of the plantation industry. The Association is of the view that the Bonus Commission's recommendations, if implemented without suitable and necessary revision, will have "serious repercussions" on the future of the plantation industry.

The plantation industry with its peculiar structure and economy has not received anything beyond the "briefest and most cursory attention" from the Government, the memorandum says, and adds that the recommendations devised mainly with the manufacturing industries in view have been applied to the plantation industry. It is appreciated that the Commission has thought it fit to suggest that the plantations in south India may continue industry-wide agreements in preference to the formula proposed by it. But this has been rendered meaningless by its own alternative of applying the general formula. "We cannot imagine labour opting for the existing arrangement unless it is more advantageous to it than the Commission's formula. We, therefore, fail to see the merit of this suggestion", it adds.

For the U.P.A.S.I. it appears curious that the Commission which has defined bonus as the sharing by the workers in the prosperity of the industry should recommend a minimum bonus of 4 percent even when there is no prosperity to share, but a loss. The Commission has tried to justify bonus as a payment intended to help bridge the gap between the actual wage and need-based wage of low-paid workers. In that case, employees earning up to Rs. 750 or even Rs. 1,600 could not have been considered entitled to any payment of bonus.

The Commission has overlooked the fact that the field assets in plantations are not allowed depreciation under the Income Tax Act and under

the Agricultural Income Tax Acts of the States except in the case of rubber in Kerala and Madras. To the extent that depreciation is not allowed, the profits tend to be exaggerated both for taxation and for the computation of the surplus under the bonus formula. For this reason, a planting company making the same gross profit as a manufacturing or trading company would have to pay a much higher tax and bonus than the latter and would be left with less surplus for the growth of its internal resources. "Although the Commission has noted our representations on this subject, the plea for special consideration has been perfunctorily dismissed without even feeling obliged to give a reason for the rejection", the U.P.A.S.I. complains.

The plantation industry came into being much earlier than the manufacturing industries and the need for the industry for larger resources to rehabilitate and modernise is greater than those industries established more recently. The gap between the original and the current replacement costs of the field assets is consequently very great and the rejection of the claims of rehabilitation will hit plantations more acutely than other industries. Continuing the memorandum says that the fixing of a minimum bonus at 4 percent or Rs. 40, whichever is higher, has been done without considering the practical application of it to the plantations. Relative to the wage rates prevailing in the industry, the minimum guaranteed bonus of Rs. 40 would involve a payment of 10 percent or more.

In this industry, the equity capital forms a much smaller proportion of the capital at work which earns the profit in question. Therefore, the discriminatory rates of return on equity and other capital in the form of reserves apply more harshly and unfairly against this industry and will thwart the generation of internal resources in future. The agricultural nature and the extra risks involved have not been taken into account when suggesting a uniform 7 percent return on equity capital for the plantation industry in common with trading and manufacture.

The U.P.A.S.I. considers that the allocation of 60 percent of the available surplus for distribution of bonus ignores the interest of the consumers, the need for capital conservation for development and takes into account only the partisan claim of labour for larger bonus. This is particularly wrong at a time when the Wage Boards are being set up in almost all industries for the fixing of fair wages. As a labour-intensive industry, plantations are capable of offering greater employment opportunities if resources are available for development. If available resources are frittered away by high bonus payments, capital cannot expand or provide new job opportunities. The Plantation Labour Act for the welfare of labour requires large capital investment and plantations should be able to retain a large share of the surplus for the purpose, the memorandum says.

The U.P.A.S.I. has made the following suggestions in this connection: (a) make depreciation on field assets an admissible item when applying the bonus to the plantation industry; (b) planting companies should be allowed a 10 percent return on capital, the term "capital" having the same meaning as "capital base" given under the Budget proposals of the Government of India for 1964-65; (c) in the interest of saving and reinvestment in the business, reduce the allocable surplus to bonus at 40 percent as against 60 percent; (d) the expenditure incurred on welfare assets under the Plantations Labour Act should be a deduc-

tible charge; (e) no minimum need be fixed as, in the case of a non-surplus year, there is no prosperity to share. If a minimum payment is made obligatory, it should not be above 2 percent and no minimum amount should be specified in any case. Fix the maximum at 12½ percent (f) fix a deductible remuneration for working partners and proprietors; (g) reconsider the impact of the higher allocable surplus in the case of non-resident companies so that discrimination is avoided, and (h) proceeds from the sale of timber should be excluded from the profits for computing surplus under the bonus formula.

TEA

The Problem of Export

(BY A SPECIAL CORRESPONDENT)

THERE is some official talk about a scheme to ensure that only quality teas are sold in overseas markets. Any attempt to increase the percentage of quality is sound. But to be effective, it will leave more "commons" available for internal consumption and to-date, the Tea Board still seems to ignore the importance of home consumption.

The statement that "the scheme is to ensure that only quality teas shall be sold in overseas markets" overlooks the fact that with the exception of Scandinavia and maybe Ireland, all foreign buyers are out to buy in the cheapest market. U.S. dealers have made this fact clear beyond all doubt and Calcutta tea brokers have also advised this correspondent that other producing countries can quote lower delivery prices for suitable grades.

A trade delegation from Scandinavia recently toured India to make direct contact with tea exporters. It proposed to introduce a national blend of tea into Denmark to be composed of 100 percent Indian tea. The object seems to aim at quality irrespective of price. This is about the most sensible proposition ever put forward by tea buyers, for tea of real quality, properly prepared, is among the very finest beverages. Only it is too expensive for the average housewife. But, of course, the Scandinavians are experts at good living. From the composition of the blend, it is assumed Norwegians delegation, it is assumed the Danish will co-operate with the Danish export about 35 to 36 million lbs of tea a year from all sources.

Excise Impost on Darjeeling Teas

The Darjeeling branch of the Indian Tea Association held its annual general meeting recently, with Mr. A. N. Banerjee in the chair. Mr. Banerjee said that the Central Budget did not provide the relief expected, particularly in excise. The present land acquisition policy of the State Government was also not conducive to the tea expansion programme.

The 1963 tea crop for the district declined. The average price for the Darjeeling leaf sale also declined from Rs. 7.44 a kilogram to Rs. 7.13 a kilogram. The price concertina continued, and the best quality tea suffered a price drop. This was a matter of concern in view of steeply rising costs, and it highlighted the pressing need for opening up new markets for Darjeeling teas, reducing its dependence on one main buyer.

The Budget had brought no reduction in the excise duty, which had to be borne in full by export teas and which, except in the case of four Darjeeling gardens, was the highest in India, Mr. Banerjee said. "This is a great disappointment to us," he stated, "as is the rejection by the

Excise Reorganisation Committee of the proposal for the payment of excise duty in arrears. It is hoped that the Finance Minister will yet give us some relief in this respect."

There were four strikes causing a loss of 19,000 kilograms of tea during the year under review. The report of the working group on plantation labour housing was due to be completed soon. Mr. Banerjee hoped that the burden which gardens have to bear in complying with the requirements of the Plantation Labour Act would be recognised, and the relief granted by way of a reduction in the annual percentage of houses to be built, and by way of subsidies and loans on reasonable terms and security.

In addition to the limiting factor of credit which has been more difficult to obtain, the other long-term obstacle to expansion plans is land. Even gardens having the financial resources to implement their expansion plans cannot do so if the Government continues its present policy of resuming land which is physically suitable for tea garden extension. Mr. Banerjee hoped that the State Government would review the whole policy of resuming tea areas in its own interests.

Referring to the recent Parliamentary criticism about the need for a planned programme to increase the acreage under tea, Mr. Fitzgerald, chairman, Indian Tea Association, who attended the meeting said that this was the aim of both the Tea Board and the Association as producers. "But under the conditions to which I have already referred, and about which we have written to the Union Government on several occasions, our ability to achieve expansion depends very greatly on the various forms of relief for which we have appealed".

He expressed the Association's appreciation of the general encouragement and assistance which it had been given by the Tea Board. He congratulated the Board's chairman and officers on the effective work they had done and were doing to promote Indian tea exports. He hoped that as a result of all these combined efforts, "the demand for your world-famous Darjeeling tea will further increase."

It has been recently noted that freight charges from India to the U.S.A. are too high, and it is cheaper to book tea to Rotterdam and then tranship to the U.S.A.

Consumption in U.K.

It appears that tea consumption in the U.K. has already reached saturation point at 510.4 million lbs in 1963. The previous year, it was 509.6 million lbs well below the 1961 figure of 529 million lbs. But there was record production that year and cheap supplies helped consumption to expand in the U.K. as well as in India. Official figures indicate that the world surplus production for 1962 was only 8 million lbs. The estimate for 1963 supplies is a surplus of 18 million lbs.

These figures suggest that the U.K. distributing trade continues to make useful profit on current business, but what about future expansion. It is true that consumption in many countries is going ahead, but not because of propaganda from U.K. blenders. The position clearly reveals that potential markets should be developed as quickly as possible and the sooner the Governments concerned wake up to the fact that India's internal market should be developed the better. It is puzzling that local planters have not been able to influence the Tea Board in this matter.

The president of the Indian Tea Association made it clear in his ad-

dress at the annual general meeting that the Association is fully aware of the danger of neglecting India's home markets.

At the end of 1963, stocks in Calcutta were also high at 120 million lbs, compared with 85 millions in the same period of 1962.

It has been estimated that for tea, coffee and rubber, the effective rate of income and super tax will work out at 45 percent in place of 50 percent and for surtax, the rate will be 32 percent in the place of 40 percent. Some 60 percent of the profits of tea companies, however, are deemed to be agricultural income, and these taxes are paid on only 40 percent. Therefore, the relief may work out to only 2 percent on income and super tax.

In view of the difficulty of new planting in India which is mainly because of costs, it may be noted that Ceylon has again taken the lead from India by successfully planting out about 6,000 acres last year and that the Government has increased its replanting subsidy. According to Dr. Gunn, Superintendent of the (Ceylon) Tea Research Institute, high-yielding tea strains have been developed capable of yielding 5,500 lbs an acre a year. This claim looks to be on a par with some of the Russian statements about yields in Georgia. No mention is made as to how long it will take for such bushes to mature.

In reply to the Estimates Committee's criticism, it is understood that the Tea Board has pointed out to the Central Government that the conditions for assistance prevent effective progress. As noted by this correspondent, the proposed loans are not sound economic propositions. The Tea Board contends that they actively pursued the question of increasing tea planting and expansion of factories, but the conditions attached to loans were so stringent that no liberal use of them was possible. The Indian Tea Association does not agree with the Estimates Committee's view that the tea industry should carry on expansions with its own resources, because many tea gardens have no such resources available.

Rotorvanes

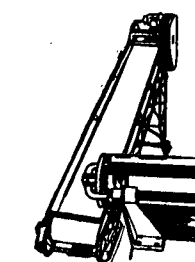
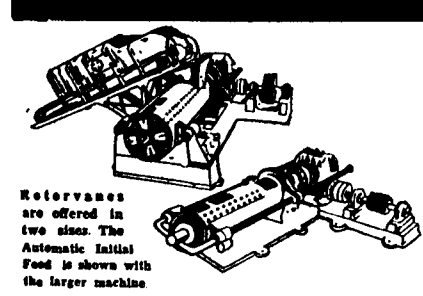
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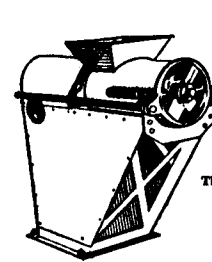


Growing good tea isn't enough. You have to show quality after manufacture—and at an economical cost! The key of course lies in mechanizing to a continuous system of manufacture.

THE McTEAR ROTORVANE CONTINUOUS TEA ROLLER gives you the stronger liquors and briskness that buyers are now looking for. Add to this negligible expenditure on spares and small power consumption and you have the machine which you have long been waiting for. The Rotorvane will help you make good tea.



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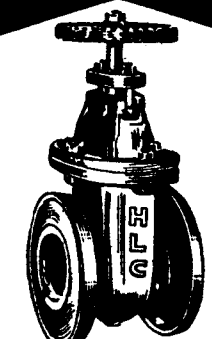


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THE PUNJAB NATIONAL BANK LIMITED,

REGD. OFFICE: PARLIAMENT STREET,
NEW DELHI

NOTICE

The Transfer Books and Register of Members of the PUNJAB NATIONAL BANK LTD., will be closed from 14th April to 28th April, 1964, both days inclusive, for the purposes of payment of Final Dividend for 1963 to be declared at the next Annual General Meeting of the Bank. The dividend when declared will be made payable at the Registered Office of the Bank on or after the day succeeding the Annual General Meeting to those shareholders whose names appear on the Register of Members as on 28th April, 1964.

By Order of the Board of Directors,

R. L. TULI,
GENERAL MANAGER.

Dated, 27th March, 1964.

CAPITAL

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COMPANY AND PUBLIC NOTICES

MARTIN BURN LIMITED

NOTICE is hereby given that the Register of Members and Share Transfer Books for Preference Shares in the Company will remain closed from the 9th April to 15th April, 1964, both days inclusive, for the purpose of payment of Preference Dividend for the half-year ending 31st March, 1964, on or after the 15th April, 1964, to those Preference Shareholders whose names appear on the Company's Register of Members on the 15th April, 1964, or to their mandatees.

By Order of the Board,
L. K. SEN CHOWDHRY,
Secretary.

Registered Office:

12, Mission Row,
Calcutta-1.
31st March, 1964.

JESSOP AND COMPANY, LIMITED

NOTICE IS HEREBY GIVEN that the THIRTY-SECOND ANNUAL GENERAL MEETING of the Members of Jessop & Co., Ltd. will be held in the Committee Room No. 2 of the Bengal Chamber of Commerce & Industry at 6, Netaji Subhas Road, Calcutta-1, on Wednesday the 29th April, 1964 at 11 A.M. for the transaction of the following business:—

- To receive and consider the Accounts, together with the Reports of the Board of Management and Auditors for the year ended 31st October, 1963.
- To declare a Dividend.
- To appoint Auditors and fix their remuneration.
- To transact any other business of an Ordinary General Meeting.

The Ordinary Share Transfer Registers of the Company will be closed from 17th April to 29th April, 1964, both days inclusive.

By Order of the Board,

K. S. BASU,
Secretary.

63, Netaji Subhas Road,
Calcutta, 26th March, 1964.

Note: A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself. A proxy need not be a member of the Company.

THE CENTRAL BANK OF INDIA LIMITED

Registered Office:—
Mahatma Gandhi Road,
Fort, Bombay.

NOTICE

AT the request of several Shareholders, the Board of Directors of the Bank have been pleased to extend the last date for payment of Right Shares to 30-4-1964.

Consequently, the time for splitting of forms for right shares has been extended to 23-4-1964.

By Order of the Board,

F. C. COOPER,
General Manager.

Bombay, 27th March, 1964,
7th Chtr. 1886 (S.E.)

COMPANY MEETINGS AND DIVIDEND DECLARED OR PROPOSED

Name of Company	Date	I.S.T. Hours
Raza Buland Sugar Co. Ltd.	4-4-64	10-30 a.m.
United Commercial Bank Ltd.	8-4-64	4 p.m.
Dunlop Rubber Co. (India) Ltd.	22-4-64	11 a.m.
Indian Aluminium Co. Ltd.	27-4-64	11-30 a.m.
Jessop and Co. Ltd.	29-4-64	11 a.m.

DIVIDENDS DECLARED OR PROPOSED

ED.—Murphulani (Assam) Tea Co. Ltd.—Rs. 1.75 (o) per share and Rs. 2.313 (P.O. per share, both less tax; Rajgarh Tea Co. Ltd.—Rs. 1.25 (o) per share, less tax Delta Jute Mills Co. Ltd.—Rs. 10 (o) (t per share, less tax; Cheviot Mills Co. Ltd.—Rs. 1.75 (o) (t per share, less tax; Seepore Coal Co. Ltd.—Rs. 1.25 (o) (t per share, less tax; Bengal Assam Steamship Co. Ltd.—Rs. 10 (o) per share, less tax Kil Kotagiri Tea & Coffee Estates Co. Ltd.—20 p.c. (o), subject to tax.

HIDES AND SKINS STEADY

The market in skins was quiet, steady. Stocks were less than in the previous week.

Bazaar Sales

(Between 24th March and 30th March, 1964.)

Cowhides: Wet salted (Ord.) 21,000 pcs. on the basis of Rs. 6.75 to Rs. 11.25; Wet salted (Slaughtered) 38,000 pcs. on the basis of Rs. 10.5 to Rs. 16.50 and Rs. 19.50 to Rs. 28.50 Wet salted (Ord.) 2,500 pcs. on the basis of 75 nP a lb.

Goatskins: Wet salted (Patna Daisse, Kustia) 36,200 pcs. on the basis of Rs. 240 to Rs. 270, Rs. 330 to Rs. 340 and Rs. 360 to Rs. 380; Wet salted (he-killed) on the basis of Rs. 4 and (she-killed) on the basis of Rs. 3.75 a piece; Assam-Dinajpur 46,000 pcs. on the basis of Rs. 26 to Rs. 300 and Rs. 325 to Rs. 335 Purneah-Kissanganj 10,000 pcs. on the basis of Rs. 330 to Rs. 350; Patna (Ord.) 16,000 pcs. on the basis of Rs. 220 to Rs. 240; Patna-Muzafferpore 65,000 pcs. on the basis of Rs. 320 to Rs. 350; Muzafferpore Patna (heavy) 15,600 pcs. on the basis of Rs. 460 to Rs. 540.

Bazaar Stocks

(30th March, 1964)

Cowhides: Wet salted (Ord.) 1,24,000 pcs.

Goatskins: Wet salted (Patna Daisse, Kustia, Killed) 60,000 pcs. Assam-Dinajpur 1,67,000 pcs.; Muzafferpore-Patna - Pakur-Purneah-Kissanganj 2,54,500 pcs.

BOOKS RECEIVED

Income and Structure of Manufacturing Industry, 1960-61. (A State wise Analysis). (Published by V. G. K. Thathachary, Publications Division of the National Council of Applied Economic Research, New Delhi. Price Rs. 8, pages 92.)

Trade in Tropical Products. (Published by the G. A. T. T. Secretariat, Villa Le Bocage, Palais des Nations, Geneva 10. Price U.S. \$1.25, page 180.)

Wage Determination and Organisation of Labour in India. By A. J. Fonseca (Published by John Brown, Oxford University Press. Apollo Bunder Bombay 1 Review copy received from Oxford University Press, Mercantile Buildings, Lal Bazar, Calcutta 1. Price Rs. 10, pages 241.)

"CAPITAL" STOCK AND SHARE LIST THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

Official quotations of the Calcutta Bombay Madras London Stock Exchange Associations and other sources
Figures given after stroke (/) mean Naye Paise.

Wednesday, 1st April, 1964.

BANKS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		1-4-64	25-3-64	A year ago		1960	1961	1962		1-4-64	25-3-64	A year ago
Allahabad Bank P.	18	18	15-15*	100	250/00	250/00	396/00	Indian Overseas Bank	14	14	..	..	146/50	146/50	159/00
Bank of Baroda	17	17	16	50	94/00	92/00	88/00	National & Grindlays Bank	13½	14	16-14*	sh. 15	sh. 30/6	sh. 30/6	sh. 31/1½
Bank of India	20	20	20-18*	50	102/00	105/00	105/00	Punjab National Bank	20	20	20	10	18/94	19/81	18/25
Central Bank of India	20 2/5	20	20	25	45/00	45/00	52/50	Union Bank of India	11 2/5	11 2/5	11 2/5	5	6/20	6/20	6/32
Chartered Bank	15	15	15-15*	£1	sh. 48/9	sh. 48/4½	sh. 60/6	United Bank of India	4.3	6	6-7½	10	7/69	7/81	6/62
Hindustan Commercial	Nil	Nil	Nil	50	13/50	13/50	14/00	United Commercial Bank	12	12	12-12*	50	71/50	71/00	72/50
Hindustan Mercantile	Nil	Nil	Nil	50	10/75	12/37	15/62								
Hong Kong & Shanghai	£23½	£23½	£31 1/5	HK\$25	£20½	£20½	£16½								
Indian Bank	15	15	14	100	157/00	156/50	174/50								

* 1962

JUTE MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		1-4-64	25-3-64	A year ago		1960	1961	1962		1-4-64	25-3-64	A year ago
Agarpara P.	10	2½	2½-12*	10	9/62	9/62	9/56	Hukumchand P.	28½	28½	26½-26½*	7½	19/85	19/75	18/00
Alexandra P.	44	15	10-12*	100	300/00	300/00	305/00	Inida	14	12	8-22½*	12½	15/12	15/12	17/75
Alliance P.	6	Nil	10-12*	100	123/00	123/00	110/00	Kamarhatti P.	5	Nil	20	100	179/00	179/00	151/00
Anglo-India P.	20	7	10-12*	100	180/00	180/00	200/50	Kankarnarrah P.	Nil	Nil	10	100	136/00	136/00	127/00
Auckland P.	27	12	Nil-15*	100	132/00	132/00	132/00	Khardah P.	15	15	5-20*	100	144/50	181/00	165/00
Bally P.	25	25	25	100	242/00	248/00	172/00	Kinnison P.	20	5	12½-12½*	10	17/81	17/81	16/50
Barnagore P.	30	10	10-10*	£5	214/00	217/00	10/25	Lansdowne P.	Nil	Nil	Nil-10*	100	121/00	118/00	140/00
Bengal P.	5	..	..	10	8/00	8/00	25/00	Lawrence P.	7	15	10-10*	100	96/00	96/00	85/00
Birla P.	15	15	15-15*	10	32/12	33/19	8/00	Megna P.	12	12½	Nil-22*	10	99/50	100/00	101/00
Budge Budge P.	10	Nil	12	100	138/00	138/00	8/12	Naihati P.	..	..	..	100	12/44	12/44	13/25
Calcutta P.	..	..	..	100	175/00	175/00	8/00	Naskarpara	..	..	..	10	80/00	104/00	81/00
Caledonian P.	12	5	Nil-40*	10	21/62	21/62	23/62	National P.	7½	Nil	10	10	21/06	21/06	25/37
Champdany P.	10	5	Nil-40*	10	20/25	20/12	11/00	New Central P.	15	15	Nil	10	11/62	11/62	11/25
Cheviot P.	Nil	5	25	10	8/75	8/68	9/00	Northbrook P.	30	30	20-35*	10	11/87	11/84	12/00
Chitvalsab P.	5	Nil	5	10	9/00	9/00	145/00	Nuddea	8	6	5-10*	60	25/75	25/75	29/00
Clive P.	..	..	..	10	121/00	131/00	146/00	Presidency	8	6	10-10*	5	60/00	60/00	57/00
Dalhousie P.	1	1	Nil-25*	100	146/00	146/00	15/31	Rameshwara P.	Nil	Nil	Nil-Nil*	10	4/44	4/44	5/12
Delta P.	7½	Nil	12	100	17/75	17/75	399/00	Reliance P.	Nil	Nil	Nil-Nil*	10	9/20	9/20	9/44
Empire P.	12½	7½	12½-15*	10	251/00	251/00	26/00	Sannugger P.	Nil	Nil	Nil-Nil*	10	7/50	7/50	6/25
Fort Gloster P.	25	10	12½-20*	100	23/37	23/37	11/62	Shree Ambica P.	4	Nil	10	£1	10/50	10/50	10/50
Fort William P.	22½	22½	10-20*	10	13/25	13/37	17/00	Soorah P.	6	6	Nil	10	24/50	35/00	25/00
Ganges P.	10	10	15-20*	10	16/00	16/00	22/62	Titagur P.	25	25	25	10	22/50	22/50	25/25
General Industrial	40	10	13	10	22/94	22/62	128/00	Union P.	6	Nil	Nil-20*	100	10/50	10/50	10/50
Gopalganj P.	30	25	20-20*	10	128/00	128/00	18/00	Victoria P.	25	6	Nil	10	144/00	144/00	146/00
Hastings P.	6	6	6-6*	100	18/00	18/00	17/12	Waverley P.	6	Nil	10	£1	10/50	10/50	10/50
Hooghly P.	10	20	7½-10*	10	16/75	17/12	19/00		30	30	60	1	9/00	9/00	5/50
Howrah P.	12½	10	Nil-10*	10											

* 1963

COAL COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		1-4-64	25-3-64	A year ago		1960	1961	1962		1-4-64	25-3-64	A year ago
Amalgamated	10	12½	15	10	23/25	23/25	21/00	Mundulpur	..	..	..	10	2/69	2/69	2/69
Bengal P	25	21	19	100	250/00	250/00	265/00	Nazira	7½	Nil	Nil	10	6/25	6/25	5/12
Bengal Bhatdee	..	..	..	10	3/48	3/48	3/48	New Beerbhoom P.	10	10	..	10	16/12	16/12	17/62
Bengal Nagpur	..	..	..	10	22/00	22/00	22/00	New Manbhoom	7½	9	12	10	11/94	11/94	13/00
Bhalgona	10	26	..	10	4/25	4/25	5/00								
Bharat Collieries P.	..	..	..	10	3/44	3/44	3/53	North West	20	20	..	10	19/75	19/75	19/75
Bhulanbararee	..	..	..	10	10/00	10/00	12/00					7½	18/00	18/00	18/00
Bokaro & Rampur	..	..	..	10	11/19	11/19	11/19								
Morrea P	..	..	..	10	20/25	20/25	23/87	Ondal P.	6	7½	..	10	13/50	13/50	12/00
Burrakur P.	15	15	..	10	16/19	16/12	14/87	Parasea P.	10	1½	..	10	14/00	14/00	16/00
Central India	13	13	13	10	9/19	9/19	8/75	Pench Valley	1½	..	10	10	17/31	17/00	19/10
Central Kurkend P.	8	10	10	10	3/44	3/44	8/00	Pure Sitapur	..	..	..	10	8/00	8/00	8/00
Charulia	5	..	..	10	3/06	3/06	3/06	Rangeegunge	15	17	17	10	13/62	13/62	15/00
Dhemo Main	Nil	Nil	..	10	4/25	4/25	5/75	Rewa	20	20	..	10	25/50	25/50	28/50
East Indian	7½	15	20½	£1	29/00	29/25	29/00								
Equitable P.	15	10	..	10	22/44	22/44	25/62	Samla	10	..	..	10	8/00	8/00	10/00
Ghusick & Muslis	Nil	Nil	Nil	10	13/25	13/25	13/50	Searsole	Nil	Nil	Nil	2½	1/25	1/25	1/50
Guzdar Kajora	..	..	..	10	2/47	2/47	2/03	Seebpore P.	42 6/7	42 6/7	35 5/7	7	34/75	34/75	43/00
Hurliadih	..	..	..	10	5/75	5/75	8/12	Sendra	5	3½	..	10	5/00	5/00	5/75
								South Karanpura	2½	Nil	Nil-2½*	10	7/62	7/62	6/50
								Standard	15	10	..	10	10/44	10/44	16/00
Karanpura Development	5	5	..	100	10/19	10/31	11/00								
	15	15	..	10F				Union	..	..	..	10	10/25	10/25	10/75
Karanpura Collieries P.	7½	10	10	10	13/50	13/50	16/00	Western Bengal	6	7½	9	10	8/62	8/62	7/50
Katras Jherriah	95	40	25-30*	10	32/00	33/75	48/75	West Jamuria	Nil	Nil	..	10	4/00	4/00	4/10
Khas Kajora P.	..	..	..	10	17/62	17/62	18/70								

COTTON MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		1-4-64	25-3-64	A year ago		1960	1961	1962		1-4-64	25-3-64	A year ago
Basanti P.	10	10	10	10	13/50	13/50	12/75	Elgin P.	11 1/2	17 1/2	17 1/2	10	22/31	22/31	20/89
Bengal Luxmi	10	10	10	10	30/00	30/00	28/00	J. K. Cotton (Rayon) P.	12 1/2	10	10	10	12/00	12/00	12/75
Bengal Nagpur P.	10	10	10	10	2/44	2/44	3/00	Jay Shree	10	10	10	10	15/31	15/31	13/50
Bharat Commerce	10	10	10	10	22/31	22/31	19/87	Muir &	10	10	10	100	63/00	74/50	135/00
Birla Cotton	10	10	10	10	27/00	27/00	27/00	New Victoria P.	10	10	10	2 1/2	1/37	1/41	1/62
Bowreah P.	10	10	10	10	23/00	23/25	23/81	Orissa Textiles P.	10	10	10	10	4/75	4/75	9/00
Cawnpore Textiles	7-1/3	10	10	10	6/47	6/50	6/94	Rampooria Cotton	10	10	10	10	13/00	13/00	12/00
Delhi Cloth & Genl. P.	12	13	13-13*	25	45/81	46/37	45/87	Swadeshi (Kanpur) P.	6.51	10	10	10	3/00	3/00	2/00
Dunbar	20	20	15	10	29/00	29/00	26/87					10	11/00	11/00	11/50

*1963

BOMBAY COTTON MILLS

NAMES OF MILLS	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		31-3-64	24-3-64	A year ago		1960	1961	1962		31-3-64	24-3-64	A year ago
Ahmedabad Advance P.	18	12	10	100	139/50	139/50	170/00	Indian	23 1/3	25	25	250	875/00	875/00	761/25
Apollis	10	10	10	10	1/72	1/82	1/88	Indore Malwa United	8 1/2	10	10	100	210/00	210/00	185/00
Beharilal Ramcharan	14	14	14	25	60/50	61/20	62/00	Khatas Mankanji P.	15	18	10	100	187/50	192/50	355/00
Bombay Dyeing, etc.	10	25	10	50	151/00	151/00	150/00	Kohinoor	6 1/2	6	24-20*	100	338/00	340/00	274/00
Bradbury P.	30	30	10	100	616/50	629/00	490/00	Lakshmi-Vishnu P.	14	14	10	100	100/00	100/00	107/50
Century	11	11	10	100	93/00	93/00	105/00	Morarijee Goculdas P.	10	10	10	100	379/00	379/00	450/00
Central India P.	11	11	10	100	160/25	162/50	150/00	Mysore Spg. & Mfg. P.	10	10	10	100	188/75	188/75	142/50
Coorla	9	9	10	200	154/00	196/00	142/00	New City of Bombay	15	20	10	100	178/00	178/00	270/00
Dawn	18	22	18	40	260/00	275/00	325/00	New Great Eastern P.	15	20	10	100	223/00	226/00	192/00
Edward Textiles	23	23	10	100	308/00	308/00	325/00	Phoenix	17	20	10	100	39/25	40/00	43/75
Elphinstone P.	14	18	10	100	182/00	180/00	174/00	Sassoon & Alliance	13	20	10	100	130/00	131/00	128/50
Finlay	50	50	250	250	950/00	950/00	810/00	Sassoon Spinning	17	20	14	100	250/00	250/00	220/00
Gokak	8	14	10	10	21/24	21/36	22/48	Simplex	17	19	17	100	248/00	246/00	248/00
Hindustan	13 1/2	37 1/2	10	100	2/56	2/60	2/44	Shree Niwas P.	36	21 3/3	20	100	267/00	267/00	300/00
India United	13 1/2	37 1/2	10	100	2/56	2/60	2/44	Swadeshi P.	20	22	20	25	57/00	57/20	55/80
								Swan	46 2/3	25	25	250	847/00	847/50	760/00
								Western India							

*1963

BOMBAY MISCELLANEOUS COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		31-3-64	24-3-64	A year ago		1960	1961	1962		31-3-64	24-3-64	A year ago
CEMENT ENGINEERING & METAL															
Associated Cement	12 1/2	12	12-12*	100	148/75	148/50	137/50	British India General	10	10	10	12/24	12/00	11/50	
ELECTRIC LTG. POWER															
Ahmedabad Electricity	7	6	10	100	95/50	95/30	89/00	Jupiter General P.	15	15	15	7/00	7/00	12/50	
Andhra Valley Power P.	5 1/2	5	5	1000	1,042/50	1,035/00	1,005/00	New India	38	38	38	45/50	45/00	55/00	
Bombay Suburban Elec.	8	8 1/2	8 1/2	100	104/00	102/50	101/00	Vijcan	20	20	20	16/00	16/00	16/00	
Tata Hydro Elec. Power P.	5 1/2	5	5	1000	1,115/00	1,117/50	1,040/00	INSURANCE COMPANIES							
Tata Power P.	5 1/2	5	5	1000	1,106/25	1,105/00	1,020/00	MISCELLANEOUS							
Alcock Ashdown	17	22 1/2	10	100	300/00	304/00	294/00	Belapur Sugar	58	50	10	50	224/00	225/50	172/50
Jost's Engineering	8	10	10-11*	50	47/00	51/50	48/00	Bombay Burmah Trading	30	33	33-33 1/5*	25	60/00	60/70	60/00
Larsen & Toubro P.	12 1/2	18	14-14*	100	130/00	130/00	140/00	Hindustan Lever	26	26	12	10	35/00	35/25	45/00
Mckenzie	10	12	14	100	130/00	130/00	140/00	Industrial Invt. Trust	12 1/2	12 1/2	10	100	78/50	78/50	12/00
Premier Construction P.	43 1/3	33 1/3	10	300	181/00	183/50	128/50	Kem. (Chemists)	22 1/2	22 1/2	10	100	260/00	275/00	305/00
Tata Eng. & Locomotive P.	12 1/2	14 1/2	14 1/2-14*	100	299/00	305/00	266/00	National Rayon	22	22	10	100	379/50	385/00	353/00
Tata Iron & Steel P.	9.1	10.36	10.36-11*	750	146/75	147/75	116/75	Scindia Steam Navig.	8	8	3	20	15/48	16/00	10/56
								Shivrajpur Synd.	80	100	10	10	15/76	19/00	20/52
								State Chemicals E.	6	6 1/2-10*	10	10	18/52	18/80	13/88
								Tata Oil P.	23	23	23-22*	25	63/00	66/00	55/50
								Volta	13	14	14-14*	100	263/00	267/00	255/00
								Western India Match	16	16	16	100	261/00	246/00	240/00

*1963

TEA COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		1-4-64	25-3-64	A year ago		1960	1961	1962		1-4-64	25-3-64	A year ago
ASSAM GARDENS															
Amuluckie	Nil	10	7 1/2	10	17/25	17/25	20/00	Brooke Bond P.	15	10	7 1/2-7 1/2*	10	12/12	12/25	10/75
Anandabag P.	30	32 1/2	20	10	33/25	33/25	33/25	Deccan Valley	15	20	30	10	52/50	52/50	49/25
Bagnmati	Nil	15	7 1/2	10	13/62	13/62	18/50	Jessoo & Purbuttia	Nil	10	15	100	182/00	200/00	141/00
Barduar Tea	10	10	10	10	8/50	8/50	8/50	Obelakha	12 1/2	10	10	10	20/87	20/87	19/50
Basmatia	35	25	20	10	27/25	27/25	27/25	Obunser P.	80	10	10	10	11/12	11/12	15/00
Bateli	30	30	10	10	15/25	15/25	18/00	Oburagarh	40	40	30	10	32/00	32/00	32/50
Betjan	40	45	30	10	30/37	30/37	32/62	Omakum P.	25	20	25	10	25/37	25/25	21/87
Bishnauth	13	13	20	10	17/06	17/06	15/00	Oudhagarh	85	25	30	10	26/12	26/12	27/87
Bokakhat	Nil	12	10	10	13/12	13/12	13/70	East India	Nil	Nil	10	10	15/12	15/12	13/00
Borman Jan P.	15	15	15	10	12/00	12/00	16/12	Gillapuri	25	20	15	10	27/56	27/56	25/44
Bor Pukhuri	Nil	Nil	10	10	11/25	11/25	11/75	Gohpur	Nil	5	20	10	14/69	14/69	13/81

*1962

TEA COMPANIES—Contd.

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		1-4-64 Rs.	25-3-64 Rs.	A year ago Rs.		1960	1961	1962		1-4-64 Rs.	25-3-64 Rs.	A year ago Rs.
Grob	6	6	6	5	7/00	6/94	7/50	Singell	Nil	Nil	Nil	100	36/75	36/75	36/75
Hoograjuli (Assam)	20	20	17	10	27/62	27/62	27/12	Singtom	2	Nil	2	10	3/50	3/50	3/50
Hoolungoree	10	7½	20	100	200/00	200/00	185/00	Soom	50	40	40	10	40/00	40/00	31/00
Jutibari	30	30	20	10	27/87	27/87	32/00	Sungama	15	15	20	10	14/19	14/19	12/75
Kingsley Golaghat P.	35	35	100	5	125/00	125/00	212/00	Teesta Valley	Nil	Nil	8 4/7-10*	10	14/37	14/37	11/00
Kotamullai P.	Nil	Nil	Nil	5	9/81	9/81	10/31	Tukvar	Nil	Nil	..	10	3/94	3/94	6/00
Krishnabehari	15	8	10	10	11/50	11/50	10/50	DOOARS							
Kyang Tea	Nil	..	Nil	10	8/06	8/06	8/06	Banarhat P.	22½	21	21	100	231/00	231/00	253/00
Ledo	Nil	Nil	7½	10	12/00	12/00	14/81	Baradighi	30	25	25	100	23/25	23/25	23/00
Maud Tea & Seed	10	7½	..	10	14/75	14/75	18/50	Bhatkawa	15	15	20	10	16/94	16/94	14/75
Methoni	5	14	20	10	11/50	11/50	11/50	Birpara P.	17½	12½	17½	100	162/00	162/00	149/00
Moheema	Nil	Nil	..	10	507/00	507/00	507/00	Carron	20	5	7½	100	161/00	161/00	145/00
Mothola	30	30	35	100	26/50	26/50	26/50	Choonabutti P.	32½	20	20	100	211/00	211/00	210/00
Murphulani (Assam)	10.63	20.63	30.63	10	28/50	28/50	28/75	Ellenbarrie	5	5	10	100	184/00	184/00	184/00
Naga Hills	10	10	10	10	26/87	26/87	28/75	Engo	60	30	40	100	136/00	136/00	136/00
Namburnadi	12	12	10	10	21/25	21/25	22/69	Ethelbari	5	5	7½	10	11/87	11/87	13/12
New Cinnaatollah	Nil	15	100	455/00	12/87	12/87	14/56	Gairkhata	25	20	11	10	21/50	21/50	21/50
Rajgarh	40	15	17½	10	18/50	18/50	21/37	Gopalpur	12	2	10	25	20/90	20/00	19/50
Sapoi	22½	20	10	10	19/50	19/50	19/87	Hantapara P.	15	5	10	100	108/00	107/00	103/00
Seajuli	22½	15	30	10	25/12	25/12	21/12	Hasmara P.	17	..	18-15*	10	12/56	12/56	12/12
Teloijan	25	25	25	10	21/94	21/94	27/75	Huldibari	22½	..	19 2/7-11*	10	12/25	12/25	12/37
Tengpani	30	30	22½	10	35/75	35/75	35/00	Jaypurpara	10	Nil	Nil	100	9/06	9/06	11/06
Tezporo P.	20	12½	..	10	14/50	14/50	15/25	Killcott	25	15	15	10	15/50	15/50	16/25
Tongani	Nil	Nil	..	10	5/31	5/31	6/50	Manabarrie	10	6	10	10	59/50	59/50	59/50
Tyrcron	10	15	25	10	27/75	27/75	34/37	Nagaisuree	25	15	15	100	180/00	180/00	145/00
CACHAR								New Dooars P.	35	20	14½	100	234/00	234/00	258/00
Arcuttipore	Nil	5	6	10	7/00	7/00	7/00	Oodlabari	12½	7½	10	100	13/75	13/75	14/25
Baitakhal	2½	2½	..	10	7/87	7/87	7/00	Phaskowa	Nil	Nil	Nil	100	125/00	125/00	129/00
Central Cachar	5	7½	5	100	71/00	71/00	73/00	Rajabhat	15	15	7½	10	12/00	12/00	12/12
Eastern Cachar	Nil	Nil	..	10	4/56	4/56	4/12	Ranicheerra	25	20	25	10	11/75	11/75	16/75
Kailnugger Khoreel	6	2	..	100	87/00	87/00	87/00	Rydak	20	20	25	10	25/19	25/19	27/31
Hatikkhira	Nil	8	Nil	10	1/75	1/75	9/44	Sarugaon	40	40	40	10	36/31	36/31	36/25
Kunchanpore	Nil	8	Nil	10	6/00	6/00	6/00	TERAI							
Loobah	Nil	Nil	10	100	4/69	4/69	4/37	Atal	5	..	..	10	5/50	5/50	6/75
North Western	30	20	10	100	175/00	175/00	114/00	Belgachi	20	20	..	10	20/25	20/25	20/50
Pathemara	Nil	Nil	Nil	10	7/81	7/81	7/50	Gungaram	20	12½	12½	100	131/00	131/00	117/00
Roopacherra	5	5	5	50	9/94	9/94	15/62	Hansqua	20	15	17½	10	20/00	20/00	20/00
Rungamattee	5	5	..	10	49/50	49/50	50/00	New Chumta	15	..	12 6/7-20*	10	20/37	20/37	24/62
Sonai River	Nil	Nil	..	10	5/06	5/06	9/12	New Terai	22½	10	15	10	23/06	23/06	36/00
DARJEELING								Patargoomiah	20	20	2½	10	14/37	14/37	31/12
Bloomfield	Nil	..	..	10	3/19	3/19	3/25	Putinbaree	14	14	..	10	45/00	45/00	45/00
Chamong	Nil	10	10	10	9/00	9/00	10/25	Tirrihannah P.	60	60	60	10	49/00	49/00	49/00
Darjeeling Tea & Chin.	30	30	30	100	197/00	197/00	197/00	CHITTAGONG							
Dilaram	8	4	..	100	102/50	102/50	102/50	Kodala	Nil	Nil	..	10	9/25	9/25	9/25
Guelle	Nil	..	8 4/7-15*	10	16/06	16/06	11/69	Kornafuli	Nil	Nil	..	10	9/31	9/31	13/06
Lingia P.	15	10	17½	10	14/00	14/00	14/58	Oodleah	Nil	Nil	..	10	8/00	8/00	8/00
Longview	12½	10	..	10	8/25	8/25	11/00	SYLHET							
Margaret's Hope	15	15	15	10	12/25	12/25	11/62	Chundecheerra	Nil	Nil	Nil	10	26/00	26/00	23/00
Mim	22½	27½	27½	100	434/00	434/00	191/50	Dauracherra	22½	22½	20	10	11/87	11/87	7/31
Nagri Farm	30	25	35	10	29/62	29/62	27/00	Kaliti	Nil	Nil	..	10	10/00	10/00	10/00
Okarty	25	25	25	100	600/00	600/00	595/00	New Samanbagh P.	25	Nil	Nil	10	18/37	18/37	18/37
Pashok	10	Nil	5	10	20/00	20/00	20/00	Potrakola	32½	40	15	100	119/00	119/00	148/00
Poobong	Nil	Nil	..	10	7/87	7/87	7/50	Rajnarag	Nil	Nil	Nil	10	9/56	9/56	9/56
Pussimbing P.	Nil	Nil	Nil	10	7/62	7/62	8/87	Tellapara	22½	22½	10	100	94/50	94/50	99/00
Runglee Rungliot	35	20	7½	10	386/00	386/00	386/00								
Seeyok	15	Nil	..	10	8/60	8/60	9/50								

MISCELLANEOUS COMPANIES — Contd.

NAMES		Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES		Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
		1960	1961	1962		Rs.	Rs.	Rs.	Rs.			1960	1961		1962	Rs.	Rs.	Rs.
ENGINEERING & METAL																	
Arthur Butler (Muzafferpore) P	Nil	Nil	10	10	21/25	21/25	14/50	J. K. Synthetics	3	Nil-10*	10	11/50	11/50	10/25			
Bhartia Electric Steel	10	10	12½	10	14/75	14/75	14/00	James Wright P.	5	5	5	2/75	2/75	2/75			
Braithwaite India	25	25	14	10	32/50	32/50	36/50	Jardine Henderson Ltd. P.	7	7	6-7*	100	76/50	74/25	67/00		
Bridge & Roof	30	30	30	10	65/00	65/00	52/25	Jay Shree Industries P.	14	12½	12-13*	10	15/12	14/75	15/25		
Britannia Building & Iron P.	Nil	Nil	Nil	10	3/20	3/20	3/65	Kesoram Industries P.	5	12	12-13*	10	26/06	26/09	19/31		
Britannia Engineering P.	10	10	10	10	9/87	9/94	8/90	Macfarlane & Co.	5	5	5	50	6/19	6/19	7/00		
British India Electric Cons.	45	20	15	10	29/12	29/12	33/12	Macneill & Barry Ltd. P.	8	8	7½	100	95/00	95/00	93/50		
Burn P. (Engineering)	28½	28½	28½-25*	100	286/00	292/00	495/00	Martin Burn Ltd. P.	27½	27½	25-25*	10	27/87	27/87	23/00		
Calcutta Steel	15	15	15-12½*	10	13/87	13/87	13/69	Metal Box Co. of India Ltd. P.	25	25	19	10	30/69	30/75	42/00		
Dalmia Iron	10	10	10-10*	10	11/75	11/75	10/00	National Insulated Cable P.	25	25	25-18*	10	22/19	22/44	25/00		
Guest, Keen, Williams	16	14	14	10	24/87	25/06	30/00	National Pipe & Tubes P.	20	20	20	10	28/12	28/12	29/25		
Hooghly Docking	Nil	Nil	12½	50	101/00	101/00	102/00	National Rolling & Steel Ropes	13	15	15-15*	10	19/03	19/75	19/56		
Indian Iron & Steel P.	15	16	16-15*	10	24/64	24/62	19/25	National Rubber P.	Nil	6½	8	10	12/62	12/50	11/62		
Indian Malleable Casting	Nil	..	..	50	6/00	6/00	6/00	New India Investment Corp.	8.7	7	7	10	12/00	13/50	10/75		
Indian Standard Wagon P.	28½	28½	28½-20*	10	2/06	2/06	2/50	Octavius Steel P.	10	7½	7½	100	65/00	65/00	65/00		
Indian Steel & Wire Products	23	24	23-28*	100	33/50	33/50	49/00	Philips India	12	12	13	10	22/56	22/56	26/25		
Industrial Containers	Nil	10	10	10	20/00	20/00	22/00	Publicity Society	10	75	75-50*	4	26/65	22/62	26/19		
Jay Engineering	17 3/20	17 3/20	15-10*	10	19/62	19/69	24/25	Rallis India P.	4	8½	8½-10*	100	119/50	124/00	130/00		
J. K. Steel P.	20	20	20	10	16/31	16/37	15/75	Rentals Industries P.	20	10	8-9*	10	11/81	11/87	10/50		
Jessop & Co. P.	8.58	8.58	8.58	10	23/00	23/00	20/31	Sirsik P.	Nil	..	..	10	7/69	7/69	8/06		
Kumardhul Engineering P.	10	11½	15	3	5/31	5/19	6/87	Sen-Raleigh Industries P.	8	8	8	10	14/94	14/94	14/00		
Marshall Sons (India)	Nil	Nil	Nil	2	8/34	8/34	3/22	Shaw Wallace P.	15	15	7½	10	16/25	16/87	18/37		
National Iron and Steel	Nil	Nil	Nil	10	5/87	5/87	4/25	Spencer's Hotel	2½	2½	2½	2	1/25	1/25	0/94		
Saran Engineering	33	10	12½-10*	4	8/12	8/12	8/00	Union Carbide	18	18	12½	10	30/25	30/25	34/75		
Steel Containers	30	20	20	10	28/12	28/12	19/75	Walford Transport	30	20	..	10	2/69	2/69	2/25		
Textile Machinery	10	10	..	10	27/80	28/10	20/10	Concord of India	20	20	20	5	10/25	10/25	10/25		
SUGAR BREWERIES ETC.																	
Balmampur Sugar	8	8	4-Nil*	2½	1/85	1/85	2/31	Hercules	22½	22½	22½	10	23/50	23/50	25/00		
Belsund Sugar	18½	10	6-2/3	7½	7/50	7/37	8/50	Ruby General	10	13½	15*	8	10/37	10/44	8/69		
Bharat Sugar P.	15	15	15-15*	10	16/00	16/00	13/00	Standard General	..	..	..	10	6/12	6/12	6/00		
Carew (Sugar) P.	Nil	Nil	Nil	10	12/75	11/50	12/50	Triton	45	50	50	25	130/00	130/00	132/00		
Cawnpore Sugar P.	Nil	Nil	Nil	10	9/12	9/12	10/75	Bengal P.	32	27½	20	10	27/25	27/00	31/25		
Champanan Sugar	15	12	Nil-Nil*	10	12/62	12/62	15/87	India Paper Pulp	15	13	12-15*	10	19/00	19/00	16/12		
Durhanga	4	Nil	5	10	8/75	8/75	7/31	Orient Paper P.	22½	22½	22½-20*	10	37/50	37/30	31/25		
New Savan Sugar and Gur	..	..	..	10	4/50	4/50	3/62	Shree Gopal Paper P.	17-6/7	17-6/7	17-6/7	10	25/00	25/25	22/75		
Purtabpur Sugar P.	..	..	..	10	10/81	10/81	11/50	Sirpur P.	6½	8½	8½-5*	10	12/50	12/50	10/75		
Ramnugger Cane & Sugar P.	30	35	30-15*	10	29/31	29/31	30/37	Star Paper P.	Nil	Nil	Nil	10	9/12	9/12	10/00		
Raza Buland	12½	10	10-10*	10	10/37	10/37	9/35	Titagur P.	10	13	13-13*	24PO	3/31	3/31	3/78		
Ryam Sugar P.	..	..	..	10	4/00	4/50	5/75	West Coast P.	25	20	10-10*	10AO	15/50	15/50	16/50		
Samasipur Central Sugar	..	..	..	10	7/25	3/50	9/62	Camperdown	11	11	10-10*	10BO	158/00	170/00	160/50		
Shree Krishna Gyanoday Sugar P.	15	..	..	10	7/31	7/31	7/00	Bengal Bonded Warehouse	11	8	8-9*	A500	995/00	995/00	1,050/00		
Shree Sitaram Sugar	..	..	..	10	7/12	7/12	7/12	Calcutta Safe Deposit	Nil	..	..	B623	125/00	125/00	135/00		
Sitalpore Sugar	4	Nil	Nil-Nil*	10	3/69	3/69	6/12	Humayan Properties P.	6	..	..	C100	186/00	186/00	122/00		
United Provinces	15	5	Nil	10	11/25	11/00	10/62	Midnapore Zemindary P.	Nil	Nil	Nil-Nil*	D121	45/00	45/00	14/15		
Upper Ganges Sugar P.	72½	72½	72½	10	60/00	70/00	60/00	Calcutta Tramways P.	7½	7½	..	100	7/75	7/75	8/00		
MISCELLANEOUS																	
A Firpo (Restaurateur)	7½	10½	5	10	5/00	5/00	5/90	Bengal Assam Steamship P.	7½	7½	..	100	128/00	128/00	106/00		
Aluminium Corporation P.	12	12	12-5*	10	12/37	12/37	12/81	Calcutta Landing & Shipping	3½	3½	22	10	34/00	34/00	35/06		
Anderson Wright Ltd. P.	11½	Nil	6	10	11/50	11/50	11/50	Calcutta Steam Navigation	10	Nil	Nil	10	8/87	8/87	8/87		
Angelo Bros.	25	28½	28-28*	10	23/44	24/00	21/75	India General Nav. Railway P.	Nil	..	..	10	10/62	10/62	11/00		
Assam Match	18	20	20	10	26/50	27/37	28/75	India Steamship P.	10	..	..	10	8/94	8/94	10/00		
Assam Saw Mills & Timber	Nil	3	3	10	2/50	2/59	2/30	India Steamship P.	10	..	..	10	42/00	42/00	68/50		
Associated Battery	25	15	15-15*	10	23/75	23/75	24/25	India Steamship P.	10	..	..	10	6/97	7/03	5/44		
Associated Hotels of India P.	Nil	10	10-15*	10	10/31	10/31	20/50	India Steamship P.	10	..	..	10	13/75	13/87	11/37		
Balmer Lawrie & Co.	25	25	25	100	280/00	261/00	257/00	India Steamship P.	10	..	..	10	13/75	13/87	11/37		
Bararee Coke	Nil	Nil	15-15*	10	21/56	21/56	24/48	India Steamship P.	10	..	..	10	13/75	13/87	11/37		
Birds Investments P.	9½	10	10	10	10/44	10/44	10/00	India Steamship P.	10	..	..	10	13/75	13/87	11/37		
Britannia Biscuit P.	25	30	25-21*	10	50/25	50/25	43/87	India Steamship P.	10	..	..	10	13/75	13/87	11/37		
British India Corporation P.	4	7	9	5	9/03	8/94	8/87	India Steamship P.	10	..	..	10	13/75	13/87	11/37		
British Paints	12½	15	10	10	21/31	21/31	20/50	India Steamship P.	10	..	..	10	13/75	13/87	11/37		
Calcutta Silk Manufacturing P.	Nil	Nil	..	10	8/94	8/94	7/15	India Steamship P.	10	..	..	10	13/75	13/87	11/37		
Clive Row Investment	8	7½	7½	10	8/31	8/37	8/19	India Steamship P.	10	..	..	10	13/75	13/87	11/37		
Duncan Brothers & Co. Ltd. P.	14	14	14	100	131/00	131/00	135/00	India Steamship P.	10	..	..	10	13/75	13/87	11/37		
Dunlop Rubber Co. (India) P.	21½	20	15	10	36/37	36/37	32/00	India Steamship P.	10	..	..	10	13/75	13/87	11/37		
Dyer Mearns (Breweries)	25	30	..	5	31/25	31/25	28/50	India Steamship P.	10	..	..	10	13/75	13/87	11/37		
Eastern Investments Ltd. P.	14	14	12-10*	100	107/00	107/00	129/00	India Steamship P.	10	..	..	10	13/75	13/87	11/37		
Electric Construction	10	10	10-10*	10	12/75	12/62	12/12	India Steamship P.	10	..	..	10	13/75	13/87	11/37		
French Motor Car	20	20	..	20	31/75	31/75	35/12	India Steamship P.	10	..	..	10	13/75	13/87	11/37		
Ganges Rope	17½	20	20	100	236/00	236/00	236/00	India Steamship P.	10	..	..	10	13/75	13/87	11/37		
General Investments Trust P.	5	5	5-5*	75	43/00	43/00	43/00	India Steamship P.	10	..	..	10	13/75	13/87	11/37		
Gillanders Arbuthnot & Co. Ltd. P.	10	11	11-11*	10	14/06	14/06	13/81	India Steamship P.	10	..	..	10	13/75	13/87	11/37		
Gladstone Lyall & Co. Ltd. P.	42/5	..	..	10	28/12	28/12	33/25	India Steamship P.	10	..	..	10	13/75	13/87	11/37		
Godfrey Phillips (India) Ltd. P.	40	40	30	10	236/00	236/00	241/00	India Steamship P.	10	..	..	10	13/75	13/87	11/37		
Great Eastern Hotel	9	6	..	250	236/00	236/00	241/00	India Steamship P.	10	..	..	10	13/75	13/87	11/37		
Hindustan Aluminium P.	Nil	..	..	10	12/81	12/87	11/81	India Steamship P.	10	..	..	10	13/75	13/87	11/37		
Hindustan Motors P.	9	12	12½-11½*	10	18/28	18/37	15/50	India Steamship P.	10	..	..	10	13/75	13/87	11/37		
Hindustan Pilkington	Nil	Nil	Nil-11*	10	14/00	14/00	17/87	India Steamship P.	10	..	..						

by a corresponding rise in the interest rates on advances in due course; the move is, therefore, likely to accentuate inflation by raising the operating costs of trade and industry. Since the banks are keen to maintain the present margin between deposit rates and advance rates in order to protect their profitability, an increase in deposit rates is bound to be followed by a rise in lending rates. In the case of several important commodities whose prices are still controlled by the Government, a further rise in lending rates would embarrass the industries producing them. At the same time, it is difficult to see how bankers can resist a modest rise in the interest rates on deposits under present circumstances, since the rise in the interest rates on small savings and Government bonds has intensified the competition for deposits. It is, therefore, hoped that the banks will consider the question of paying more interest on deposits in a selective way.

The observations made by Mr. N. N. Law in his address from the chair at the annual general

CHECKING CORRUPTION

THE Santhanam Committee's report, presented to the Lok Sabha last week, is an indignant document which strikes the right moral note against corruption in high places. This will undoubtedly win the Committee great popular acclaim—not perhaps an entirely unintended result—but one wonders whether the report will also make sense when one reflects upon it in tranquility. In its narrow preoccupation with corruption as such, the Committee has piously proposed multiplying checks and balances to reduce what little discretionary authority the administrator now possesses. This may seem to reduce the opportunities for corruption at some points, but the end-result may be that decision-making will become even slower than it already is. A slowdown will do the economy no good at all, except to aggravate the urgency of those whose dire need leaves them no alternative but to resort to the payment of "speed money". A small factory-owner, seeking a licence or permit for something that he urgently needs but which no official is empowered to give without the concurrence of several others, can hardly be blamed if he resorts to bribery to speed up a decision. It is pathetically unrealistic to think that any system can be devised which plugs all loopholes, and it follows, therefore, that a slower administration will tend to be more, not less, corrupt. In this sense, the remedy which Mr. Santhanam and his colleagues propose may prove worse than the disease.

A scarcity-ridden economy cannot do away with controls altogether. However much one may dislike the "licence-permit raj" (to use a phrase made popular by the Swatantra leader, Mr. C. Rajagopalachari), it would amount to throwing the baby out with the bath water to suggest that all controls should be scrapped in order to eliminate opportunities for corruption. Only last week, Mr. Cecil Cargin, chairman of the Indian Engineering Association, made the perfectly valid point that essential units must be assured in advance of priority allotments of steel for the necessary investment in expansion to be made with some confidence. He asked for this assurance in spite of his general support for steel decontrol in principle, because the outlook ahead is one of growing shortages in several categories. The example points to the obvious conclusion that the transition from controls to freedom will have to be gradual, and that the speed of the change will be regulated largely by the rate of economic expansion. Thus, the surest corrective to corruption of the kind alleged against business and industry is quicker growth in all the directions where scarcities exist today. The close relationship between economic expansion and honesty is what the Santhanam Committee has failed to perceive because it was too busy finding righteous attitudes to adopt.

Its suggestion that trade organisations should be associated with the distribution of licences and the like is not particularly original. There is already provision for consultation in the administrative arrangements governing many such matters. A disappointed applicant for an industrial licence may, for instance, go up in appeal to a sub-com-

mittee of the United Bank of India Ltd recently are of special interest in this context. He says that some deposits are sensitive to interest rates, while others generally do not respond to a change. So if deposit rates are to be raised, albeit moderately, the rises should be confined only to interest-sensitive deposits, particularly those kept for periods of more than a year. The consequent increase in costs could be partially neutralised through other measures. The recent shift towards demand deposits would help. But the increases in deposit rates, however discriminating, will not by themselves solve the problem. They need to be backed by efforts to improve the services and facilities given to customers. It is time the banks tried to diversify their activities in order to attract new depositors. Considering the poor quality of the services most Indian banks give, to think of increasing service charges would be wrong. It would be equally wrong to check through an inter-bank agreement the provision of new facilities; quality cannot improve unless freer competition is allowed to prevail.

mittee of the Central Advisory Council of Industries. Doubtless, consultation can be widened and the machinery for it improved, but it can easily become too much of a good thing. If all the varying viewpoints have to be reconciled before a decision is taken by consulting everyone who may have a stake, one might as well forget about speeding up the procedures of the administration. In a democracy, the final check on executive misdeeds is provided by such powerful forums as the legislatures and the judiciary. Ways should indeed be found of making better use of these agencies (a special committee to keep an eye on public-sector undertakings is an example), but to try and run the administration through committees is quite absurd. It is almost like asking Parliament to take over executive functions itself instead of being the supervisory body it is.

A fundamental misjudgment of the rôle of the executive in a developing country lies at the root of the Committee's petty-minded nagging of the services. No one can possibly object to drawing up "informal codes" to regulate the conduct of civil servants in relation to the public, but the suggestion may have greater practical relevance if the reasons which oblige the former to accept favours are looked into. A senior official visiting Calcutta is allowed the princely sum of Rs. 18 (or is it now Rs. 26?) a day to meet all his expenses on board and lodging. Since Government guest houses can never keep pace with the increase in the number of users, many officials find themselves obliged to accept hospitality from dubious quarters. To rail against the practice may be righteous, but cannot be right, until allowances are made more realistic and a better example is set by the political masters. Within the last few days, a socialist gentleman close to the top in New Delhi's hierarchy was found to have preferred business hospitality to what a mere Raj Bhavan might have offered. There may well have been good and satisfactory personal reasons for the choice, but the public at large has no means of knowing.

WORLD COMMODITY PRICES

INTERNATIONAL commodity prices have been comparatively stable in the first quarter of 1964, after their steep rise since the third quarter of 1962. It is sensible to assess the financial trends of 1964 on the assumption that, despite some declines which have occurred already, this year's average of commodity prices will be above last year's, although last year's rise will not be repeated. The question arises whether an average—not of time but of a range of commodities—has much significance, in a category of goods where almost every item seems to be subject to some special influence. Can one say, for example, that the rise in the price of wheat represents a general trend in commodities when the main cause of it is bad harvests in the Soviet Union? Or that industrial consumption is properly reflected in the price of copper when there are two widely

On the question of setting the right example from the top, the Santhanam Committee has certainly carried the public debate several useful steps forward. Its recommendations for dealing with corruption at the political level may well prove to be its most valuable contribution. When it comes to reaching decisions on the implementation of the report, the ruling Party can hardly brush these aside as it did the previous moves along the same lines which lacked the authority the Committee enjoys as an agency of Parliament. The details of the arrangements proposed may well require second thoughts but the principle of making retribution sure and swift, regardless of a person's political position, is wholly sound. The Punjab affair, currently *sub judice*, is not open to comment, but the point may nevertheless be made that allegations of malpractices among politicians go unheeded for far too long. That the easy way out—of Kamraj all suspect ministers—was not chosen only goes to show how political necessity can usually overcome scruples until pressures to the contrary can no longer be contained. This said, one may yet find that the Santhanam Committee's stipulation of an obligatory enquiry every time ten members of the legislature decide to denounce an individual Minister will open the flood-gates of vituperation and witch-hunting in faction-ridden States. These, like U.P. and Kerala, also happen to be the very States where economic progress has been particularly disappointing, which emphasises the need to prevent the dissipation of political energy that the process may involve. A more rational solution will be necessary to reconcile the requirements of cleanliness in public life with the maintenance of some stability.

Again, the Committee's concern over connections between members of the legislature and private interests seems misconceived. An M.P. from, say, a cotton-growing region may have an identity of interest with the aims of the growers' federation of the area. If this federation provides him with some assistance to cover secretarial expenses or the like (which the poorly-paid M.P. often sorely needs), is this necessarily immoral? Doubters might be well advised to look into the practice in the U.K. where M.P.s are legally and openly retained by such bodies; or in India, where no one will frown upon a trade union going to the assistance of a Member. A link, even if it is financial, need not always be suspect provided it is open and above board. The Santhanam Committee allows for this but in a very narrow sense, and thus comes in the way of the healthy development of pressure groups. Democracy in the complex present-day world cannot function in a groupless vacuum. Wisdom lies in recognising the fact and allowing for orderly growth instead of brushing groups under the carpet. The licensing of "business" agents and the elaborate recording of interviews granted to them lends a nice, dramatic touch to the report. But if the Committee had only stopped to think, this will not for one moment prevent the dubious, undercover operations which it wishes to check. Politically powerful gentlemen will still take on business commissions on the quiet whenever they wish to, for the simple reason that the peddling of influence can never be tracked down. This makes licensing as futile as decreeing that burglars must register themselves in advance.

different prices of copper, that of the London Metal Exchange and that of the big producers?

These examples represent another difficulty of comparison, that the products of farms and plantations are governed partly by factors such as weather and disease, which the producers cannot effectively control, whereas the products of mines can be regulated, more or less, according to a pre-conceived plan. Again, increasing the supply of a particular mineral may involve opening (or reopening) high-cost mines, whereas the supply of a manufactured product can be increased by building new factories that can produce as cheaply as the factories already operating. Official policy is another complication. The price of wool is governed partly by the buying policy of the communist countries. The prices of some metals

are governed partly by the selling policy of these countries. In both cases these policies raised prices last year. The policy of the U.S. authorities in releasing supplies from the stockpile has dominated the tin market in the last few years. Speculation in commodity markets is another erratic factor, often related to operators' expectation of changes in official policy.

The composite indices of commodity prices are certainly not easy to interpret. Yet it is undeniable that the rise in these indices since 1962 reflects, however approximately, the growth of consumption of commodities, particularly in the industrial countries. And the rise in shipping freight rates (reversed, to some extent, recently) reflects the increase in trade in commodities rather than in manufactured goods. Freight rates, indeed, have become an important element in the prices of commodities in the main area of consumption. These external influences have raised the prime costs of industrial countries, and the terms of trade, very adverse to the primary-producing countries for some years previously, have been restored to a more normal relationship. An example of the effect of the rise in primary prices is in the recent statement by the U.K. Board of Trade that prices of materials and fuels purchased by manufacturing industry in Britain were 6 per cent higher in the fourth quarter of 1963 than in the same quarter of 1962. Other costs, particularly wages, had not risen nearly as much between the periods. The sudden increase in the value of British industry's stocks in the fourth quarter of 1963 is attributable partly to the rise in prices.

However, the reversal of the terms of trade, in favour of the primary-producers, is no more than a correction of a situation that must be assumed to have been abnormal. And there is a long-term trend operating against the primary-producers, which is accelerated by a rise in primary prices: natural materials such as metals and fibres are being replaced—at least, supplemented—by factory-made materials, particularly the products of the chemical industry. The huge expan-

IMPORT CURBS STAY

THE import policy announced by the Government of India last week has, by and large, maintained the status quo for both actual users and established importers. The changes introduced are of a marginal nature, and hardly amount to liberalisation. The policy has allowed larger imports of some 17 items by axing 12 items of relatively low priority. Besides, 14 new items can be imported by actual users, but without any corresponding increase in their foreign exchange allocations. Although the bigger export earnings in 1963 have reduced the pressure on the balance of payments, the strain still continues. The Reserve Bank's foreign exchange balances now stand at around Rs. 126 crores, and the Government has to meet substantial repayment obligations, including those against the drawal of \$250 million from the International Monetary Fund. These may explain why the import policy continues to be restrictive for another year, but they do not justify the absence of any worthwhile liberalisation of maintenance imports.

Considering that India's export earnings during 1963 have increased by as much as Rs. 104 crores, it was only reasonable to expect a larger allocation of foreign exchange for maintenance requirements. The country's biggest need today is greater production, both for export and for internal consumption. The major reason for the existence of a large volume of idle capacity in industries is the shortage of imported raw materials and components. The gross under-utilisation of capacity has perpetuated the shortage of manufactured goods and pushed up production costs. As a result, inflationary pressures have been accentuated and the competitive position of Indian products in foreign markets has weakened.

The prime need, therefore, is to allow as large a volume of maintenance imports as is possible to enable fuller use of installed capacity. While this depends to a considerable extent on the amount of non-project aid that is available, an immediate liberalisation of industrial imports should have

sion of the chemical industry in the Soviet Union will certainly restrict the growth of that country's consumption of primary products. The efforts of the big copper-mining companies to hold down the price of their metal are resented on the London Metal Exchange, for the companies have established their own price and left the market to perform only a marginal function (though the higher L.M.E. price may be the more realistic). But the companies have perceived, some of them more clearly than others, the danger of substitution of high-priced copper by cheaper metals or plastics; and, significantly, the prices of the substitutes are generally stable. The policy of these companies is not, of course, applicable to all commodities, but it deserves consideration in any policy that may be devised for commodities in general, for it recognises the importance not only of the level but also of the stability of prices.

The general principle of regulating commodities to maintain more or less steady prices at levels that would be acceptable to both producers and consumers has been under discussion for years, and some specific schemes have been worked out; but only one of them, the scheme for wheat, is operating really well. The present situation is an unsatisfactory compromise between a system of free markets and a system of regulated production and trade. It should be possible to retain most of the advantages of free markets—where they are operative at all—while extending the advantages of regulation. The present time, when some observers feel that the trend of prices may already be turning downward again, is opportune for considering new policies more urgently. For effective stabilisation of prices large buffer stocks are indispensable, and they require finance on a corresponding scale. Most of the major nations have been able to co-operate financially to stabilise currencies, but they have allowed wide variations in commodity prices to strain the international system of stabilisation and development. It seems logical to extend this system to include commodities, which, in a different economic field, are not less important than currencies.

been possible with the bigger foreign exchange earnings for 1963. The official assurance that there will be a substantial rise in the maintenance imports of actual users as a result of the likely increase in non-project aid this year has evoked optimism among industrial consumers. But it re-

High Taxes Hamper Growth

Many underdeveloped countries in the world tend to impose high taxation to finance their development expenditure. But they overlook the basic fact that high personal and corporate taxation inevitably discourages the inflow of overseas capital which is needed to accelerate their economic growth. The effect of high corporate taxes on industrial expansion has been lucidly discussed recently by Sir Duncan Oppenheim, chairman of British-American Tobacco Co. Ltd and Mr. V. A. Grantham, chairman of the Chartered Bank, at the annual general meetings. (A fuller version of the former was printed in *Capital* of 26th March and of the latter a week earlier). The growing practice of imposing additional taxes on dividends, either upon the shareholder or the company itself, is to be deprecated, particularly when—as in some recent instances—these taxes have been imposed at specially high rates on dividends paid to non-resident shareholders. This form of discrimination, Sir Duncan rightly says, discourages the flow of risk capital and "the consequences of such a policy do not take long to show themselves." Although Sir Duncan has not specifically discussed the incentives given to foreign investors by Mr. T. T. Krishnamachari in his latest Central Budget, it has been noted in India and abroad that many of the concessions have been

mainly to be seen how much additional foreign exchange allocation they will get.

The new import policy, it has been stated, is guided by the twin needs of defence and export promotion. Small-scale industries have come in for special favour, since they will get a larger foreign exchange allocation. Small industries are supposed to depend on indigenous sources for raw materials, and it is rather difficult to appreciate the new concessions to them. It is to be hoped that any increase in foreign exchange allocations will benefit only those small industries which produce items for defence or other priority requirements.

A noteworthy aspect of the import policy is that for the first time export incentive schemes have been brought within its scope. Although import entitlement will still be proportionate to the f.o.b. value of exports, the imports allowed under the incentive scheme will be governed by the overall import policy. This, it is officially explained, is merely a step taken to rationalise procedures. Although compared with Pakistan and some other countries, the export incentives offered in India are small, they seem to have given rise to misgivings in some foreign markets. But, as Mr. Manubhai Shah stated at the last meeting of the Export-Import Advisory Council, incentives help hardly 20 percent of the exports and the remaining 80 percent are marketed without any kind of assistance. In fact, there is a strong case for offering incentives to certain major foreign exchange earners like jute goods and tea, which are facing keen competition abroad.

It appears that established importers have to remain content with a peripheral rôle. With the big increase in actual-user licensing and in the volume of imports handled by the State Trading Corporation, and its sister organisation, the Minerals and Metals Trading Corporation, established importers have virtually been pushed off the scene. State trading now accounts for about Rs. 160 crores of the total import and export trade. A larger proportion of the business will be gradually passing to State trading organisations. Mr. Manubhai Shah, in fact, feels that the import of the remaining items—particularly the profitable ones—by established importers should not be permitted and that these items should be handled by the S.T.C. It is a pity that the long experience and wide contacts of the established importers should not be put to profitable use. The future for them seems to lie in promoting exports, in the distributive trades within the country, and in functioning as indenting houses to handle the imports of actual users.

Current News and Comment

offset by other aspects of the taxation proposals. Mr. Krishnamachari, for example, has proposed an unjustified increase from 63 percent to 65 percent in the tax on Indian branches of foreign companies. Foreign capital will flow only to those countries where it gets an adequate return, and where the commercial, fiscal, monetary and administrative policies are not uncongenial or adverse. Sir Duncan has rightly cautioned the developing countries that the availability of concessions to new investors will not in itself be effective in attracting overseas capital if there is a prospect that taxation will be too onerous when the pioneering period expires. It is not so much political risks, Sir Duncan says, as excessive taxation, whether in the form of excise duties or profits taxation, which poses a real threat to his group's expansion in the developing countries.

While Mr. Grantham has congratulated the Finance Minister for his recent effort to stimulate economic expansion, he too, like Sir Duncan, has complained of high personal and corporate taxation which constitutes a "severe disincentive" to savings and investment. While it is appreciated that the Government requires revenue to finance its development expenditure, it is a pity that it has made no worthwhile effort to reverse the present policy of high taxation through a reduction in expenditure. Meanwhile, as Mr. Grantham

said, there has been a steady incursion of bureaucracy into the private sector "at much cost and little gain" due to the increasing clamour to establish a socialistic State in India.

Raw Materials for Paints

In his address at the annual general meeting of the Indian Paint Association in Calcutta last week, Mr. R. G. Goel, president, referred to the industry's difficulties during the past year. Some of the adverse factors which affected the industry were import restrictions, the shortage of essential indigenous raw materials and the increase in costs due to higher excise and Customs duties. In spite of these adverse factors, the industry has been able to maintain its production. Mr. Goel urged the Government to show a more "responsive approach" to the problem of raw material shortage and allow more liberal imports of essential items required by the industry. But the quantity and range of indigenous production of various raw materials and ancillaries should be increased progressively so that the industry might be in a position to use them more and more. The Government has introduced certain changes in the concessional slab for the levy of excise duty on "B" class factories producing oil and enamel paints. The concessional slab, for example, has been reduced from 1,000 tonnes to 750 tonnes and has been made applicable to factories whose annual production does not exceed 3,000 tonnes. Furthermore, a new conversion formula has been prepared for calculating the concessional slab which is highly unrealistic and has no relation to the actual system of conversion followed by factories. "The conversion formula," Mr. Goel said, "would have the effect of actually reducing the quantum of concessional slab and thus deprive manufacturers of the full benefits of the concession."

In spite of the import entitlement benefits which have been substantially raised last year, exports have not increased to the extent desired. But the industry is much more export-conscious today than it was a few years ago.

Silk Production and Exports

India has a unique record of producing all the four varieties of silk—mulberry, *tassar*, *eri* and *muga*—and Indian silk goods have been famous all the world over. But in spite of this advantage,

the Indian silk industry has not been doing well. Addressing the annual general meeting of the Central Silk Board in Bombay last week, Mr. R. Doraiswamy, chairman, said that although the foreign exchange earnings from silk exports in 1963 touched Rs. 2.16 crores, against the original target of Rs. 1.64 crores and the revised target of Rs. 2.1 crores, the industry was suffering from high production costs. Unless India is able to reduce her production costs and improve the quality of goods, she may lose some of her traditional markets and may not be able to develop new ones. The machinery and equipment in almost all the spinning and weaving units is obsolete and worn-out and use is made of outdated techniques and devices. The industry needs large amounts of money to install up-to-date machinery and equipment. But the expense is unavoidable if the production of silk goods is to be increased and internal and export markets have to be developed.

Another serious handicap is the inadequate supply of raw material. Although the production of *tassar* silk slightly declined in 1963, compared with the previous year, the production of mulberry, *eri* and *muga* silk somewhat increased. The output of mulberry silk increased from 1,052,000 kilograms in 1962 to 1,096,000 kilograms in 1963. But even this increased raw silk output, along with imports, was not sufficient for the industry's needs. There has been some improvement in the quality of raw silk produced in the country, but a substantial part of the raw material supply is of sub-standard quality. A number of research and development schemes were started in the first and second plan periods and have been continued in the current plan, but they do not appear to have produced any marked effect on the quality of raw material. Although the State Governments concerned are keen on developing the industry, they do not appear to have made much progress.

Disposal of Income Tax Cases

Inaugurating the conference of members of the Income Tax Appellate Tribunal in Bombay last week, the Chief Justice of India, Mr. Justice P. B. Gajendragadkar, pleaded for transferring the work of the Tribunal to the High Courts. This is necessary because the administration of income tax laws has assumed gigantic proportions and it poses a delicate and complex problem. The magnitude, complexity and importance of the laws have greatly increased. Since the High Courts

command public confidence, there will be some advantage in taking away the work of administration from a quasi-judicial body like the Tribunal and entrusting it to the former. But as the Central Law Minister, Mr. A. K. Sen, pointed out, such a transfer would involve the translation of accounts from different regional languages into English which would be a very costly and difficult process. Besides, there would be the problem of absorbing accountant-members on the Bench of the High Courts. But the most important aspect of the problem probably is that the High Courts are already overworked. Delay in the disposal of income tax cases will not only cause undue hardship to the assessee, but might also affect State revenues.

It was pointed out at the conference that the disposal of cases by the Tribunal had been quick and that it enjoyed the confidence of the litigant public. Mr. G. S. Gaitonde, president of the Tribunal, said that the number of appeals instituted before the Tribunal's 12 branches in the eleven months of 1963-64 was 20,110, against 18,255 in 1962-63 and 15,075 in 1961-62. The rate of disposal of cases has been continuously high. Taking the period of the past five years, the number of references to the High Courts under Section 66 (1) and 66 (2) of the Indian Income Tax Act, 1922, was only 2,668, which worked out to 4 per cent of the total cases disposed of by the Tribunal during the period. The High Courts have so far disposed of 1,179 of these cases, upholding the Tribunal's verdict in 702 cases and partly upholding the verdict in 105 cases. It was only in 335 cases that the Tribunal's verdict was upset. Of the 101 cases disposed of by the Supreme Court during the period, the verdict of the Tribunal was upheld in 67 cases. This shows that the Tribunal has been doing the work quite satisfactorily and there is a strong case for continuing it. The disposal of cases will not only be quicker but less costly to both assessee and the Government if the Tribunal continues to handle income tax cases.

TEA TRADE IN RUSSIA

IN dealing with almost any aspect of a subject so vast as that of the Russian Empire, it is easy, and hence very common, to fall into exaggeration. Thus it is imposing to read of a territory covering nearly 9,000,000 square miles occupied by more than 135 millions of people; of a national revenue approaching £200,000,000 and a debt of £700,000,000; of an Army variably put at from 34 to 5 millions of men. And then, enlarging upon these data, it may be readily shown that the Great Empire occupies more than one-sixth of the land-surface of the globe, and is in fact both as to area and population, far larger than, for instance, the United States and Canada put together. But to citizens of the British Empire, at any rate, such figures should not be so very tremendous. The dominions of the Tsar are, after all less in extent by fully 24 million square miles than those of our own King-Emperor, whom subjects, moreover, are at least thrice as numerous. Least of all in India, with a territory practically equal to that of European Russia and more than twice as densely peopled, can much impression be created by the largest of Russian statistics. In the matter which more immediately concerns us here—the tea trade of Russia—the tendency towards general exaggeration has been specially noticeable. In Continental Europe one finds Russia invariably regarded and spoken of as the great tea consumer of the world, and even in England, such antiquated notions are still sometimes expressed. Everywhere much vagueness seems to exist as to Russia's true relative position among the tea drinking countries of the world. What this really is it may thus be useful to enquire. There are two ways in which a country may be ranked as a "tea-drinker"—either by the total weight of tea imported annually for consumption, or by the rate per capita of the population. The latter is usually the fairest test, and applying it to the whole Russian Empire, Asiatic as well as European, it is found to allot well under 1 lb. of tea annually to each inhabitant, which thus places Russia, statistically, seventh on the list of tea consuming countries. In this list China and Japan cannot unfortunately be included, owing to the absence of reliable figures as to their home consumption of tea. It would be interesting to know what this actually is, as it must be considerable and its inclusion might still further modify the comparison.

FROM

CAPITAL

14th April, 1904

A Ditcher's Diary

AS THE INDO-PAKISTANI HOME MINISTERS' TALKS began in New Delhi on Tuesday, I was reminded of the photographer who, struggling to compose a romantic masterpiece from a sullen model, begged of her: "Please look pleasant, lady, and in a few moments you may resume your natural expression". Pleasant the delegates certainly looked as they assembled for what could prove, for millions in both countries, a fateful conference. And of romanticism, too, there was not a little, with shared memories of old days together, in prison and outside; of political battles fought at common barricades; and of a measure of personal friendship that had survived sixteen years of national animosity. But many, like myself, might have wondered whether, the pleasanties and the romanticism over, and the camera-men from the Press gone, the natural expressions on both sides were thereafter not speedily and smoothly resumed. The expressions, as we know, could not in all cases have been those of old friends at their fond best; the conference, after all, began after a phase of recrimination and bitterness during which Indo-Pakistani relations had touched a new low rarely known since the last days of the Kashmir war. The persecution, seemingly organised, of the Hindu and Christian minorities of East Pakistan; the backwash of it all, in West Bengal, as well as in Bihar and Orissa; and, in between, the fruitless acrimony of the United Nations debate on Kashmir—all these remained as testimony to a poison which, distilled first in the minds of Governments, had been percolating into the hearts of men.

WHETHER FIVE DAYS OF DISCUSSIONS, OR FOUR OR three, can provide an answer to what has become so deep-rooted a problem, I would not claim to know. Perhaps the main virtue of the talks, then, may lie in their facilitating a hard-headed and down-to-earth assessment of the consequences, for each country, of communal troubles which, by their very nature, cannot be confined to one alone. Dry statistics will no doubt be exchanged of the hundreds raped or murdered on either side; and of the thousands of others driven forever from their hearths and homes. But, with due apologies to Messrs Gallup and Kinsey, statistics are no measure of joy or suffering, of the warp and woof of human experience. The tragedy of the past four months is known in its cruel nakedness only to those who have suffered it. For them, *communiqué*s composed of old resolutions in new words, such as the New Delhi conference will assuredly produce, may be no consolation at all. To talk of the wholesale exchange of minorities is glib, if not

downright foolish. The answer, if there is one, waits to be found by the leaders of the two countries in their own hearts: in Pakistan, by a Government driven to communalist adventurism through its own effeteism and incapacity; and, in India, by a Government whose commitment to secularism is compromised sometimes by lassitude, sometimes by the imperatives of regional or Party necessity. Conferences have their value; but resolutions without results stand in danger of being productive only of cynicism and despair.

TO GET A FEUDAL SOCIETY MOVING ALONG THE ROAD to modernity is apt, at the best of times, to prove a formidable challenge; Jigme Dorji will be remembered most for the fact that he accepted it with courage and wisdom of a calibre that is altogether rare among the leaders of the Shangri-las of the present-day world. The probable motives underlying his assassination will not be known for some time; and with certainty perhaps never. What is certain is that the consequences of his death will not be felt in Bhutan alone, a country he led through critical times with shrewdness and dedication; India's loss may prove greater, for Jigme Dorji was a powerful but kindly man, sensitive to true friendship of the sort which, among Bhutan's neighbours, only this country was in a position to offer. The picture in many memories of Jigme Dorji at one of his favourite haunts, the Royal Calcutta Turf Club—a lean and austere-looking individual, moving excitedly among a nondescript fraternity of punters, tipsters and horse-lovers—was, to my mind, never a true reflection of the man himself. Men are not judged only by the rationality or otherwise of their personal pleasures and pastimes; more important than all these are qualities, as in Jigme Dorji's case, of statesmanship, patriotism and discipline which nations, and not his friends alone, will miss. To the many who knew him, Jigme Dorji was in some ways a paradox: a stern disciplinarian at work, he had the softest of hearts at home; an aristocrat by birth, he revelled in the uniquely democratic informality of his ways. Those who partook of the generous hospitality at what, metaphorically speaking, seemed his doorless home did not all drop neatly packed in stuffed shirts from the upper crust of politics or society; in the motley gatherings of the Dorji household were often to be found soldiers and sailors, tinkers and tailors, all present in testimony to the deep humility and immutable friendliness of the man himself. Jigme Dorji loved life and lived well; so much more beyond understanding, then, is the tragedy that one who in his heart had no room for enemies should have died of an

assassin's bullet. Youthful, vigorous and selfless, as not all Prime Ministers these days are, Jigme Dorji was a beacon of wisdom in leadership such as Bhutan may not easily know again. India, no less than his own country, has lost in him a wise mentor and a true friend. As after the assassination there falls an uneasy darkness over the dimly-lit hills and valleys of the mountain kingdom, there remains in the background a red glow of danger; may it not return to memory one day as a portent of the dusk before what could be, politically, a long night.

THE UTTER IMPOSSIBILITY OF EXPLAINING INDIA in general terms is something of which we are all aware. This is a country which politically, economically, ethnically and climatically has always stubbornly refused to fit into accepted theories. Now, apparently, we have extended our obduracy into the field of geology as well; India looks like being the last piece of the jigsaw of proof that the ancient continent of Gondwanaland really did exist. Ever since the theory of continental drift was propounded, its proof has been sought in the ability to fit together the various world land masses. In the case of Gondwanaland, this has now been done by computer, all except the last step of fitting India on to Africa. Meanwhile, according to a report given at a recent meeting of the Royal Society, the theory of continental drift has been proved in another way, by investigating the "frozen-in" magnetism of rocks. This fascinating process consists of deciding from the magnetic records of ancient strata which way they were lying in relation to the magnetic poles several million years ago. From the results it has been definitely decided that drift must have taken place; the question now is how it did so. But even the answer to this riddle is within sight because the previous problems which arose through trying to fit coastlines into one another have recently been avoided by concentrating on the 500 fathom offshore line. By this means Africa and South America have been brought together within half a degree, and other results have been little less spectacular. It now remains to bring India into line. I am wondering what impact a full-scale vindication of the continental drift theory will have on currently accepted beliefs in anthropology. Will it, for instance, be possible definitely to prove a close family relationship between the black Africans and the Dravidians, or between the aborigines of India and those of Australia? Probably not, because the continents began to drift perhaps 250 million years ago, long before man as an identifiable animal existed on this earth. Still, man had ancestors, and if Gondwanaland was a reality, they must surely have had the run of it.

IT IS A DISMAL COMMENT ON AN AFFLUENT SOCIETY that crimes of violence should increase to an extent where compensation for its victims can

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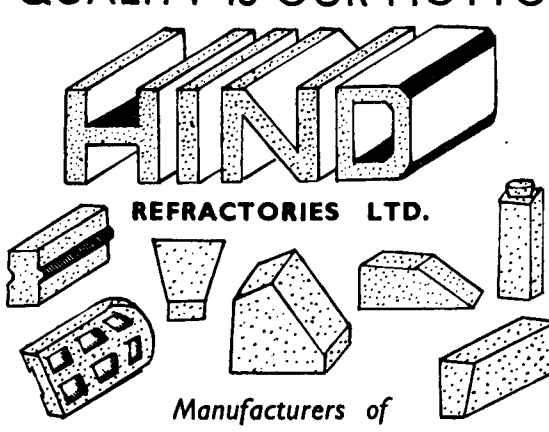
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HOW SHALIMAR WORKS ? ...No. 8

After extensive Historical Research Work* we can find no connection whatsoever between the ancient art of "milling" (flour, rice, corn, etc.) and "Milling" (steel). We feel sure that there must be, so our team of Historical Research Workers* continue this Historical Research Work*.

*Note: The Author likes the melodious ring of the words "Historical Research Work", so please excuse its repetition.

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be justified from public funds. Britain is not alone in this experience; and her police are perhaps no more dedicated to persecuting the motorist when they ought to be chasing criminals than are those of any other western country. It is something which seems to have developed because the communal wealth which has brought so much personal freedom has not also increased the individual sense of responsibility. At least not to the same extent; and now one of the features of affluence in any nation is a high proportion of people, usually young ones, and not sharing in the traditional attitudes of the professional criminal, who prefer to risk killing or maiming in the pursuit of easy money rather than resort to honest work. So much for the old socialist theories that the elimination of poverty would bring a speedy end to crime. Personally I can suggest no answer to all this, except perhaps to point out that a closely-organised modern society offers too few of the opportunities for adventure which used to absorb so much high-spiritedness in the past. I cannot imagine the British Government's decision will increase crimes of violence in the country: those responsible are unlikely to be influenced one way or another. Would the same thing be true, I wonder, if the Indian Government were to follow the example and compensate all those who have recently suffered here as a result of the violence of rioting and looting? It would not be the same thing, of course. But the principle—that nobody should be permitted to suffer unnecessarily as a result of the anti-social actions of others, the avoidance of which is the community's responsibility anyway—is no different, and in India the victims are on the whole even less able to sustain the personal consequences. I should like to recommend the proposition for official attention. Some commitment on the part of the Government to compensate the victims of violence in this subcontinent might also help encourage a more conscientious attitude towards the steps necessary to avoid such happenings in the first place.

MEETING, QUITE ACCIDENTALLY, A FORMER ACQUAINTANCE of mine from Burrabazar the other day, I asked as discreetly as I could what he thought of the report of the Santhanam Committee. "Corruption", he declared with uncharacteristic brevity, "is merely the difference between the controlled price and the market price". Outrageously complacent though the view did sound, there seemed to be a hard core of truth in it, although I do not for a moment believe that it is the complete explanation in the sense that, *pace* the Swatantrists, controls are not the only, nor always even the main, source of corruption. Indeed, one might well, in one's more analytical moments, go so far as to say that bribery, favouritism and nepotism are not ailments in themselves; they are as temperature is to malaria, or spots to the measles—in other words, mere symptoms of diseases which draw their sustenance from the wider social environment. As a search for cures, much of the Santhanam Committee's report struck my acquaintance as the diagnosis of a witch-doctor: it seemed to suggest that more incantations, exhortations and homilies were necessary in order to propitiate the gods into purifying Indian society. Much of it struck him as the prescription of quackery: you could perhaps submerge the patient in ice-cold water and rid him of his temperature, but you could not submerge robber-bureaucrats (or robber-politicians) among other robber-bureaucrats (or other robber-politicians) sitting on vigilance committees, commissions and teams—and thereby rid them of their sins. Embarrassed by so frank a treatment of so delicate a subject, I hastened to try and conclude the discussion. But, blushing, I fumbled, and at this stage, for no reason at all, the conversation turned to the Bhubaneswar session of the Congress Party, where rich men and poor foregathered to pass resolutions urging the Government to make the rich poor and the poor rich; my acquaintance, quite irrelevantly I thought, enquired casually if I knew where the not inconsiderable sums of money spent on such worthy endeavours in aid of socialism and purity came from. I urged him to be patient and wait for the no doubt flattering details of the complete, but as yet unpublished, accounts. They might even, he added cryptically, appear one day as an illustration in the report of the second Santhanam Committee.

THE DITCHER

Guide for Investors

HIGH COSTS AFFECT RESULTS OF BENGAL COAL

GREAT interest attaches to the statement issued to shareholders by Mr. A. D. Ogilvie, chairman of the Bengal Coal Co. Ltd. for the year ended October 1963. The Company's statement and accounts for 1962 could not be issued due to the Defence of India Rules. Referring to the recent increase in the prices of good coals, the chairman said that it had not been adequate to neutralise the rising production costs. Meanwhile, the prices of essential raw materials have increased and freight rates and import duty have soared. The emergency insurance scheme, combined with the rise in workmen's compensation insurance premium, has placed an extra financial burden on the Company. The production of high-grade coals through deep mining has been found to be unremunerative. Under the circumstances, it is high time the Government raised the selling prices to a more realistic level. (A fuller version of the statement is printed on a later page in this week's issue of *Capital*.)

Bengal Coal has nevertheless taken steps to increase productivity and efficiency. The Company has taken full advantage of the World Bank loan to import equipment, stores and spare parts. Out of the capital expenditure of more than Rs. 80 lakhs for 1962-63, a substantial part has been financed by the World Bank loan. The Company's collieries are being fitted with modern equipment. There has been a satisfactory increase in raisings from the Chanch and Dishgarh groups of collieries producing high coking and blendable coals. Their output has increased by 10 per cent. But there has been a fall in production from the Ponati group of collieries because of a further decline in the output at Banksimula pits. Due to the decline in demand for low-grade coal, raisings at some collieries, producing these coals, have been restricted.

The installation of plant and machinery at the Kunustoria colliery is progressing and this new unit will raise substantial quantities of coal as soon as the railway completes its siding. Sinking has been completed at Murulidih but it may take at least 18 months before this colliery comes into production. In spite of a substantial improvement in the supply of wagons, the Company faces difficulty in getting regular allotments. It has not been possible to use regularly mechanical equipment for loading because proper types of wagons have not been supplied in time. Although the Company has made great progress in sand-stowing, it has incurred a net loss on this account because the entire cost has not been reimbursed by the Government. There has been a deadlock in the payment of royalties since the West Bengal Government is not agreeable to accepting them through an intermediary. In the interest of smooth working of collieries, the matter should be resolved without delay.

Raising of the Company at 3.35 million tons show a small increase over that for 1961-62, but despatches have dropped from 3.6 million tons to 3.4 million tons. In spite of an ample supply of power and transport, raisings have had to be restricted due to the decline in the demand for low-grade coals. Mr. Ogilvie said that the surplus has arisen on account of the phased demand for coal lagging behind the third plan targets. But the production of high-grade coal has not been affected. Sales of coal

rose from Rs. 8.08 crores to Rs. 8.12 crores. But the profit has dropped from Rs. 83.31 lakhs to Rs. 62.75 lakhs, after increasing depreciation from Rs. 31.14 lakhs to Rs. 35.34 lakhs. The smaller profit is disappointing, and the rising production costs have not been neutralised by the latest increase in coal prices.

Depreciation has been higher following the installation of new equipment. Interest charges have mounted because finance has been obtained by borrowings for development schemes. The taxable ordinary dividend has been reduced from Rs. 19 to Rs. 16 a share, including an interim dividend of Rs. 6 a share. This represents a small gross return of only 4.66 per cent a year on the total capital employed. At the present price of Rs. 250 a share, the dividend yield works out to 6.4 per cent. Taxation is allocated Rs. 26.73 lakhs (against Rs. 38 lakhs). The debenture stock sinking fund absorbs Rs. 4 lakhs (against the same), capital reserve Rs. 14.688 (against Rs. 54.796), general reserve Rs. 10 lakhs (against Rs. 2 lakhs) and development rebate reserve Rs. 15.48 lakhs (against Rs. 14 lakhs). The carry-forward is Rs. 1.03 lakhs, against Rs. 8.57 lakhs brought in.

Indian Aluminium Expanding

THE main point of interest in the latest report of the Indian Aluminium Co. Ltd. for the year ended December 1963 centres on further expansion of the Company. The expansion of the capacity of the Alupuram smelter from 5,000 tons to 10,850 tons a year and the construction of an aluminium foil plant near Bombay, have made satisfactory progress. Arrangements have been made with the Kerala Government for the supply of power to the new smelter. Considering the rising requirements of the electrical conductor industry, the Company has undertaken to expand further the capacity of the Alupuram smelter to 15,850 tons a year. The extra 5,000 tons of metal will be available for use by the electrical conductor industry under Government allocation. The construction of the extra capacity has already been undertaken. Indian Aluminium has also been licensed to install E.C. rod production facilities for 5,000 tons a year for supplying metal to the electric cable manufacturers. The cost of the project has been estimated at Rs. 1.4 crores which will be partly financed by the internal resources of the Company and partly by the use of the Canadian dollar and Japanese yen credits.

The profit has improved from Rs. 1.8 crores to Rs. 3.7 crores, after providing Rs. 1.2 crores (against Rs. 1 crore) for depreciation and Rs. 7.50 lakhs (against Rs. 61.50 lakhs) for development rebate reserve. The taxable ordinary dividend of 17.5 per cent has been repeated. This offers a yield of 5.4 per cent at the present price of Rs. 32.25 a share of Rs. 10 each. The Company has issued ordinary rights and bonus shares. The latter have been issued by capitalising the share premium account in the ratio of one bonus share for every four held. The increased share capital has been brought into closer relationship with the total capital employed by the Company. Taxation is allocated

Rs. 2.1 crores (against Rs. 52.50 lakhs) and general reserve Rs. 1.2 crores (against Rs. 80 lakhs). Sums of Rs. 1.69 lakhs and Rs. 3.70 lakhs have been brought in from excess tax provision and wealth tax refund, respectively.

Sales rose from Rs. 10.5 crores to Rs. 13.9 crores. The increased output has resulted from the expansion schemes which have already been completed. At Hirakud, the output rose from 17,072 tons to 19,984 tons, although the working has improved due to an agreement with workers. At Alupuram, production declined from 5,840 tons to 5,551 tons following power cuts. The production of alumina in Muri improved from 44,600 tons to 59,300 tons. Production at the Belur factory has been stabilised and has amounted to 14,737 tons, against 9,326 tons. The operating difficulties experienced at the second extrusion press in Alupuram have been overcome. The output of aluminium paste has risen from 419 tons to 512 tons at Kalwa.

Jessop Raises Dividend

JESSOP and Co. Ltd. has produced satisfactory results for the year ended October 1963. In view of the bigger profit, the taxable ordinary dividend has been raised from 8.53 per cent to 10 per cent, but the directors pointed to the need for conserving resources in order to meet the growing financial requirements of the Company following modernisation, expansion and diversification of activities. The yield amounts to 4.3 per cent at the present price of Rs. 23.08 a share of Rs. 10 each. The profit has improved from Rs. 52.08 lakhs for 1961-62 to Rs. 62.11 lakhs for 1962-63, after increasing depreciation from Rs. 29.91 lakhs to Rs. 36.25 lakhs, providing Rs. 75.40 lakhs (against Rs. 76.19 lakhs) for taxation, Rs. 10 lakhs (against Rs. 15 lakhs) for surtax and super profits tax and Rs. 8.82 lakhs (against Rs. 9.52 lakhs) for development rebate reserve. It has been pointed out that the surtax on profits has imposed a further tax burden of Rs. 10 lakhs on the Company. General reserve is allocated Rs. 46.17 lakhs (against Rs. 37.50 lakhs). The carry-forward is Rs. 64.915, against Rs. 51,000 brought in. Sales improved from Rs. 12.82 crores to Rs. 14.72 crores.

The output has been interrupted by two factors. Electric power supply has been inadequate. Secondly, matching steel has been short. It is, however, expected that during the current year, there will be an im-

provement on both the counts. Since steps have been taken to increase the supply of electric power from the Calcutta Electric Supply Corporation and from Durgapur, an improvement in the situation is expected. During the past few months, the supply of imported and domestic steel has improved, but it is not certain whether it can be maintained in view of the difficult foreign exchange position. It is difficult to be assured of balanced supplies of steel until the output of the domestic steel producers increases substantially. As for fabricated steel-works for the various plants in the public and private sectors, it is necessary to phase these projects according to priority. Otherwise, the difficulty in arranging steel supplies to suit the fabrication programmes of various projects will continue to persist.

The output of the new road roller works has improved. Against an expected production of 350 units, the actual output has amounted to 320 units due to the shortage of power and steel. It is expected to produce 450 units during the current year. About 97 per cent of the contents consisted of domestic supplies. The production of electric multiple unit coaches and fully furnished metre-gauge coaches has been maintained at a satisfactory level. Plans to re-equip the works for all-welded coaches have been finalised, but the programme cannot be completed until April 1966 due to the delay in receiving the specialised plant and equipment from abroad. Attention has centred on producing box wagons in the re-built wagon works. The move has helped to free capacity for the structural works to carry on other activities. Steps have been taken to increase the production of electric over-head travelling cranes, wharf cranes and sluice gates. The fabrication and erection of wheel gates for the Kosi barrage have been undertaken. A start has been made to produce high-speed cold sawing machine in the mechanical works.

The Company has an excellent order-book and it looks as though demand for its products will continue to be ahead of output. The modernisation and expansion of various works have been continuing. The wagon works is being re-built and a greater capacity has been created. The directors have been considering further expansion schemes. Necessary land has been acquired to expand the capacity of various works. Although the expansion programme has been initiated, caution is likely to mark its implementation in view of the heavy incidence of tax, combined with the difficulty in procuring foreign technical and financial collaboration.

Hindustan Lever Earns Less, but Pays More

ALTHOUGH the dividend for 1963 has been raised from Rs. 1.20 to

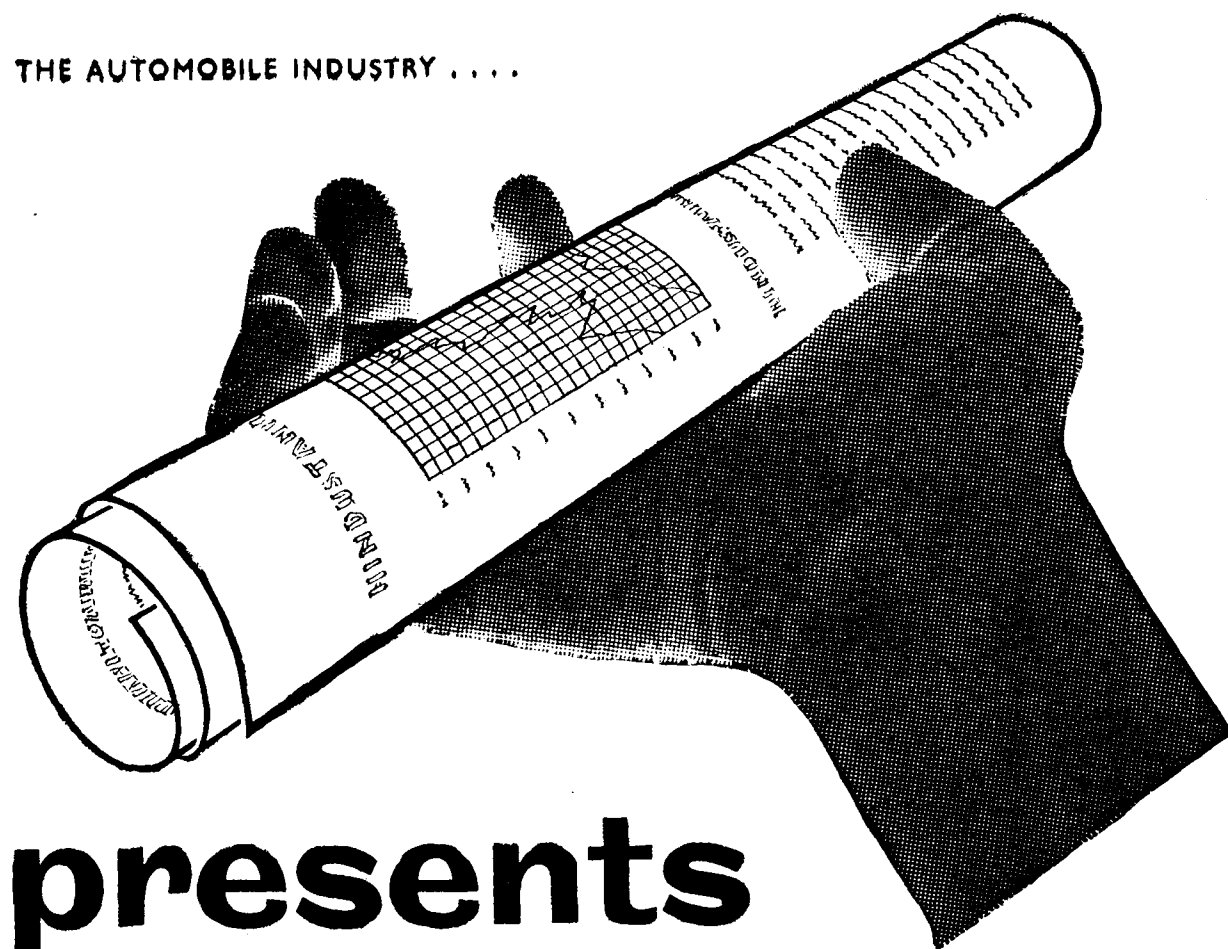
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THE AUTOMOBILE INDUSTRY . . .



presents some facts and figures

Among the owners and prospective purchasers of motor cars in India, there exist an imperfect knowledge and certain misconceptions about the Automobile Industry.

The opinion is often expressed that cars are not readily available and that their prices are too high. Remarks are often made that manufacturers' and dealers' profits are excessive, and that the quality is not up to foreign standard.

Delay in deliveries

The volume of production of the automobile industry is limited by the availability of foreign exchange for the import of materials and components that are not yet manufactured in India. Consequently, the supply of cars cannot keep pace with the demand.

Price structure

The biggest item in the price structure of a car is made up of direct and indirect taxes and this represents at least one third of the "on-the-road" price of a car.

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The smallest item is the manufacturer's profit, which is controlled by the Government and yields only a minimum return on the manufacturer's investment.

Components

The automobile industry is not a self-contained industry. It depends, for a large number of the indigenous components of a car, on ancillary industries—some of them recently created—whose productivity and quality have not yet reached the desired standard and whose production costs are high.

Quality

The Indian Automobile Industry, and particularly the ancillary industries, are still young and cannot be expected to have reached, in the short time of their development, the high standards attained by their foreign counterparts which have been in existence for 60 years. The responsibility for improving the quality falls both on the vehicle manufacturers and on the ancillary suppliers.

Rs. 140 a share (Rs. 10-paid), the working results of Hindustan Lever show that the Company has suffered a setback in its profit in spite of increased turnover. The profit before tax is down from Rs. 4.77 crores to Rs. 4.31 crores, whereas the turnover has gone up from Rs. 53.85 crores to Rs. 59.55 crores. But the various development schemes which the Company has on hand hold out the promise of better prospects ahead. Of the total turnover of Rs. 59.55 crores (against Rs. 53.85 crores), soaps, detergents and toilet preparations accounted for Rs. 28.31 crores (against Rs. 24.85 crores), vanaspati, margarine and other foods fetched Rs. 25.87 crores (against Rs. 24.69 crores) and the balance Rs. 5.37 crores (against Rs. 4.31 crores) came from the sale of glycerine and other by-products, animal feeding stuffs and oils.

The directors state in their report that soaps sales showed a satisfactory increase and the non-soapy detergent "Surf" continued to make good progress. The Company has received an industrial licence to expand the non-soapy detergent capacity. The price control over washing soap was removed in December in response to various representations made by the soap industry to the Government. The toilet preparations division was reorganised at the end of 1962 and the sales have since been gratifying. New Pepsodent toothpaste has shown encouraging results.

Vanaspati had a rather difficult time in 1963. Price control, restrictions on production of "Dalda" in certain packings adversely affected profits on vanaspati. Test marketing of new lines of dehydrated vegetables continues and the Company has been co-operating fully to meet the increasing defence requirements. Cattle and poultry feeds sales have been extended to other areas of Maharashtra and Gujarat and in November 1963, poultry concentrates were also introduced on a test-scale in Delhi and Punjab. Poultry feeds and concentrates have shown a promising progress.

The Company's export performance has been excellent. Sales in 1963 rose to Rs. 5.12 crores—two-and-a-half times the 1962 figure of Rs. 2.01 crores and more than seven times the 1961 figure of Rs. 74 lakhs. This significant increase helped the Company to earn the necessary incentive licences to import essential raw materials, without which it could not have been possible to maintain production and quality. The Company hopes to be able to consolidate its large export gains. It has now formed a wholly-owned subsidiary Company—Export Ltd.—which has been recognised by the Government as an export house. This Company will concentrate its energies on a worldwide export of the products manufactured by the Company.

The Company's Etah Dairy, with its associated milk collecting centres spread over the neighbouring countryside, will come into operation by the middle of 1964. By about the middle of the current year, a commercial scale dehydrated vegetable plant with a much bigger capacity than the present pilot plant will have been installed at the Ghaziabad factory. This new modern plant is suitable for dehydrating a wide range of vegetables and other foodstuffs. A new unit is proposed to be installed in Ghaziabad for the manufacture of cattle-feeds and poultry feeds. Extensions to the Sharnagar factory consequent on the purchase of a plant, are under way. A part of the additional capacity for hardening oils will be commissioned in the next few months. A plant for the manufacture of nickel catalyst will be installed in the Bombay factory as soon as the Government's permission is available. This is expected to be a valuable saver of foreign exchange. The Com-

pany has received a licence for a non-soapy detergent plant in the Garden Reach factory. The modernisation of the Bombay and Garden Reach soaperies is under way, and it is expected to be completed in 1965.

Largely due to the financing of exports at the year end, the Company had at the close of the year a net overdraft of Rs. 1.18 crores, against the opening overdraft of Rs. 36 lakhs. The foreign exchange loan of Rs. 25 lakhs by the I.C.I.C.I. for the Etah Dairy is likely to be drawn fully by the end of 1964. The Company has already started drawing against the Unilever foreign exchange loans. The directors state that the new surtax, coupled with the new dividends tax, is hardly an improvement for Hindustan Lever over the old super profits tax. The net saving to the Company is estimated at under Rs. 10 lakhs.

Bombay Dyeing Earns More, Maintains

ALTHOUGH the dividend has only been maintained at Rs. 3.50 a share (Rs. 25 paid), the working results of the Bombay Dyeing and Manufacturing Company for the year 1963 show a substantial improvement over the previous year's performance. As against an 11-percent increase in the sales from Rs. 14.25 crores to Rs. 15.82 crores, the gross profit has risen by as much as 22 percent from Rs. 1.48 crores to Rs. 1.79 crores. The ratio of gross profit to sales works out to 11.4 percent, against 10.4 percent in the preceding year. Apparently, the Company's modernisation programme is now bearing fruit. Appropriation of the year's profit include depreciation Rs. 81.61 lakhs (against Rs. 80.43 lakhs), development rebate Rs. 16.80 lakhs (against Rs. 9.75 lakhs), taxation Rs. 38.40 lakhs (against Rs. 23.80 lakhs) and dividends, interim and final, Rs. 35.14 lakhs (the same). The final dividend of Rs. 25.10 lakhs is to be paid after absorbing Rs. 25.10 lakhs to be paid out of the dividend equalisation reserve, for which the directors have set aside Rs. 25.25 lakhs (against Rs. 19 lakhs). In the previous year, Rs. 6 lakhs from reserve for dividend payables from Rs. 23.80 lakhs (against Rs. 23.80 lakhs) for taxation includes Rs. 3.75 lakhs for tax liabilities for previous years and Rs. 2.64 lakhs for the proposed 7½ percent dividends tax. After making various appropriations, there remains a surplus of Rs. 48,236 to be carried forward, against Rs. 67,586 brought in.

The directors state that the Company has continued to maintain its position as the country's largest exporter, accounting for 12.1 percent of the total value of cloth exports in 1963. Export markets showed some revival of demand, particularly during the second half of the year, although competition from Japan, China, Hongkong, Portugal and Spain continued to be felt. The position in the home market, it is stated, was difficult and off-take was restricted. Even so, the Company was able to do well, presumably because of the growing popularity of its designs; the turnover in the Company's retail shops rose by about 40 percent in 1963.

In his annual statement to shareholders, the chairman, Mr. Neville N. Wadia, says that the current year is bound to be one of stress and strain for the cotton mill industry because of mounting costs. The Company is said to be spending about Rs. 100 a candy more on cotton than in 1963. But in view of the latest machinery with which the Company has equipped itself, the chairman has held out the assurance that is fully prepared "to face whatever is in store." The Company installed new machinery worth Rs. 1.05 crores as part of its

renovation programme in 1963. The main loomshed at the Company's Spring Mills is now complete with 2,048 automatic looms under one roof. A new stentering range and the dye cooling plant required for imparting the "Hecowa" finish have been added to the new bleach works. A 5-bowl water calendar has also been installed. A precision camera for reproducing complicated design to be engraved for printing is also in operation. The screen printing plant is now in full production as a result of which the Company is marketing a large variety of attractive prints on all types of materials. The Company continues to concentrate more on the production of bleached, dyed, printed and finished goods with a view to improving its earning capacity.

To achieve this end, the Company has introduced special processes which have considerably improved its competitive position. On the export front, even though linear yards dropped by about 5 million, the bulk exported was in wide width sheetings and consequently earnings were slightly better, being an average of Rs. 1.32 a yard, against Rs. 1.12 a yard in 1962. The chairman says that the 1964-65 Budget has brought no relief to the Company. It will save only Rs. 5,700 in inter-company super tax whereas it will have to pay Rs. 2.60 lakhs by way of the dividend tax.

Century Dividend and Rights Disappoint

THE preliminary report on the working of the Century Spinning and Manufacturing Company for the year 1963 shows that the Company has done exceedingly well with both sales and gross profit recording an increase of about 30 percent over the previous year. But this has failed to cheer the market and Century Mills shares continue to be quoted around the lowest level for some months, having come down from Rs. 707 to Rs. 610 since the Central Budget. The pronounced weakness in the Company's shares reflects the market's misgivings about the outlook for rayon shares following the exorbitant increase in excise duty on rayon yarn. In the case of Century, however, sentiment has been unsettled by the proposed capital gains tax on bonus shares which has forced the Company to defer the bonus issue, indefinitely perhaps. The directors have reversed their earlier decision to skip the final dividend and issue bonus shares in the ratio of one share for every five held. Instead, the directors have now recommended a final dividend of 18 percent, the same as paid in 1962. They have also decided, subject to the approval of the shareholders, to issue at par redeemable cumulative preference shares of the value of Rs. 25 lakhs to be offered to existing shareholders in the ratio of one share for every five shares held. The preference shares will carry a dividend of 8.57 percent and will be redeemed at par on 1st December, 1973, along with the existing preference shares.

The gross sales of Century Mills for 1963 are placed at Rs. 22.25 crores, against Rs. 17.10 crores, in the previous year. And the gross profit, after providing Rs. 8.63 lakhs (against Rs. 11.06 lakhs) for donations, amounts to Rs. 477.61 lakhs, against Rs. 366.87 lakhs. The provision for depreciation has been raised from Rs. 110.61 lakhs to Rs. 177.24 lakhs, for development rebate from Rs. 41.28 lakhs to Rs. 57.85 lakhs, and for taxation from Rs. 87 lakhs to Rs. 112 crores. The liability for bonus for previous years amounts to Rs. 23.88 lakhs, against Rs. 37 lakhs (after drawing Rs. 40 lakhs from contingency reserve). The interim dividend of 12 percent on equity shares

absorbed Rs. 30.59 lakhs, leaving a balance of Rs. 57.18 lakhs which includes Rs. 30,735, being surplus provisions in previous years and Rs. 28,868 brought forward from the preceding year. This sum has been transferred to the dividend equalisation reserve from which are being paid the preference dividend amounting to Rs. 10.71 lakhs and final equity dividend amounting to Rs. 45.88 lakhs. The gross block of the Company has risen from Rs. 16.13 crores to Rs. 19.19 crores and the net block has gone up from Rs. 9.54 crores to Rs. 10.83 crores.

Killick Industries Raises Dividend

THE working results of Killick Industries Ltd for the year ended November 1963, show a substantial fall in the gross profit from Rs. 27.07 lakhs to Rs. 19.67 lakhs. Income by way of commission and office allowance from managed companies is down from Rs. 19.77 lakhs to Rs. 17.98 lakhs, and that from trade investments from Rs. 14.52 lakhs to Rs. 11.48 lakhs. Total receipts from John Baker and Sons amounted to Rs. 85.47 lakhs, against Rs. 69.36 lakhs, while total expenditure amounted to Rs. 79.76 lakhs, against Rs. 65.40 lakhs. The directors have provided Rs. 2.59 lakhs (against Rs. 2.73 lakhs) for depreciation, Rs. 14,711 (against Rs. 14,810) for development rebate and Rs. 6.92 lakhs (against Rs. 10.60 lakhs) for taxation. The net profit amounts to Rs. 10.01 lakhs, against Rs. 13.59 lakhs in 1961-62. The dividend has been raised from 5 percent to 7.5 percent which absorbs Rs. 9.37 lakhs, against Rs. 6.25 lakhs. After providing Rs. 75,000 (against Rs. 7.50 lakhs) for general reserve, there is a surplus of Rs. 5,959 to be carried forward, against Rs. 17,584 brought in.

The working of the subsidiary companies is reported to be satisfactory. The improvement in Killick Nixon and Company continued and considerable progress was made in its trading activities as well as in the development of its engineering works. The working of A. R. Haseler was encouraging and the entire carry-forward loss has been wiped out. In the year, Killick Nixon is also expected to wipe out the entire loss brought forward. Progress achieved in A. R. Haseler is expected to be continued. The production and sale of Killick Slotted Angles which started towards the middle of 1963, are improving and they hold out good promise. The working of Killick Caribonum has been unsatisfactory in spite of strenuous efforts at improvement. Among the Killick-managed companies, the outlook for Shivrajpur remains bleak, while Kohinoor is doing well.

Central Bank Deposits Rise

THE working of the Central Bank of India during 1963 shows all-round satisfactory progress. Deposits, advances, investments and profit—all show a rise; the increase in profit is, however, small. The deposits have gone up by Rs. 14.72 crores from Rs. 236.06 crores to a record Rs. 250.78 crores. Fixed deposits and cash certificates have gone up from Rs. 122 crores to Rs. 127 crores, savings bank deposits from Rs. 43.78 crores to Rs. 51.87 crores and current account and other deposits from Rs. 70.25 crores to Rs. 71.87 crores. Advances, including bills discounted and purchased, have risen from Rs. 175.44 crores to Rs. 187.71 crores. Investments are higher at Rs. 66.17 crores, against Rs. 65.86 crores and cash balances increased from Rs. 20.37 crores to Rs.

24.90 crores. The advance-deposit ratio stood at 74.32 percent, against 74.85 percent a year ago, the investment deposit ratio was 26.3 percent, against 27.9 percent, and the cash balances-deposit ratio at 9.9 percent, against 8.6 percent.

The bank's income from interest and discount rose from Rs. 11.34 crores to Rs. 12.48 crores, while commission, exchange and brokerage increased from Rs. 2.30 crores to Rs. 2.53 crores, the total income thus showed an increase of about 9 percent over the previous year. On the expenditure side, interest paid on deposits, borrowings, etcetera, showed an increase of about 11 percent from Rs. 5.99 crores to Rs. 6.66 crores. Salaries, allowances and contributions to provident fund were up by about 13 percent from Rs. 4.59 crores to Rs. 5.18 crores. The net profit of the bank in 1963 amounted to Rs. 189.26 lakhs, against Rs. 179.96 lakhs in 1962. The bank opened during the year one branch, 8 sub-branches and three pay offices while two branches and three pay offices were closed down. The Central Bank's capital funds at the end of the year stood at Rs. 8.70 crores, against Rs. 8.26 crores and its reserves totalled Rs. 5.53 crores, against Rs. 5.10 crores. The ratio of capital funds to deposits stood at 3.47 per-

cent, against 3.50 percent a year earlier.

New Beerbhoom Coal Cuts Dividend

THE New Beerbhoom Coal Co. Ltd. has earned a lower profit of Rs. 17.87 lakhs for the year ended October 1963, compared with Rs. 21.99 lakhs for 1961-62, after increasing depreciation from Rs. 5.45 lakhs to Rs. 8.25 lakhs. The taxable ordinary dividend has been reduced from 12 percent to 10 percent to absorb Rs. 3.20 lakhs. The yield works out to 6.2 percent at the present price of Rs. 16.06 a share of Rs. 10 each. Taxation, including Rs. 25,000 for surtax, is allocated Rs. 8.20 lakhs (against Rs. 11 lakhs) and development rebate reserve Rs. 7.12 lakhs (against Rs. 1.77 lakhs). The carry-forward is Rs. 15,709, against Rs. 28,793 brought in.

Raisings declined from 968,334 tons to 934,675 tons and despatches from 958,746 tons to 901,091 tons. The fall has been due to the closing of quarries at Victoria and New Kenda collieries early in 1963 because of the reduced demand for low-grade coals. These quarries were profitable ventures formerly. Raisings from other pits continue to be satisfactory, and

there has been a good demand for coking and blendable coals. The heavy earth-moving machines for the open cast operations at New Kenda have been received and have been used to remove the over-burden in the Kenda seam. Raisings of coal have begun since the close of 1962-63. The siding has been handling complete block rakes and arrangements have been made to extend the capacity further.

More from Budge Budge Jute

THE directors of Budge Budge Jute Mills Co. Ltd. state in their report for the year ended October 1963 that the outlook for the current year is not as favourable as it was for 1962-63. Although there has been an abundant supply of raw jute, the prices of jute goods, particularly of sacking, have declined. The impact of the wage board award, the increased charges for power, fuel, stores, spare parts, etcetera, are likely to inflate production costs. The working time agreement has been abolished, but there is unlikely to be any change in the existing level of production since all mills are operating at the maximum capacity.

CAPITAL, 9th April, 1964.

Orders have been placed for machinery to extend modernisation of the fine side drawing, spinning and war-winding machinery up to 100 percent of the mill's registered loomage. Pre-beaming machines are being installed to cover hessian looms. The cost of the modernisation project may amount to Rs. 10 lakhs.

The profit has improved from Rs. 37.69 lakhs for 1961-62 to Rs. 43.23 lakhs for 1962-63, after reducing depreciation from Rs. 6.09 lakhs to Rs. 5.70 lakhs. The taxable ordinary dividend has been increased from 12 percent to 20 percent, including an interim of 6 percent. The yield amounts to 14.3 percent at the present price of Rs. 140 a share of Rs. 100 each. Taxation, including Rs. 6.50 lakhs for surtax, is allocated Rs. 29 lakhs (against Rs. 19.40 lakhs), development rebate reserve Rs. 16,300 (against Rs. 2.37 lakhs) and general reserve Rs. 6 lakhs (against Rs. 1.46 lakhs). The carry-forward is Rs. 35,907, against Rs. 30,613 brought in. Sales rose from Rs. 2.82 crores to Rs. 3.03 crores and stocks of jute goods amounted to Rs. 20.52 lakhs, against Rs. 14.30 lakhs. The satisfactory results of the Company have been due to the rising world demand for jute goods, combined with reasonable raw jute prices.

Philips India Earns More

PHILIPS India Ltd. has increased the taxable ordinary dividend from 13 percent for 1962 to 15 percent for 1963. This is the second year in succession that the dividend has been raised. At the present price of Rs. 26.87 a share of Rs. 10 each, the yield amounts to 5.6 percent. The profit has improved from Rs. 1.20 crores to Rs. 1.66 crores. Taxation absorbs Rs. 1.17 crores (against Rs. 85.50 lakhs), development rebate reserve Rs. 5.50 lakhs (against Rs. 6.15 lakhs) and general reserve Rs. 11.04 lakhs (against nil). Sales have risen from Rs. 8.85 crores to Rs. 10.63 crores.

Hongkong and Shanghai Banking Corporation

THE Indian branches of the Hongkong and Shanghai Banking Corporation have earned a profit of Rs. 9.63 lakhs for the year ended December 1963, which is about the same as for 1962. Interest paid on deposits and borrowings rose from Rs. 39.99 lakhs to Rs. 35.28 lakhs, while interest and discount earned rose from Rs. 72.96 lakhs to Rs. 74.04 lakhs. Deposits declined from Rs. 9.06 crores to Rs. 8.90 crores. Investments stood at Rs. 1.39 crores (against Rs. 1.52 crores) and advances rose from Rs. 11.32 crores to 11.98 crores. (Details appear on a later page in this week's issue of Capital.)

Sterling General Insurance Pays More

THE Sterling General Insurance Co. Ltd. has shown an all-round improvement for the year ended December 1963. The gross and net premium incomes have shown a marginal increase, but there has been a sharp reduction in commission and management expenses. The under-writing profit has amounted to Rs. 2.65 lakhs, against Rs. 1.81 lakhs for 1962. In addition to the customary under-writing reserve of 40 percent, an additional reserve of 10 percent has been maintained in the fire and miscellaneous departments and one of 60 percent in the marine department. Hence total reserves have been brought up to 50 percent in the fire and miscellaneous departments and to 100 percent in the marine department. Total under-writing re-

CAPITAL, 9th April, 1964.

serves have been increased by Rs. 77,132 to Rs. 17.99 lakhs. A sum of Rs. 53,000 has been provided for depreciation on investments. General reserve is allocated Rs. 1.50 lakhs. So the proportion of capital and reserves to net premiums has improved.

The profit has amounted to Rs. 4.13 lakhs, against Rs. 4.05 lakhs, after meeting all charges, and providing for under-writing reserves. Taxation absorbs Rs. 1.52 lakhs (against Rs. 1.54 lakhs). The gratuity fund is allocated Rs. 17,022 (against Rs. 17,500). The ordinary dividend has been increased to 7.5 percent to absorb Rs. 1.12 lakhs, leaving a carry-forward of Rs. 3,604 brought in.

Good Results from Kohinoor Mills

THE increase in Kohinoor Mills' dividend from Rs. 18 to Rs. 21 a share (Rs. 100-paid) for the year 1963, seems fully justified by the Company's improved performance. Sales have risen by 12.3 percent from Rs. 7.61 crores to Rs. 8.55 crores, and the gross profit has gone up by about 18 percent from Rs. 83.86 lakhs to Rs. 98.94 lakhs. Improved results are attributed to the generally satisfactory trading conditions in the cotton piece-goods market throughout the year. The directors state that "the cloth and yarn off-take as far as your mills are concerned was good throughout the year and the stocks held by the Company at the close of the year were reasonably low." The indigenous supply position of cotton during 1962-63 was also satisfactory and prices remained well within the ceilings.

After providing Rs. 21.57 lakhs (against Rs. 18.51 lakhs) for depreciation, Rs. 6.11 lakhs (against Rs. 4.99 lakhs) for development rebate and Rs. 23.20 lakhs (against Rs. 12.62 lakhs) for taxation, the net profit amounts to Rs. 42.72 lakhs, against Rs. 44.99 lakhs in the preceding year. With Rs. 29,116 brought forward, Rs. 73,045 being refund of sales tax, Rs. 13,113, being the refund of income tax and Rs. 24,349 being provisions for interest for previous years not required, the disposable surplus amounts to Rs. 44.11 lakhs. The directors have set aside Rs. 23.02 lakhs (against Rs. 36.71 lakhs) for bonus for earlier years and transferred Rs. 14 lakhs (against nil) to general reserve which will be used for the payment of the final dividend absorbing Rs. 14 lakhs. The interim dividend absorbed Rs. 7 lakhs. After making these provisions, there remains a small surplus of Rs. 9.095 to be carried forward. The mills have made fair progress in the renovation and modernisation programme. New machinery of the value of Rs. 41.12 lakhs was received during 1963 and machinery erected totalled Rs. 43.26 lakhs. The Kohinoor Mills has a paid-up capital of Rs. 1 crore, which is supported by reserves and surplus amounting to Rs. 1.36 crores. The gross block of Rs. 5.26 crores has been written down to Rs. 1.73 crores.

Bangalore Woollen Pays More

A SUBSTANTIAL improvement in the profit of the Bangalore Woollen, Cotton and Silk Mills Co. Ltd. for the year ended December 1963, has enabled the directors to recommend a higher final dividend of 18 percent (a total of 24 percent for the year, against 18 percent in the previous year). The increase in the bonus to workmen and a larger transfer of Rs. 21.75 lakhs (against Rs. 9 lakhs) to general reserve are some of the notable features. Production in all departments continued at a high

level, and sales reached a record figure partly due to increased Government orders.

The profit for the year, before taxation, amounts to Rs. 133,49,220, against Rs. 68,01,756. Out of the profit, the directors have provided Rs. 81.10 lakhs (against Rs. 32 lakhs) for taxation. This leaves a net profit of Rs. 52,39,220 (against Rs. 36,01,756). With Rs. 2,53,358 brought forward from the previous year, the total available for appropriation comes to Rs. 54,92,578. Out of this, a sum of Rs. 3,46,000 (against Rs. 4,40,000) has been transferred to development rebate reserve and Rs. 21,75,000 (against Rs. 9 lakhs) to general reserve. The preference dividend of Rs. 7.80 a share amounts to Rs. 46,800. The interim ordinary dividend of 6 percent absorbed Rs. 7,29,000 (against Rs. 7,29,000). The proposed final dividend of 18 percent will absorb Rs. 21,87,000 (against Rs. 14,58,000). The balance of Rs. 8,778 is carried forward.

Sales amounted to Rs. 851.09 lakhs (against Rs. 615.58 lakhs). The directors' report says that the rise in production costs have been checked, wherever possible. The additional taxes and other burdens imposed under the emergency have increased operating costs. The directors add that the improved trading results during the year are due to the economies effected by the bulk production of Angola shirting.

Buckingham and Carnatic Earns Less

THE working of the Buckingham and Carnatic Co. Ltd. for the year ended December 1963, shows a profit, before taxation, of Rs. 1,00,04,894 (against Rs. 1,02,53,184). Out of the profit, the directors have provided Rs. 55 lakhs for taxation which includes Rs. 7.30 lakhs as additional provision for previous years. This leaves a net profit of Rs. 45,04,894 (against Rs. 52,10,163). With the balance of Rs. 2,05,182 brought forward from the previous year, the total available surplus comes to Rs. 47,10,076. Out of this, a sum of Rs. 5 lakhs (against the same) is transferred to the debenture redemption fund and Rs. 5,05,000 (against Rs. 500,000) to development rebate reserve. General reserve gets Rs. 2,50,000 (against Rs. 800,000). The preference dividend of Rs. 9.75 a share amounts to Rs. 2,07,695 (against Rs. 2,07,695). The interim ordinary dividend of 6 percent absorbed Rs. 10,70,868 (against Rs. 10,70,868). The proposed final dividend of 12 percent on ordinary shares will absorb Rs. 21,41,736 (against Rs. 21,41,736). The balance of Rs. 34,777 is carried forward. Sales at Rs. 13.31 crores (against Rs. 13.23 crores) have again reached a record level.

The Company's production was maintained at a satisfactory level throughout the year. The directors say that the additional taxes and other burdens imposed under the emergency have increased operating costs. Provision for taxation on the year's profit includes dividend tax as introduced in the Finance Bill for 1964.

South India Viscose Does Well

THE South India Viscose reports satisfactory results for the year 1963 and if the progress is maintained, the shareholders will not perhaps have to wait long before their investment begins to bear fruit. The Company produced 3,588 tonnes (against 3,739 tonnes) of staple fibre which fetched Rs. 1.288 crores, against

Rs. 1.365 crores. The output of rayon yarn was 2,847 tonnes (against 2,769 tonnes) which brought Rs. 2.50 crores, against Rs. 1.818 crores. Total sales amounted to Rs. 3.79 crores, against Rs. 3.182 crores. On this, the Company made a gross profit of Rs. 1,328 crores, against Rs. 1,282 crores. In 1962, the Company had to provide Rs. 2,123 crores for depreciation with the result that the year's working showed a net loss of Rs. 84.09 lakhs. In 1963, the directors have provided Rs. 54.14 lakhs for depreciation which leaves a net profit of Rs. 78.68 lakhs. After adjusting the previous year's carry-forward loss of Rs. 84.09 lakhs, there remains a deficit of Rs. 5.19 lakhs, which is being carried forward.

The procedure for charging depreciation has been changed this year from the reducing balance method to the straight-line method resulting in a decrease of the depreciation from Rs. 1,17 crores to Rs. 54 lakhs. By this change, the directors propose to spread over depreciation to longer periods, thereby making the available surplus sizable with the prospect of the Company declaring an early dividend. The total depreciation provided so far up to the end of 1963 amounts to Rs. 2.84 crores. Against the paid-up capital of Rs. 4.9 crores, the fixed assets of the Company at the end of 1963 were valued at Rs. 9.22 crores. It has a liability of Rs. 68.34 lakhs to pay before the end of 1964, towards imported machinery. The Company has borrowed from its bankers Rs. 2.40 crores by way of cash credit and demand loans to meet the working expenses and deferred payments. The directors expect to discharge fully the entire deferred payment and the demand loan of Rs. 1.20 crores, out of their earnings before the end of 1964. The Company's plant worked to full capacity during 1963 except for bi-annual maintenance and power failure. The sulphuric acid and carbon-sulphide plants were in normal production. The chairman says that the Company's products are in good demand and they compare favourably with the products abroad.

Mahindra and Mahindra Earns More

THE preliminary report on the working of Mahindra and Mahindra for the year ended October 1963 showed that the Company has fared much better than in the preceding year, with its sales rising from Rs. 13.88 crores to Rs. 15.92 crores, and the gross profit up from Rs. 98.28 lakhs to Rs. 1.19 crores. The dividend has been maintained at 12.5 percent, but the total distribution is larger at Rs. 22.36 lakhs, against Rs. 18.22 lakhs. The directors' full report holds out the promise of better results for the current year. Sales during the first four months are said to be higher than in the corresponding period of the previous year and steel bookings also continue to show satisfactory progress. At the beginning of 1962-63, the Company was asked to accelerate its expansion programme which was to have a capacity to produce 10,000 jeeps by the end of the third plan.

In addition, the Company was directed to gear its production for defence purposes and produce units with special specifications. Within the span of one year, the Company has been able to increase production to the extent that it is today producing 50 percent more than a year ago. Moreover, the indigenous content of the vehicle has been increased to 80 percent and it is hoped to achieve the target of 90 percent in the near future. The Company has now a capacity to produce 10,000 jeeps by the end of 1964, provided adequate foreign exchange is made available to it. The production of utility vans

and lorries was curtailed during the year because of limited availability of foreign exchange.

The entire production of jeeps, station wagons and lorries was frozen during 1962-63 and the major portion of production was earmarked for urgent defence requirements. Sales, which were under Government control, showed a slight increase from 8,053 units to 8,150 units. The pattern of sales, however, changed significantly and the sale of jeeps increased from 6,549 units to 7,488 units whereas there was a considerable drop in the sales of station wagons and lorries. The machine tool sale division showed an increased volume of sales during 1962-63. A large order was placed by the Diesel Locomotive Works in Varanasi on several of the Company's principals in the U.S.A., the result of which will be reflected in the current year. The performance of the steel division has on the whole been satisfactory. It has booked orders amounting to 201,700 tonnes during 1962-63. Mahindra's associated companies have been making steady progress. Among them, the Mahindra Ugine Steel will be in production by the end of 1966. The International Tractor Co. of India is likely to be commissioned by the end of 1964.

W. H. Brady Steps Up Dividend

W. H. BRADY and Co. has raised the dividend for 1963, although only slightly from 25½ percent to 26½ percent. But the Company's performance is far from encouraging. The gross profit is down from Rs. 20.83 lakhs to Rs. 16.37 lakhs. And after providing Rs. 60,933 (against Rs. 53,147) for depreciation and Rs. 18.48 lakhs (against Rs. 11.14 lakhs) for taxation, the year's working shows a net loss of Rs. 2.60 lakhs. The Company has, however, made a profit of Rs. 26.43 lakhs on the sale of investments in one of the managed companies. This has enabled the directors not only to wipe out the year's loss of Rs. 2.60 lakhs, but also to transfer Rs. 12.10 lakhs to the dividend reserve and Rs. 11.50 lakhs to the general reserve. A sum of Rs. 2.67 lakhs has been transferred from taxation reserve and a sum of Rs. 1.99 lakhs has been written back, being excess provisions made earlier. The directors have provided Rs. 2.25 lakhs for the payment of an additional dividend of 5 percent for 1962 and Rs. 2.39 lakhs for payment of additional bonus and dearness allowance for earlier years. The proposed 26½ percent dividend, absorbing Rs. 12 lakhs, is to be paid from the dividend reserve.

The Company's turnover in 1963 at Rs. 1,876 crores showed a decline of Rs. 8.4 lakhs over the previous year's figure. Earnings from selling agency commission and the insurance department held from Rs. 12.96 lakhs to Rs. 10.45 lakhs. The dividend income from the Company's investments was lower at Rs. 3.05 lakhs, against Rs. 4.41 lakhs in the previous year. The directors attributed the fall in the Company's turnover to the curtailment in the import quotas allotted to established importers. The indenting side of the business also suffered due to the ban on imports of certain textile machinery items.

The Company's investments at book value amounted to Rs. 67.66 lakhs at the end of 1963. Of these, quoted investments accounted for Rs. 45.18 lakhs, and their market value at the end of the year was placed at Rs. 67.69 lakhs. Quoted investments with a book value of Rs. 50.43 lakhs at the end of 1962 had a market value of Rs. 93.91 lakhs. The Company has agreed to act as the secretaries and

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Brady Engineering Repeats

BRADY Engineering Company reports encouraging results for the year 1963. Sales have gone up by about 30 percent from Rs. 29.92 lakhs to Rs. 38.95 lakhs, and the gross profit has risen by 15 percent from Rs. 9.80 lakhs to Rs. 11.26 lakhs. The dividend has been maintained at 11.25 percent—Rs. 9 a share of Rs. 80. Appropriations include depreciation Rs. 1.29 lakhs (against Rs. 1.31 lakhs), development rebate Rs. 3,918 (against Rs. 16,306), taxation Rs. 6.37 lakhs (against Rs. 3.90 lakhs) and general reserve Rs. 55,000 (against nil). After transferring Rs. 1.28 lakhs from reserve for taxation created last year, the directors have set aside Rs. 85,882 for taxation for the previous year and allocated Rs. 2.27 lakhs to the dividend reserve from which proposed dividend amounting to Rs. 2.25 lakhs will be paid.

After making minor adjustments, there is a nominal surplus of Rs. 641 to be carried forward, against Rs. 16,853 brought in. The directors state that due to the heavy cut in the import licences of load chains, pulley block production had to be curtailed. The second automatic bread plant was completed during the year and the Company is now in a position to undertake the fabrication of a complete biscuit oven. Negotiations are in progress for purchase of land for the expansion programme.

Usha Martin Black Pays Maiden

USHA Martin Black (Wire Ropes) Ltd has declared a maiden taxable ordinary dividend of 7½ percent for the year ended December 1963, to absorb Rs. 3 lakhs. The yield amounts to 4.7 percent at the present price of Rs. 15.87 a share of Rs. 10 each. The plant has reached the full production capacity. Sales rose from Rs. 22.34 lakhs to Rs. 1.03 crores. The working of the Company has been interrupted by the shortage of imported raw materials, particularly of high-carbon wire rods. The directors have begun to implement the second phase of the project to double the production capacity to 7,200 tons of wire and wire ropes a year. The Commonwealth Development Finance Company of the U.K. has agreed to give financial facilities in foreign exchange for £195,000, equivalent to Rs. 26 lakhs. It will give a loan of Rs. 20 lakhs repayable in 1974 and will subscribe for 50,000 ordinary shares of Rs. 10 each at a premium of Rs. 2 a share in Usha Martin Black. Orders for the necessary equipment are being issued. The project is likely to be completed by the middle of 1965. Other schemes to diversify the activities of the Company are being considered.

The profit has amounted to Rs. 23.87 lakhs, against a loss of Rs. 1.42 lakhs for 1962. Development rebate reserve is allocated Rs. 8.46 lakhs, capital reserve Rs. 1,625 and general reserve Rs. 6 lakhs. The carry-forward is Rs. 4,693, against a debit balance of Rs. 2.88 lakhs brought in.

Henley Cables Disappoints

HENLEY Cables India Ltd reports disappointing results for the year ended 31st October, 1963. The Company has suffered a loss of Rs. 3.46 lakhs without making any provision for depreciation in spite of the

fact that sales have risen from Rs. 2.16 lakhs to Rs. 62.34 lakhs. In the preceding year, the Company had incurred a loss of Rs. 7.87 lakhs, after providing Rs. 2.49 lakhs for depreciation. The total loss of Rs. 11.07 lakhs is being carried forward. With consumption falling far short of expectations, the value of stocks at the end of the year increased considerably from Rs. 33.94 lakhs to Rs. 58.89 lakhs. Profitability during the year was affected by the Government's arrangement concerning the changeover from copper to aluminium conductors and by the necessity to use indigenous instead of imported P.V.C. compound.

The Company has received an import licence for additional plant of the value of Rs. 7 lakhs. This plant which has been shipped will enable the Company to increase the range of its cables. It is now awaiting an import licence of the value of Rs. 23.7 lakhs for the manufacture of winding wires and covered copper strips. Construction of the factory building for this expansion scheme started towards the end of 1963. The directors are considering a one-for-four rights issue to meet the rupee requirements for the expansion project. The Company has applied to the Controller of Capital Issues for the proposed rights issue. The directors are considering the question of provision of the balance of sterling funds for this expansion project.

G. Claridge Sales Up, Profit Down

DESPITE an increase of about 10 percent in the sales from Rs. 51.31 lakhs to Rs. 56.73 lakhs, the gross profit of G. Claridge and Co. for the year 1963 is slightly lower at Rs. 9.13 lakhs, against Rs. 9.34 lakhs in the preceding year. The dividend has been maintained at 15 percent and since the new shares issued in 1962 are entitled to the full year's dividend, the total distribution is larger at Rs. 2.40 lakhs, against Rs. 1.53 lakhs in 1962. Allocations include depreciation Rs. 2.22 lakhs (against Rs. 1.46 lakhs), development rebate Rs. 44,147 (against Rs. 63,031), taxation Rs. 3.84 lakhs (against Rs. 3.20 lakhs) and general reserve Rs. 3.47 lakhs (against Rs. 3.60 lakhs). After taking into account Rs. 840 brought in, Rs. 1.10 lakhs transferred from taxation reserve, Rs. 90,716 being sales tax adjustments and Rs. 10,000 transferred from the reserve for bad and doubtful debts, the directors have set aside Rs. 42,000 for taxation for the previous year, leaving a balance of Rs. 365 to be carried forward, against Rs. 840 brought in. The dividend for 1963 is to be paid from the general reserve.

Chemo-Pharma Raises Dividend

CHEMO-PHARMA Laboratories Ltd reports highly encouraging results for the year 1963 and the directors have raised the dividend from 12 percent to 14 percent which is payable on the increased capital of Rs. 15 lakhs. The sales have risen by about 34 percent from Rs. 57 lakhs to Rs. 74 lakhs, and the gross profit has nearly been doubled from Rs. 9.58 lakhs to Rs. 18.62 lakhs. The provision for taxation has been raised from Rs. 6.67 lakhs to Rs. 13.31 lakhs, and allocation to the general reserve has been stepped up from Rs. 1.50 lakhs to Rs. 3.75 lakhs. The proposed 14 percent dividend absorbs Rs. 1.75 lakhs, against Rs. 1.30 lakhs in the preceding year. The production of fine chemicals like niacin and nicotinamide showed a satisfactory increase. The Company proposes to take up the manufacture of new

items of fine chemicals and the expansion programme undertaken last year is expected to be completed by the end of this year.

Hukumchand Mills Pays More

HUKUMCHAND Mills of Indore has raised the dividend for 1963 from 9 percent to 10 percent. But this provides little indication of the Company's impressive performance during the year. As against a 17.5 percent increase in the realisations from sales of cloth, yarn and waste and processing charges from Rs. 3.25 crores to Rs. 3.82 crores, the gross profit made by the Company has shot up by 90 percent from Rs. 25.42 lakhs to Rs. 47.49 lakhs. The provision for depreciation has been raised from Rs. 13.43 lakhs to Rs. 15.44 lakhs, and that for development rebate from Rs. 2.85 lakhs to Rs. 5.07 lakhs. Taxation absorbs as much as Rs. 18.94 lakhs, against Rs. 5.05 lakhs. After providing for the proposed dividend which absorbs Rs. 6.05 lakhs, against Rs. 5.44 lakhs and making minor adjustments, there remains a surplus of Rs. 5.36 lakhs which is being carried forward against Rs. 7.97 lakhs brought in. The directors state that a sum of Rs. 25 lakhs was spent during the year on machinery for various departments. The Company received during 1963 Rs. 20.75 lakhs, against the loans granted by the M.I.D.C. The balance loan outstanding at the end of the year was Rs. 38 lakhs. The directors add that the current year will witness the full effect of the additional burden of the increase in the contribution to employees' provident fund from 6.25 percent to 8 percent with effect from December last.

Sutna Stone Profit Up

THE Sutna Stone and Lime Co. Ltd has produced satisfactory results for the year ended December 1962. Sales rose from Rs. 44.29 lakhs for 1961 to Rs. 62.11 lakhs for 1962. The profit has risen from Rs. 10.17 lakhs to Rs. 15.23 lakhs, after raising depreciation from Rs. 1.62 lakhs to Rs. 2.17 lakhs. The Company has declared a taxable ordinary dividend of 35 percent to absorb Rs. 3.38 lakhs. At the present price of Rs. 28.31 a share of Rs. 10 each, the yield amounts to 12.4 percent. Taxation is allocated Rs. 9.80 lakhs, out of which super profits tax absorbs Rs. 2.64 lakhs.

The tax provision amounted to Rs. 4.78 lakhs for 1961. Development rebate reserve is allocated Rs. 85,000 (against Rs. 1 lakh) and taxation reserve Rs. 1.44 lakhs. The carry-forward is Rs. 21,096, against Rs. 23,403 brought in. The directors have mentioned that sales during the first four months of the current year have been considerably smaller than those for the corresponding period of 1962, due to the increased competition and lack of a proper sales organisation.

Malhati Tea to Diversify Activity

THE Malhati Tea Syndicate Ltd (a Doora's garden) has made a profit of Rs. 4.60 lakhs for the year ended December 1963, compared with one of Rs. 5.23 lakhs for 1962, after transferring Rs. 1.01 lakhs (against Rs. 1.15 lakhs) to depreciation. A taxable ordinary dividend of 18 percent has been declared to absorb Rs. 1.62 lakhs. Taxation is allocated Rs. 2.10 lakhs (against Rs. 2.50 lakhs), general reserve Rs. 1 lakh (the same) and em-

CAPITAL, 9th April, 1964.

ployees' benefit reserve Rs. 1,006 (against Rs. 1,500). The carry-forward is Rs. 15,270, against Rs. 10,407 brought in.

Sales rose from Rs. 24.05 lakhs to Rs. 25.29 lakhs. Tea output declined from 526,113 kilograms to 525,333 kilograms, but the average sale price rose from Rs. 4.84 to 4.96 a kilogram. The crop for 1964 has been estimated at 460,000 kilograms at a cost of Rs. 20.99 lakhs. In order to diversify the activities of the Company, a plot of land in an industrial suburb of Calcutta has been bought, in order to start new industries.

New Capital Issues

SEVEN companies have been authorised to raise fresh capital exceeding Rs. 1.06 crores. Of these, three are issuing bonus shares, two equities, and two are floating debentures and preference shares. Two companies involve foreign collaboration. The consent of the Controller of Capital Issues is valid for 12 months in all cases. The following are the details:

Hyderabad Asbestos Products Ltd. Hyderabad, is to issue capital of Rs. 2,95,163 divided into 118,065 equity shares of Rs. 2.50 each to be issued as bonus shares by the capitalisation of the Company's general reserves.

Khardah Company Ltd. Calcutta, is to issue bonus shares of Rs. 9 lakhs divided into 90,000 equity shares of Rs. 10 each on capitalisation of its reserves to a like extent. The bonus issue will be made in the ratio of one bonus share for every six equity shares held.

The Eastern Manufacturing Company Ltd. Calcutta, dealing in jute goods, is to issue bonus shares of the value of Rs. 17 lakhs on capitalisation of reserves. The bonus shares will be issued in the ratio of two shares for each one held.

Kersons Manufacturing Company of India Private Ltd. Bombay, will be issuing additional capital of Rs. 12.50 lakhs in equity shares of Rs. 1,000 each, to be issued for cash at par. Of this capital, 600 equity shares will be subscribed to by Midland Manufacturing Company Ltd. U.K. and the balance 650 shares will be subscribed to by Indian directors or shareholders. The capital will be used in the manufacture of brass and bakelite electrical accessories, such as switches, coiling roses, sockets, etcetera.

India Paper Pulp Company Ltd. Calcutta, an existing company, will be issuing capital of Rs. 40,00,000 divided into 4,000 7 percent debenture stock of Rs. 1,000 each. The debentures will be offered to the public by prospectus. The money will be used for financing of jute sticks pulp plant and paper plant.

The Saraswati Industrial Syndicate Ltd. Yamunanagar, district Ambala (Punjab), having a paid-up capital of Rs. 50,71,500 is to issue further capital of Rs. 4,700 divided into 47 equity shares of Rs. 100 each for cash at a premium of Rs. 140 a share to John Thompson Ltd, Ettingshall, Wolverhampton, England. This is in accordance with the terms of the scheme of arrangement of amalgamation of Indian Sugar and General Engineering Corporation Ltd with the Company which has already been approved by Punjab High Court.

Graphite India Ltd. Calcutta, is to issue further capital of Rs. 25 lakhs in 99.3 percent redeemable cumulative preference shares of Rs. 100 each for cash at par. Out of this such number of shares as would qualify the scrip to be listed on the recognised stock exchanges shall be offered to the public by prospectus. The capital will be used to meet the revised capital requirements of the Company.

CAPITAL, 9th April, 1964.

The Stock Markets

TURNOVER DECLINES IN SPITE OF GOOD CORPORATE NEWS

Wednesday Evening.

THERE has been an appreciable decline in turnover in the Calcutta stock market during the past week. The clearing on Wednesday was uneventful. The carry-forward charges are slightly smaller than at the previous settlement. Bulls have suffered big losses since the last Budget, so they have generally held off. Any small offer has, therefore, tended to reduce share prices. There has, nevertheless, been some good corporate news. Jessop, Indian Aluminium and Phillips India have increased their ordinary dividends, but investors have not been impressed because they think that higher dividends are warranted by soaring interest rates. Unless the Finance Minister, Mr. T. T. Krishnamachari, modifies his Budget proposals, particularly those relating to bonus shares and the dividend tax, the outlook for equities is unlikely to improve.

The stock market has felt the growing shortage of funds. Banks have been chary of supplying credit to buy shares in view of the credit squeeze recently enforced by the Reserve Bank. Besides, since annuity deposits will mop up almost all savings from the high-income groups, the prospect of a bigger flow of funds into the stock market is considered poor. The political situation is far from encouraging. Although attention is now centred on the Indo-Pakistani Home Ministers' Conference in New Delhi, nobody expects any spectacular results out of it. Indo-Pakistani relations have deteriorated considerably during recent months.

Indian Iron have fluctuated narrowly. The bigger production of the Company during March has been overlooked. The output of pig iron has risen from 103,421 tons in February to 113,069 tons in March and that of steel ingots from 80,243 tons to 89,766 tons. The production of salable steel has improved from 68,435 tons to 78,624 tons. Despatches of salable steel have risen from 59,881 tons to 93,935 tons. Engineering shares have on the whole declined. Binani Metals have, nevertheless, been maintained due to influential buying. Jessop have not responded to the increase in the dividend.

In the miscellaneous section, attention has centred on clearing scrip, but their prices have been lower in the absence of fresh support. Good year India, Union Carbide, Indian Oxygen and Alkali Chemical have been freed from lower prices without attracting support. Among managing agency shares, Jardine Henderson have lost. Imperial Tobacco have dropped on pressure. Despite the prospect of expansion, Hindustan Aluminium have declined on balance. Calcutta Tramways have not responded to the prospect of an increase in fare.

Electric companies have been subdued and stray business in Calcutta Electric has passed. In the paper section, Orient have been active, but the scrip have retreated on profit-taking. Titagur, Seshasayee and Bengal have been weaker. Bank shares have lacked interest. Small business has been transacted in United Bank and United Commercial. Sugar shares have been difficult to deal in due to the absence of

buyers. Reports of poor production during the current season have discouraged investors.

Turnover in jute shares has dropped appreciably. Investors have taken a cautious view since the price of fibre has risen in the face of a decline in the value of jute of a decline in the value of goods. Birla, New Central, Ganges, Barnagore, Champdany and Kinnison have quoted lower. Coal shares have lacked interest and prices have declined on the whole. Bengal have been barely steady since the Company has reduced the ordinary dividend. Amalgamated, Pench Valley, Western Bengal and Central India have weakened.

Except for Bharat Commerce and Jay Shree Textiles, which have been maintained on producing good reamains, cotton mill shares have generally lost. J. K. Cotton have reacted due to profit-taking. The outlook for the current year has been cautiously assessed since there has been no rise in the price of cloth. Limited business has passed in tea shares and fluctuations have been narrow. Investors have held off since they think that dividends for 1963 are not likely to be better than those for 1962, in view of the decline in the average price of teas sold during the current season.

Government securities have been slightly steadier presumably due to official support in view of the issue of conversion loans. Institutional support has been negligible. Scattered business in selected State Government loans has been transacted. The 3 percent Conversion loan 1966 has quoted Rs. 63.40.

Bombay

BULLS STAY OUT OF THE MARKET

GOOD CORPORATE NEWS IGNORED

Wednesday Evening.

THE Bombay stock market has closed the past week in a tame fashion. Buyers have been conspicuous by their absence since they are awaiting the reply of the Central Finance Minister, Mr. T. T. Krishnamachari, to the various representations made to modify the Budget proposals. Although carry-forward charges at the past settlement have been lower than in the previous one, there has been virtually no support in the new account. The technical position of the market has nevertheless improved due to a fair amount of selling since the last Budget. Considering that bulls have had to suffer considerable losses, they have shown considerable reluctance to extend their commitments. This is probably the reason why good corporate news, such as a higher dividend by Chemo-Pharma and a maiden dividend by Wandelside, has failed to impress. The excellent results of Kohinoor, Century and Bombay Dyeing have also been ignored.

Tata Steel ordinary have moved narrowly and closed around Rs. 147. Among engineering scrip, Tata Engineering, Premier Construction and Mukand Iron have declined. S.L.M.

Maneklal have lost considerably on pressure. In motor-vehicle shares, Hindustan Motors and Premier Automobiles have reacted.

Century have fluctuated erratically in the cotton mill section. The shareholders have been disappointed by the decision of the Company not to proceed with the bonus issue in view of the last Budget proposals. The Company has instead decided to issue preference shares for Rs. 25 lakhs to the existing preference shareholders in the ratio of one new share for every five shares held. The new shares will carry a fixed dividend of 8.57 percent and will be redeemed at par on 1st December, 1973. Although the Company has made a bigger profit, the final taxable ordinary dividend has been maintained at 18 percent. Kohinoor have lost, although the Company is confident that the working during the current year will produce satisfactory results if trading conditions do not worsen. Bombay Dyeing, Simplex, Svadeshi, Morarjee, India United ordinary and Standard have quoted lower.

Turnover in miscellaneous shares has declined appreciably. Scattered business has been transacted in Associated Cement. Sugar shares have been quiet, and Belapur have been barely steady. Among steamship company shares, Scindia have lost on profit-taking. Mining shares have been subdued, and Shivrampur Syndicate have been offered freely without attracting support. The Company has again passed the dividend since it has incurred a loss. Rayon shares have been quiet, and National Rayon have declined.

In chemical shares, Tata Chemical have quoted lower. Despite the increase in the taxable ordinary dividend from 25½ percent to 26½ percent, the shares of W. H. Brady and Company have attracted little notice. Vol-tas have been barely steady despite the prospect of further diversification of activity. It has promoted a new Company called the Scottish Indian Machine Tools Ltd in collaboration with the Scottish Machine Tool Corporation Ltd of Glasgow. The new Company will soon make a public issue of shares.

Turnover in cash shares has declined to almost a trickle. Stray business has been done in Bank of Baroda and Central Bank. In electric companies, Ahmedabad and Tata Hydro have changed hands.

Madras

SELECTIVE SUPPORT FOR PLANTINGS

OPERATORS AWAIT BUDGET CHANGES

Tuesday Evening.

THE Madras stock market has shown mixed trends during the past week. Because of absence of support from local operators and outside sources, clearing scrip have on the whole declined. Investment support has been small and has largely been confined to selected planting shares. Operators have preferred to sit on the sidelines, awaiting the final shape of the Finance Bill. Selected

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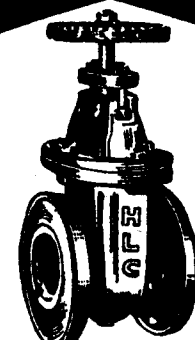
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preference shares and debentures have been wanted, but their supplies are short.

Turnover in Government securities has been small and only high-yielding State Government securities have been bought. Scattered business has been done in Indian Bank at Rs. 157 and in Indian Overseas at Rs. 146.50. Among electric companies, South Madras has been steady at Rs. 11.12 and Negapatam at Rs. 10.70. Sugar shares have been easier, and Deccan have declined to Rs. 11.85. E.I.D. have been available at Rs. 35.65 and Andhra at Rs. 14.75. Mysore have been barely steady at Rs. 44.65 and K.C.P. have changed hands around Rs. 24.

In the planting section, Blue Mountain have quoted Rs. 2.43 and Cochín Malabar Rs. 6.45. Consolidated Coffee have been done at Rs. 21.25 and Oucherlony at Rs. 4. Business has passed in Periakaramalai at Rs. 3.44 and in Lucky Valley at Rs. 12.50.

Interest has been shown in Nenmeny at Rs. 22.55, in Midland at Rs. 11.25, in Haileyburia at Rs. 12.90 and in Nilgiri at Rs. 9.12. Parkside have changed hands at Rs. 26.33 on declaring an interim taxable ordinary dividend of 7½ percent. Peermade have been transacted at Rs. 20.62 on declaring a final taxable ordinary dividend of 12½ percent. Coffee Lands have been taken at Rs. 16.62 and Ossoor at Rs. 2.60.

Except for Bangalore Woollen, which have met with support up to Rs. 273 on a good report, textile shares have slipped back. South India Viscose have declined to Rs. 125 on pressure and Travancore at Rs. 23. Lakshmi have quoted Rs. 134.50 and Madura Rs. 35.56. Jawahar have been sold at Rs. 9.59 on declaring a taxable ordinary dividend of 12 percent. Kannapiran have been available at Rs. 11.24 despite the payment of a taxable ordinary dividend of 10 percent. Ramnarayan have quoted Rs.

93 on payment of a taxable ordinary dividend of 10 percent. Business has passed in Sivanandha at Rs. 25 on declaring a taxable ordinary dividend of 26 percent. Vijayalakshmi have been done at Rs. 111.50 on paying a taxable ordinary dividend of 10 percent.

Among miscellaneous shares, Aluminium Industries have been steady at Rs. 21.25, but Ashok Leyland have been subdued at Rs. 6.97. Dalmia Cement have dropped to Rs. 13 and India Cement to Rs. 5.68. Mettur Chemical have been bought at Rs. 13.30 and Seshasayee Paper have improved to Rs. 7.70. Standard Motors have been done at Rs. 10.17 and Parry's Confectionery at Rs. 3.20. Spencer have been steady at Rs. 22.37 and Textool at Rs. 152.50. Madras Vanaspathi have quoted Rs. 16.25 on the issue of 170,000 new ordinary shares of Rs. 3 each at par to the existing shareholders in the proportion of one new share for every share held.

CAPITAL, 9th April, 1964.

THE WEEK'S TRANSACTIONS

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

CLEARED SECURITIES

Birla Jute—Rs. 32/37—32/62—31/75—31/87—26/00.
Burrakur Coal—Rs. 15/94—16/00—15/72—15/75—(15/50).
Dunlop Rubber—Rs. 36/37—36/50—36/00—36/12—(32/12).
Guest, Keen, Williams—Rs. 25/00—25/19—24/75—24/87—(30/69).
Hindustan Motors—Rs. 18/41—18/41—18/12—18/31—(16/06).
Indian Aluminium—Rs. 31/75—32/37—31/62—31/94—(31/06).
Do. (New)—Rs. 20/75—20/75—20/75—20/75—(13/00).
Indian Cable—Rs. 36/06—36/06—35/75—35/75—(32/00).
Indian Copper—Rs. 3/47—3/49—3/42—3/45—(4/21).
Indian Iron—Rs. 24/72—24/78—24/56—24/68—(20/10).
J. K. Cotton—Rs. 11/87—11/94—11/73—11/75—(12/50).
Jaipur Udyog—Rs. 11/56—11/56—11/37—11/37—(10/75).
Kesoram Industries—Rs. 26/37—26/56—25/87—26/06—(20/25).
Orient Paper—Rs. 37/65—37/85—37/10—37/25—(31/95).
Orissa Cement—Rs. 13/75—13/75—13/62—13/75—(14/75).
Rohtas Industries—Rs. 12/00—12/00—11/75—11/75—(11/31).
Shree Gopal Paper—Rs. 25/12—25/12—24/91—24/94—(21/50).
Textile Machinery—Rs. 27/90—28/40—27/75—28/00—(20/95).

GOVERNMENT SECURITIES

2½% Behar Zemindary (Collected upto 1-4-64)—Rs. 45/35—45/35—45/35—45/35.
3% Loan (1966-68)—Rs. 97/88—97/88—97/85—97/85.
3% " (1966)—Rs. 63/40 S.T.—63/50—63/05—63/40.
3% " (1970-75)—Rs. 90/35—90/35—90/32—90/35.
3½% " (1965)—Rs. 99/65—99/65—99/65—99/65.
3½% " (1967)—Rs. 99/03—99/03—99/03—99/03.
3½% " (1969)—Rs. 97/00—97/00—97/00—97/00.
4% " (1969)—Rs. 99/43—99/43—99/43—99/43.
4% " (1974)—Rs. 99/20—99/20—99/00—99/05.
4½% Madras (1974)—Rs. 99/07—99/07—99/07—99/07.

RAILWAY

Arrah Sasaram—Rs. 31/50—31/62—31/50—31/62.

BANK

United Bank of India (Rs. 10 paid)—Rs. 7/75—7/75—7/75—7/75—(6/50).

COTTONS

Bharat Commerce—Rs. 21/50—21/62—21/50—21/62—(20/75).
Cawnpore—Rs. 6/50—6/50—6/50—6/50—(6/25).
Jayshree—Rs. 15/59—15/59—15/12—15/25—(14/81).
Jiyajeerao—Rs. 11/06—11/06—11/06—11/06—(8/44).
Maharaja Shre Umaird—Rs. 166/00—166/00—166/00—166/00—(1/62).
New Victoria—Rs. 1/41—1/41—1/25—1/28—(1/62).
Do. (Pref.)—Rs. 2/25—2/25—2/00—2/00—(9/94—(9/56)).
Swadeshi (Pref.)—Rs. 6/31—6/31—6/31—6/31—(7/00).
Do. (Pref.)—Rs. 68/25—68/25—68/25—68/25—68/25.

COALS

Amalgamated—Rs. 22/12—22/12—22/06—22/06—(21/00).
Bengal—Rs. 251/00—251/00—251/00—251/00—(262/00).
Central India—Rs. 8/81—8/84—8/81—8/87—(8/94).

CAPITAL, 9th April, 1964.

New Manbhoom—Rs. 11/94—11/94—11/94—11/94—(13/00).
New Beerbhoom—Rs. 16/25—16/25—16/00—16/06—(17/62).
Pench Valley—Rs. 17/25—17/31—17/25—17/31—(19/12).
Western Bengal—Rs. 8/75—8/81—8/69—8/69—(8/75).

JUTES

Alliance—Rs. 120/00—120/00—120/00—120/00—(13/00).
Bally—Rs. 242/00—242/00—242/00—242/00—(235/00).
Barnagore—Rs. 213/00—214/00—213/00—214/00—(172/00).
Birla (1st Pref.)—Rs. 78/50—79/50—78/50—79/50—(79/50).
Clive—Rs. 7/25—7/25—7/25—7/25—(7/75).
Champdany—Rs. 21/19—21/25—21/19—21/25—(21/25).
Dalhousie—Rs. 119/00—119/00—119/00—119/00—(141/00).
Delta—Rs. 145/00—146/00—145/00—146/00—(141/00).
Empire—Rs. 15/06—15/06—14/94—14/94—(15/31).
Gouripore (Pref.)—Rs. 89/00—89/00—89/00—89/00—(12/68).
Ganges—Rs. 13/12—13/25—13/12—13/19—19/75—(18/00).
Hukumchand—Rs. 19/75—19/75—19/75—19/75—(18/00).
Do. (Pref.)—Rs. 92/50—92/50—92/50—92/50—(119/00).
Kankannar—Rs. 137/00—137/00—137/00—137/00—(119/00).
Kelvin (Pref.)—Rs. 95/00—96/00—95/00—96/00—(12/00).
Magna—Rs. 12/00—12/00—12/00—12/00—(13/25).
New Central—Rs. 11/84—11/94—11/75—11/81—(12/62).
Do. (Pref.)—Rs. 89/00—91/50—89/00—91/50—(18/00).
Naihati—Rs. 78/00—78/00—78/00—78/00—(81/00).
National—Rs. 22/00—22/00—22/00—22/00—(25/37).
Presidency—Rs. 4/37—4/44—4/37—4/44—(4/81).
Reliance (Pref.)—Rs. 117/00—117/00—117/00—117/00—(30/00).
Shree Ambica—Rs. 30/00—30/00—30/00—30/00—(25/00).

MININGS

Assam Sillimanite—Rs. 6/94—7/06—6/91—7/00—(8/12).
Bisra Stone Line—Rs. 20/25—20/25—20/25—20/25—(35/00).
Karanpura Develop—Rs. 10/06—10/12—10/06—10/12—(7/69).
Metal Corp.—Rs. 7/31—7/31—7/31—7/31—(7/69).
Do. (Pref.)—Rs. 96/50—97/00—96/50—97/00—(97/00).

CEMENTS

Ashoka—Rs. 6/94—6/94—6/87—6/87—(7/00).
Assam Bengal (Def.)—Rs. 0/53—0/53—0/47—0/50—(2/15).
Dalmia (Bharat)—Rs. 13/25—13/37—13/25—13/37—(12/87).
Sone Valley—Rs. 4/25—4/25—4/16—4/16—(4/50).

CHEMICALS

Alkali & Chemical—Rs. 30/00—30/12—30/00—30/12—(29/25).
Bengal Chemical—Rs. 98/00—99/00—98/50—99/00—(98/00).

ELECTRICS

Bareilly—Rs. 12/00—12/00—11/87—11/87—(14/37).
Calcutta—Rs. 14/12 c.t.—14/19—14/00—14/06—(14/12).
Do. (Pref.)—Rs. 8/12—8/12—8/12—8/12—(8/12).
Dishegarh Power (1st Pref.)—Rs. 69/50—69/50—69/50—69/50—(69/50).
Patna—Rs. 10/12—10/12—10/12—10/12—(6/75).
Shahjahanpur—Rs. 6/62—6/75—6/62—6/75—(7/00).
U. P.—Rs. 155/00—155/00—153/00—154/00—(119/00).

ENGINEERING

Binani Metal—Rs. 13/06—13/12—13/06—13/12—(13/12).
Britannia Eng.—Rs. 9/94—9/94—9/87—9/94—(9/56).
Burn & Co.—Rs. 282/00—280/00—282/00—280/00—(438/00).
Braithwaite & Co. (Pref.)—Rs. 105/00—105/50—104/50—105/50—(105/00).
Calcutta Steel—Rs. 14/12—14/12—14/00—14/00—(13/68).
Dalmia Iron—Rs. 11/06 x.d.—11/06—11/06—11/06 x.d.—(10/87).
Indian Iron (Pref.)—Rs. 80/75—80/75—80/75—80/75—(84/50).
Jay—Rs. 19/75—19/75—19/75—19/75—(19/75).

Jessop & Co.—Rs. 23/12—23/12—23/00—23/12—(22/25).
Do. (Pref.)—Rs. 76/50—76/50—75/50—76/25—(76/25).
J. K. Steel—Rs. 16/00—16/00—15/87—15/94—(15/25).
Kumardhubi—Rs. 5/50—5/69—5/44—5/44—(6/87).
Marshalls—Rs. 2/44—2/72—2/37—2/72—(2/75).
National Iron—Rs. 5/87—5/94—5/87—5/94—(5/94).
Raymon Eng.—Rs. 4/50—4/50—4/37—4/37—(4/37).
Saran Eng.—Rs. 7/37—7/50—7/12—7/12—(8/00).
Textile Machinery (6½% Pref.)—Rs. 102/00—102/00—101/50—101/50—(101/50).

INSURANCE

New Asiatic—Rs. 6/94—6/94—6/87—6/87—(7/37).

MISCELLANEOUS

Aluminium Corp.—Rs. 12/25—12/31—12/06—12/06—(13/12).
Angelo Brothers—Rs. 23/62—23/69—23/37—23/62—(21/75).
Associated Battery—Rs. 23/56—23/81—23/56—23/81—(24/44).
Asiatic Oxygen—Rs. 11/00—11/12—10/81—10/81—(9/50).
Assam Match—Rs. 26/75—26/75—26/37—26/37—(28/75).
Airways India—Rs. 3/81—3/81—3/81—3/81—(3/81).
Balmer Lawrie—Rs. 258/00—259/00—257/00—258/00—(257/00).
Bharat Nidhi—Rs. 5/81—5/81—5/81—5/81—(5/50).
B. I. Corp.—Rs. 9/12—9/37—9/00—9/37—(9/15).
Chemical & Fibre—Rs. 12/25—12/50—12/12—12/44—(8/44).
Clive Raw Investment—Rs. 8/44—8/44—8/31—8/44—(8/19).
Electric Construction—Rs. 12/59—12/75—12/56—12/62—(12/62).
East Anglia Plastics—Rs. 7/00—7/00—7/00—7/00—(7/00).
English Electric—Rs. 13/94—14/00—13/94—14/00—(14/00).
Goodyear India—Rs. 26/25—26/56—26/25—26/31—(34/25).
Gwalior Rayon—Rs. 41/00—41/00—41/00—41/00—(42/50).
Gillanders Arbuthnot—Rs. 14/69—14/69—14/56—14/69—(13/81).
General Tyres—Rs. 7/90—8/12—7/81—8/12—(8/12).
Hindustan Aluminium—Rs. 12/87—12/87—12/44—12/62—(13/50).
Hindustan Development—Rs. 3/75—4/00—3/75—4/00—(4/00).
Hindustan Twyford—Rs. 12/31—12/31—12/31—12/31—(14/25).
Do. (Pref.)—Rs. 100/50—101/50—100/50—101/50—(9/50).
Imperial Tobacco—Rs. 9/58—9/69—9/50—9/69—(10/69).
Isaac Holdens—Rs. 12/87—13/00—12/81—12/81—(14/25).
Indian Oxygen—Rs. 25/75—25/75—25/37—25/37—(26/75).
Jardine Henderson—Rs. 74/00—75/00—74/00—75/00—(75/00).
J. K. Synthetics—Rs. 11/50—11/66—11/50—11/66—(10/62).
Jayshree Tea Industries—Rs. 15/00—15/12—14/87—15/00—(14/75).
John Okay Mohon—Rs. 3/34—3/34—3/34—3/34—(3/34).
Kesoram Industries (2nd Pref.)—Rs. 95/50—96/00—95/00—96/00—(5/69—(7/00)).
Macfarlane & Co.—Rs. 5/62—5/69—5/62—5/69—(7/00).
Metal Distributors—Rs. 4/00—4/19—4/00—4/12—(23/75).
Martin Burn—Rs. 25/81—25/81—25/81—25/81—(23/75).
Do. (Pref.)—Rs. 79/50—80/00—79/50—80/00—(80/00).
McLeod & Co. (2nd Pref.)—Rs. 59/75—60/00—59/50—59/50—(60/00).
Metal Box—Rs. 29/50—29/75 S.T.—29/37—29/75 S.T.—(42/00).
Do. (Pref.)—Rs. 75/00—75/00—75/00—75/00—(75/00).
National Standard Duncan—Rs. 76/00—76/75—76/00—76/75—(10/62).
National Tobacco—Rs. 12/00—12/06—12/00—12/06—(10/62).
National Rubber Mfg.—Rs. 12/69—12/69—12/56—12/56—(10/62).
Do. (Pref.)—Rs. 72/00—73/00—72/00—73/00—(73/00).
National Rolling—Rs. 19/00—19/00—18/94—18/94—(22/50).
National Insulated Cable—Rs. 22/50—22/50—22/37—22/37—(26/87—(26/25)).
Philips India—Rs. 26/87—26/87—26/87—26/87—(26/25).
Rohtas Industries ("B" Pref.)—Rs. 56/00—56/25—56/00—56/25—(118/00—(130/00)).
Rallis India—Rs. 118/00—118/00—118/00—118/00—(130/00).
Sir Silk—Rs. 8/00—8/06—7/87—7/87—(8/06).

Universal Cables—Rs. 11/31—11/50—11/25—11/44—(9/06).
Universal Electric—Rs. 7/81—7/81—7/62—7/62—(7/62).
Union Carbide—Rs. 30/50—30/50—30/25—30/25—(29/00).
Walford Transport—Rs. 3/28—3/37—3/28—3/37—(3/37).

OIL

Indo-Burma—Rs. 21/12—21/19—21/12—21/00—(21/00).

PAPERS

Ballarpur—Rs. 17/00—17/00—16/87—17/00—(15/62).
Bengal—Rs. 27/50—27/50—27/00—27/00—(28/75).
India Paper Pulp—Rs. 18/94—19/06—18/94—19/06—(16/12).
Seshasayee—Rs. 7/50—7/56—7/50—7/56—(7/50).
Sirpur—Rs. 12/37—12/37—11/90—11/90—(11/44).
Star—Rs. 8/12—9/12—8/12—8/37—(10/06).
Straw Prod.—Rs. 9/94—9/94—9/94—9/94—(11/06).
Titagur—Rs. 15/31—15/31—14/75—14/87—(16/25).
Do. (1st Pref.)—Rs. 113/00—113/00—111/50—112/50—(11/06).

SHIPPINGS

Calcutta Landing—Rs. 19/75—19/81—19/75—19/81—(30/00).
India Steamship—Rs. 6/94—6/94—6/66—6/81—(6/12).
Port Shipping—Rs. 13/50—13/50—13/50—13/50—(11/69).

PRESSINGS

Hooghly Ganges Hydraulic—Rs. 4/75—4/75—4/75—4/75—(4/75).
Do. (Pref.)—Rs. 44/75—44/75—44/75—44/75—(44/00).

REAL PROPERTY

Midnapore Zemindary—Rs. 18/50—18/50—18/50—18/50—(18/50).

SUGARS

Carew & Co.—Rs. 12/25—12/25—11/94—12/19—(12/50).

Champaran—Rs. 10/81—11/00—10/81—11/00—(7/25).
Cawnpore (Pref.)—Rs. 110/00—110/00—110/00—110/00—(110/00).
Raza Buland—Rs. 10/25—10/37—10/25—10/37—(9/50).
Shree Krishna Gyanoday—Rs. 7/31—7/37—7/19—7/37—(7/00).
Upper Ganges—Rs. 60/25—60/25—60/25—60/25—(60/00).

SAW MILL

Assam Saws—Rs. 2/44—2/44—2/44—2/44—(2/50).

TEAS

Brooke Bond—Rs. 12/06—12/12—12/00—12/00—(11/00).
Bormah Jan—Rs. 11/81—11/81—11/81—11/81—(16/12).
Dhelakhat—Rs. 20/75—20/81—20/75—20/81—(20/81).
Huldibari—Rs. 12/00—12/12—12/00—12/12—(12/12).
Jaybirpara—Rs. 9/00—9/06—8/75—8/94—(11/06).
Margaret's Hope—Rs. 12/00—12/06—12/00—12/06—(11/62).
Methoni—Rs. 14/06—14/06—14/06—14/06—(18/50).
Mim—Rs. 430/00—430/00—430/00—430/00—(191/50).
Poobang—Rs. 10/00—10/00—10/00—10/00—(7/50).
Rungamattar—Rs. 50/00—50/00—48/00—48/00—(48/00).
Rajabhat—Rs. 9/00—9/12—9/00—9/06—(12/12).
Sungma—Rs. 14/25—14/25—14/25—14/25—(12/75).
Tezpor—Rs. 14/44—14/62—14/38—14/62—(15/25).
Tukvar—Rs. 4/12—4/12—4/12—4/12—(6/00).
Western Cachar—Rs. 4/37—4/50—4/37—4/50—(4/50).

DEBENTURE

5½% Equitable Coal—Rs. 94/00—94/00—94/00—94/00—(94/00).

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RESERVE BANK

ISSUE DEPARTMENT		Week Ended		
(In 000's of Rupees)		3-4-64	27-3-64	5-4-63
Liabilities—				
Notes & Banking Dept. ...	...	18,39.75	19,80.08	15,95.15
Notes in Circulation ...	...	25,02,95.46	24,53,99.86	23,01,59.19
Total Notes Issued ...	...	23,21,35.21	24,73,79.94	23,17,54.34
Assets—				
A. Gold Coin and Bullion	...	1,17,76.10	1,17,76.10	1,17,76.10
Foreign Securities ...	...	1,12,45.69	1,12,45.69	1,05,08.43
Total of A ...	...	2,30,21.79	2,30,21.79	2,22,84.53
B. Rupee Coin	...	1,06,76.66	1,09,11.19	1,18,27.65
Rupee Securities ...	...	21,84,36.76	21,34,46.96	19,76,42.15
Total ...	...	25,21,35.21	24,73,79.94	23,17,54.34

BANKING DEPARTMENT

Liabilities—				
Capital Paid-up ...	...	5,00.00	5,00.00	5,00.00
Reserve Fund ...	...	80,00.00	80,00.00	80,00.00
National Agricultural Credit (Long Term Operations) Fund	...	73,00.00	73,00.00	73,00.00
National Agricultural Credit (Stabilisation) Fund ...	...	8,00.00	8,00.00	6,00.00
Deposits—				
(a) 1. Central Govt. ...	...	52,18.25	51,14.96	102,46.86
2. State Govts. ...	...	15,90.00	15,97.20	8,20.10
(b) Banks—				
(i) Scheduled Banks ...	...	76,88.46	76,66.26	71,45.80
(ii) State Co-operative Banks ...	...	2,77.18	2,34.04	3,98.70
(iii) Other Banks ...	...	1.35	4.39	2.36
(c) Others ...	...	3,90,70.87	1,61,71.02	1,69,19.68
Bills Payable ...	...	45,78.43	48,84.91	36,69.75
Other Liabilities ...	...	67,39.44	67,91.12	64,68.32
Total ...	...	7,17,70.19	6,23,63.69	6,11,71.57
Assets—				
Notes ...	...	18,39.75	19,80.08	15,95.15
Rupee Coin ...	...	3.52	3.51	13,95.15
Small Coin ...	...	4.30	3.81	1.18
National Agricultural Credit (Long Term Operations) Fund	...			2.32
(a) Loans and Advances to—				
(i) State Govts. ...	...	28,31.66	27,24.27	27,14.49
(ii) State Co-operative Banks ...	...	8,72.33	8,78.37	9,13.97
(iii) Central Land Mortgage Banks ...	...			
(b) Investment in Central Land Mortgage Bank	...	3,59.36	3,59.33	2,84.88
Debentures ...	...			
National Agricultural Credit (Stabilisation) Fund	...			
Loans and Advances to State Co-operative Banks ...	...			
Bills Purchased and Discounted—				
(a) Internal ...	...			
(b) External ...	...			
(c) Govt. Treasury Bills ...	...	1,02,79.84	64,72.75	77,26.70
Balances Held abroad ...	...	13,16.51	13,82.31	9,94.82
Loans and Advances to Govt. ...	...	64,47.46	43,37.81	43,25.72
Loans and Advances to—				
(i) Scheduled Banks ...	...	74,94.15	84,16.40	49,21.32
(ii) State Co-operative Banks ...	...	1,22,19.77	1,23,19.59	1,21,34.96
(iii) Others ...	...	1,52.65	2,81.65	1,65.90
Investments ...	...	2,47,50.26	2,00,03.87	2,19,10.07
Other Assets ...	...	30,78.63	30,13.11	35,80.09
Total ...	...	7,17,70.19	6,23,63.69	6,11,71.57

SCHEDULED BANKS

(In 000's of Rupees)		Week Ended		
		27-3-64	20-3-64	29-3-63
(i) Demand Liabilities—				
(a) Demand Deposits:				
(1) From Banks ...	...	63,71.40	61,55.53	55,59.15
(2) From others ...	...	10,65,04.02	10,49,82.65	8,84,27.09
(b) Borrowing from Banks ...	...	30,98.92	26,51.83	22,38.88
(c) Others ...	...	66,54.91	65,36.47	57,58.28
(ii) Time Liabilities—				
(a) Time Deposits:				
(1) From Banks ...	...	20,95.35	20,51.58	20,71.29
(2) From others ...	...	12,16,14.74	12,23,83.87	11,72,94.88
(b) Borrowing from Banks ...	...	12,26.19	12,82.09	15,37.93
(c) Others ...	...	11,34.27	11,38.20	10,47.58
(iii) Borrowing from State Bank—				
(a) Demand Liabilities ...	...	14,98.54	15,64.99	12,09.01
(b) Time Liabilities ...	...	11,55.00	11,95.00	9,77.00
(iv) Borrowing from Reserve Bank ...	...	82,58.26	98,81.90	70,00.37
(v) Cash ...	...	58,22.94	59,48.44	51,18.33
(vi) Balances with the Reserve Bank ...	...	89,30.81	80,32.23	74,36.74
(vii) Balances with other Banks in current account ...	...	23,56.45	22,37.18	21,29.00
(viii) Money at call and short notice ...	...	36,97.50	35,30.50	37,63.42
(ix) Investments in Central and State Govt. Securities ...	...	6,39,76.31	6,36,74.40	5,83,26.34
(x) (a) Loans, Cash Credits and Overdrafts ...	...	15,18,70.46	15,07,77.33	13,09,79.78
(b) Due from Banks ...	...	17,22.78	18,44.19	14,27.51
(xi) Inland Bills purchased and discounted ...	...	2,31,08.59	2,29,58.05	2,21,82.49
(xii) Foreign Bills purchased and discounted ...	...	64,77.80	65,19.06	56,50.22
(xiii) Total of X, XI and XII ...	...	18,31,79.63	18,20,99.13	16,02,40.00

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Money

THE CALCUTTA MONEY MARKET

BIG INCREASE IN ADVANCES

Wednesday, 8th April.

THE general level of advances has shown a large increase in the Calcutta money market during the past week, mainly because the requirements of the iron, steel and engineering industries have risen sharply. The credit given to the sugar mills and the cotton mills is slightly more than it was a week ago. But the requirements of the jute industry, and of the foodgrains and seeds trade, are unchanged. In the interbank market, conditions were tight at the beginning, when the call rate was quoted at 6½ percent. But they eased a little later and the rate dropped to 6¼ percent.

The exchange market has been moderately active, with a fair supply of both tea and gunny bills. The demand for remittances is moderate. In the London market, sterling has fluctuated narrowly, and shows marginal gains in relation to a number of the major currencies.

SILVER WAS STEADY IN CALCUTTA during the past week but turnover was limited. The price closed at Rs. 259. The price quoted 11½d. in London and 129.3 cents in New York. Gold was quiet in the absence of demand and the price of 14-carat stood at Rs. 66.

DURING THE WEEK ENDED 3RD APRIL, Government of India Treasury bills for Rs. 174,63,00,000 were sold in favour of the Reserve Bank.

TENDERS FOR RS. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 7th April. The total amount offered was Rs. 2 crores. Tenders at Rs. 99.250 percent were accepted in full. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 3 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 11th April.

IT IS STATED THAT 91-DAY INTERMEDIATE Treasury bills will be sold from 8th April to 11th April at Rs. 99.266 percent. Sales can be stopped at any time without notice if the Government thinks it necessary. These bills sold from 1st April to 4th April amounted to Rs. 75,000 only.

RISES OF RS. 47.55 CRORES TO RS. 2,521.35 crores in the total note issue and of Rs. 48.95 crores to Rs. 2,502.95 crores in active notes, were notable features of the return of the Reserve Bank of India for the week ended 3rd April, 1964. The currency expansion was covered by raising rupee securities by Rs. 49.90 crores to Rs. 2,184.37 crores in the paper currency reserve. Deposits of the Government of India dropped by Rs. 31.97 crores to Rs. 52.18 crores but those of State Governments at Rs. 15.96 crores showed little change. Balances of scheduled banks at Rs. 76.88 crores disclosed a rise of Rs. 22 lakhs. Balances held abroad declined by Rs. 65 lakhs to Rs. 13.17 crores while investments were up by Rs. 41.46 crores to Rs. 247.50 crores. Loans to

CAPITAL, 9th April, 1964.

scheduled banks declined from Rs. 84.16 crores to Rs. 74.94 crores, of which advances against usance bills amounted to Rs. 42.77 crores (Rs. 47.59 crores). Ways and means advances stood at Rs. 64.47 crores, against Rs. 43.38 crores.

THE RETURN OF THE STATE BANK OF India for the week ended 27th March, 1964, shows a rise of Rs. 7.62 crores to Rs. 619.93 crores in total deposits. Investments in Government securities are up by Rs. 7.09 crores to Rs. 241.17 crores, while other authorised investments remain unchanged at Rs. 9.44 crores. Advances, including loans, cash credits, overdrafts and bills discounted and purchased have risen by Rs. 4.12 crores to Rs. 364.50 crores. Cash and balances are, in consequence, shown at Rs. 17.65 crores or Rs. 7.68 crores less.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 27th March, 1964, shows Demand and Time liabilities at Rs. 1,226.30 crores (Rs. 31.00 crores on account of borrowings from banks) and Rs. 1,260.71 crores (Rs. 12.26 crores), compared with Rs. 1,205.07 crores (Rs. 28.52 crores) and Rs. 1,268.56 crores (Rs. 12.82 crores), respectively, in the previous week. Cash has declined by Rs. 1.25 crores to Rs. 58.23 crores, while the balances of the Reserve Bank have risen by Rs. 8.99 crores to Rs. 89.31 crores. There is a rise of Rs. 3.02 crores to Rs. 639.76 crores in investments. Advances and bills discounted at Rs. 1,831.80 crores show a rise of Rs. 10.81 crores. The ratios to total liabilities of cash and balances and of advances and discounts are, in consequence, shown at 5.9 percent and 73.7 percent, against 5.7 percent and 73.6 percent.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 10-4-64

Issue Date	Maturity Date	Amount (000's Rs.)	Average Acceptance Rate
10-4-64	13-7-64	2,00.00	Rs. 3.00%
3-4-64	6-7-64	2,00.00	Rs. 3.00%
26-3-64	29-6-64	2,00.00	Rs. 2.75%
20-3-64	23-6-64	2,00.00	Rs. 2.50%
13-3-64	16-6-64	2,00.00	Rs. 2.36%
6-3-64	9-6-64	2,00.00	Rs. 2.36%
28-2-64	31-5-64	2,00.00	Rs. 2.35%
21-2-64	24-5-64	2,00.00	Rs. 2.34%
14-2-64	17-5-64	2,00.00	Rs. 2.34%
7-2-64	10-5-64	2,00.00	Rs. 2.32%
31-1-64	3-5-64	2,00.00	Rs. 2.32%
24-1-64	27-4-64	2,00.00	Rs. 2.32%
17-1-64	20-4-64	2,00.00	Rs. 2.31%

(Monthly Maturities (000's omitted))	
April, 1964	4,00.00
May, 1964	10,00.00
June, 1964	8,00.00
July, 1964	4,00.00
Total	26,00.00

CLEARING HOUSE RETURNS

Week	Calcutta	Bombay
3-4-64	1,47.13	1,51.23
26-3-64	1,09.61	1,31.37
20-3-64	1,02.66	1,26.47
13-4-64	1,05.14	1,26.78

CAPITAL, 9th April, 1964.

THE BENGAL COAL COMPANY, LIMITED

CHAIRMAN, MR. A. D. OGILVIE'S STATEMENT

The following is a statement issued by Mr. A. D. Ogilvie, chairman of the Bengal Coal Company, Limited, to all Shareholders on April 4, 1964:

Owing to the limitations imposed by Rule 52 of the Defence of India Rules 1962, I was not able to issue a statement to shareholders last year in respect of the year ended 31st October, 1962. In fact, these limitations prevented us from circulating the printed Accounts for that year. With the removal of the restrictions some three months ago, those accounts were immediately made available to members of the Company. I now have pleasure in reporting on the operations of the Company during the year ended 31st October, 1963.

The Year's Results

Sales of coal increased by over Rs. 4 lacs to a total of Rs. 8.12 crores, but I regret that there has been a serious decline of over Rs. 20 lacs in the profits of the Company before taxation to a figure of Rs. 62,75,000. This is most disappointing after all the efforts devoted to development work during the Third Five-Year Plan.

The main cause of this depressing result has been the failure to obtain neutralisation of very substantial increases in costs of a statutory nature and over which we have no control. Apart from that main factor, you will notice from the Accounts that the Company made a contribution of Rs. 3,50,000 to the National Defence Fund, which none of us can grudge. Depreciation charges have increased by over Rs. 4 lacs, in view of the installation of substantial new plant and machinery, and interest charges have increased by Rs. 4.78 lacs as a result of the very large increase in borrowings to which we have had to resort in order to finance our development schemes.

Considering this overall position, the Board have had no alternative but to recommend a reduction in the final dividend to Rs. 10 per share less tax on the Ordinary Shares, making Rs. 16 per share less tax for the year. This represents a gross return of only 4.66% per annum on the capital employed in the Company, and compares with a total distribution on the Ordinary Shares of Rs. 19 per share for the previous year.

Production

Raisings during the year increased only marginally to a figure of 3,354,686 tonnes of coal. We have had no shortage of power and there has generally been sufficient rail transport available; the only factor limiting our raisings has been the marked decline in the demand for coal within the country which became evident early in 1963. In recent weeks you will have read a great deal, particularly in the speeches delivered by the Chairmen of the Associations of coal producers, on the subject of the surplus production of medium and low grades of coal. Very briefly, this surplus has arisen on account of the phased demand for coal lagging behind the targets of the Third Five-Year Plan. This position has not in any way affected our high grade collieries; our mines producing coking and blendable coal have in fact increased production by 10% to 1,181,000 tonnes. We have, however, had to curtail substantially the production at our collieries mining the lower grades of coal, and in spite of this our stocks of Grade II coal have reached a level of 42,000 tonnes, or the equivalent of two months' output of that grade.

Transport

I must acknowledge the substantial improvement in wagon availability

for coal movement. During the year we have had adequate allotments to meet our orders, and it is only the lack of demand for the lower grades of coal which has resulted in the substantial increase in our stocks. With-in the overall supply of wagons, however, we have not been able to obtain allotments regularly and as required, nor have we seen any improvement in the supply of open wagons to our mines operating mechanical screening and loading plants. It increases the costs of a colliery very considerably when no wagons are allotted for two or three days, and the raisings of those days have to be put into stock and then loaded by hand into the large number of wagons supplied on a subsequent day; and screening plants cannot be effectively utilised when covered wagons are delivered.

We are still awaiting the installation of the siding at our new Kunustoria Colliery where we have almost 10,000 tonnes of coal in stock, and we cannot initiate substantial output until this siding is ready. It is hoped that the Eastern Railway will complete this siding without delay.

Sandstowing

The quantum of sand stowed at our 8 collieries equipped with stowing plants increased still further during the year to a total of 1.9 million tonnes, which is almost three times the tonnage stowed 4 years ago. Improvements have been made in the arrangements at Parbelia and Seetapur collieries, and stowing has commenced through the newly completed plant at Chinakuri Inclines.

It must be stressed that the Company has incurred a net loss of over Rs. 17 lacs on these stowing operations, in spite of Government's assurances that the costs of such operations, conducted in the national interest, should be reimbursed in full. It is the experience of not only this Company but of many other collieries that most unreasonable deductions are being made in respect of actual costs incurred in stowing, and this matter is being actively pursued by the Industry.

Prices

As stated earlier, the disappointing results in respect of the year under review are due in large measure to the fact that increased costs have not been neutralised by way of compensatory price increases. Quite apart from the substantial increase in the prices of essential materials required by the Company, in freight rates and in import duties, further burdens had to be borne as from the early part of the year by the introduction of Emergency Risk Insurance and by a considerable rise in the rates of premia for Workmen's Compensation Insurance. To these were added the cost of implementing further directives in respect of mines legislation. The operating costs of the Company's collieries, therefore, increased substantially, and the production of high grade coals at depth and under adverse mining conditions continue to be unremunerative; this applies even after taking into account the limited increase in prices announced last month. It is of the utmost importance that Government should grant a reasonable level of selling prices to encourage the raising of quality coals which are so vitally required by the country.

Collieries

A substantial quantity of new plant and machinery has been installed at our existing mines as part of our general policy to increase productivity

and efficiency. Generally speaking, therefore, our collieries as a whole are now very much better equipped than they were 12 months ago, and this is largely on account of our having taken full advantage of the facilities for import under the World Bank Loan granted to the Government of India.

The coal Shearer introduced at Chinakuri Colliery has proved its worth, and a second machine is now being obtained. As a result of the wide experience gained in the working of long wall faces, we are extending this type of mining, particularly in our deep Dishergarh collieries.

Banksimula 11% & 12 Pits Colliery which has made a valued contribution to the raisings and profits of the Company over the past 25 years has now completed the extraction of all available reserves of high grade coals, and it is being closed down with the exception of very limited workings through an incline mining a lower grade seam.

New Developments

The progress which has been made at Kunustoria Colliery is most impressive. A Continuous Miner and shuttle cars are being installed underground and this unit is in a position to produce substantial quantities of coal as soon as the Railway completes the installation of the siding. The surface installations are well planned, and we are now completing a large coal storage bunker capable of handling over 6,000 tonnes of coal, from which wagons can be loaded mechanically at the rate of a block rake within 3 hours. This mine is one of which we can all be proud.

At the other new development, Murulidih 20 & 21 Pits, sinking has just been completed to the Mohuda Bottom Seam. A great deal remains to be done by way of equipping this colliery and installing a long surface haulage from the pit to a new siding, before it can come into production and play its part in producing high grade metallurgical coal.

Royalties

During the course of the year a number of discussions have been held between the Industry and the West Bengal Government, at which senior representatives of the Company have been present, in an effort to resolve the deadlock with regard to payment of royalties in respect of collieries in West Bengal. It has been proposed that the rights of intermediaries should be voluntarily relinquished in order that working collieries may come in direct relationship with the State Government, to whom they would pay royalties direct. In the absence of this and pending the settlement of outstanding law suits, the State Government are not accepting royalties through intermediaries. It is of great importance that this matter should be finalised without delay.

Labour and Welfare

Relations with our labour have continued to be satisfactory. As members will be aware, a Wage Board for the Coal Industry has been constituted and is at present engaged in enquiring into the overall wage structure of the Industry.

The Company has now completed the construction of 3,440 new quarters over the past 3 years under the housing scheme of the Coal Mines Welfare Fund, and it is only the shortage of controlled material such as asbestos sheets, which has delayed the completion of 686 further houses. Four large

water supply schemes serving groups of collieries have been built, and work is in progress on three additional water plants. It is as well that the Company has pursued this policy of providing large quantities of potable water for our labour, since the Central schemes for the Raniganj coalfield as a whole have still not reached the blue-print stage.

During my recent visit to the coalfields, I had much pleasure in presiding over the function held to inaugurate the large extension to our Sanctoria Hospital, which will provide increased facilities of a very high standard. We have constructed a spacious Out-patients Department, a Gymnasium for physiotherapy, and rehabilitation, X-ray Rooms, Laboratories, etc. It may interest members to know that, in addition to the extensive arrangements for medical treatment which we make available to our labour, we subsidise either in whole or to a very large extent 18 Schoois ranging from Primary to Higher Secondary. We also subsidise 14 Clubs for the benefit of staff and labour at our collieries.

Staff

For some time consideration has been given to the need for changes in our coalfields organisation, consequent upon the increase in the volume and complexities of our mining activities. The aim has been to relieve as much as possible our senior technical men of the burden of general administrative work, in order that they may be able to concentrate their efforts on problems directly connected with mining. Towards this end, our Chief Mining Engineer, Mr. F. G. Massmann, has been appointed General Manager of the collieries from the beginning of this year, and in his place Mr. L. D. Hughes has taken up the duties of Chief Mining Engineer. As Chief Administrative Officer we have appointed Mr. T. M. E. Bryant, who will co-ordinate the activities of all the organisation has already proved itself, and we have a very fine team controlling the affairs of our collieries. We face the future with confidence.

Note: The above does not purport to be a record of the proceedings of the Annual General Meeting of the Company which will be held in Calcutta on 29th April, 1964.

ANALYTICAL

THE HONGKONG AND SHANGHAI BANKING CORPORATION

(INCORPORATED IN HONGKONG WITH LIMITED LIABILITY)

GROUP CONSOLIDATED ACCOUNTS

The principal companies whose accounts have been consolidated in the Summarised Balance Sheet that follows are :

THE HONGKONG AND SHANGHAI BANKING CORPORATION

1, Queen's Road Central, Hong Kong.

London Office: 9, Gracechurch Street, E. C. 3.

THE HONGKONG AND SHANGHAI BANKING CORPORATION OF CALIFORNIA

80, Sutter Street, San Francisco 4.

MERCANTILE BANK LIMITED

15, Gracechurch Street, London, E. C. 3.

THE BRITISH BANK OF THE MIDDLE EAST

7, King William Street, London, E. C. 4.

SUMMARISED GROUP CONSOLIDATED BALANCE SHEET AT 31ST DECEMBER, 1963

Liabilities		1962	1963	Assets		1962	1963
		Sterling	Equivalent			Sterling	Equivalent
Issued Capital and Reserves	...	£ 20,100,000	£ 20,300,000	Cash	...	£ 28,300,000	£ 24,700,000
				Money at Call	...	£ 26,300,000	£ 25,700,000
Long Kong Currency Notes in Circulation		£ 59,900,000	£ 65,300,000	Treasury Bills	...	£ 15,800,000	£ 9,700,000
				Trade Bills	...	£ 77,900,000	£ 85,600,000
Current Deposit and other accounts, etc.		£436,200,000	£457,400,000	Hong Kong Government Certificates of Indebtedness	...	£ 57,900,000	£ 63,400,000
Acceptances (Contra)	...	£ 86,700,000	£ 96,700,000	Investments	...	£ 87,300,000	£ 84,300,000
				Advances, etc.	...	£219,300,000	£245,700,000
				Acceptances (Contra)	...	£ 86,700,000	£ 96,700,000
				Fixed Assets	...	£ 3,400,000	£ 3,900,000
		<u>£602,900,000</u>	<u>£639,700,000</u>			<u>£602,900,000</u>	<u>£639,700,000</u>

THE HONGKONG AND SHANGHAI BANKING CORPORATION PROFIT FOR THE YEAR ENDED 31ST DECEMBER, 1963

Profit after providing for taxation and making transfers to the credit of inner reserves, etc., including dividends

received from Mercantile Bank Ltd, The British Bank of the Middle East and other subsidiaries ...	... Sterling Equivalent £ 3,000,000
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THE HONGKONG AND SHANGHAI BANKING CORPORATION

BALANCE SHEET OF THE INDIAN BRANCHES AS AT 31st DECEMBER, 1963

[illegible]

THE HONGKONG AND SHANGHAI BANKING CORPORATION—Cont'd.

BALANCE SHEET OF THE INDIAN BRANCHES AS AT 31st DECEMBER, 1963—Cont'd.

[illegible]

PLANNING: THE DEFECTS ANALYSED

Poverty and Planning. By C. N. Vakil. (Published by the Allied Publishers Private Ltd, 15 Graham Road, Ballard Estate, Bombay 1. Price Rs. 22.50, pages 357).

Professor Vakil is well known as one of India's senior economists. The present volume is a selection of his writings—spread over three decades—including also some papers on planning and development prepared jointly with Dr. Brahmananda—one of the professor's outstanding students. In the general introduction, he has stated that because of the rapid and fundamental changes in India in the last generation, the future historian will have an exciting and challenging task to follow the trend of events in its proper perspective. As he feels that the contemporary thinking of experts in different fields will provide an important source for the historian, "from this point of view, it will be interesting to follow the thinking of a contemporary economist devoted to research and research training". The book contains a five-page bibliography, listing (1) the author's own publications (including joint ventures), (2) publications based on research done under his guidance, often edited by him, (3) unpublished research thesis done under his guidance and approved for the Ph.D. and M.A. degrees and (4) other publications edited by him.

The essays range over a wide field and are often somewhat superficial,

as the presidential addresses and papers submitted at international seminars, which are not the outcome of specific research, tend to be. The half-a-dozen papers on planning, jointly with Dr. Brahmananda, are perhaps an exception to this. One of the papers in this section, namely, "Institutional Implications of a Bolder Plan" makes interesting reading. Although in the earlier part, the authors seem to reject the approach to the plan "which emphasises heavy industry, a greater extent of regulation and regimentation, etcetera," in discussing specific issues they recommend fairly extensive regulatory devices.

Thus, for the problem of increasing the rate of procurement of the marketable surplus of agriculture, they suggest monopoly purchase of foodgrains at prices below what producers would otherwise have got. The logic of planning must lead to such conclusion, however tempered they may be by recommendations like the proposal to harness the idle and unused labour power of the country for productive purposes on a voluntary basis. The longish paper "Capital Supp' and Growth—Sources of Savings" attempts to present certain estimates of savings, and focusses attention on the fact that since both the Government and the corporate sector tend to depend largely on personal savings and their growth for their development programmes, the

generally accepted savings models, emphasising the need for a rise in the share of corporate profits to national income as well as the need for a positive rôle for inflation in economic development may not hold true, and the problem of savings would perhaps require an approach based more on the traditional motives of thrift and productivity.

INVESTMENT GUIDE

Kothari's Economic Guide and Investors' Handbook of India. Edited by P. H. Parekh. (Published by Kothari and Sons, Oriental Buildings, Armenian Street, Madras 1. Price Rs. 50+Rs. 10 for packing and postage, pages 2,591.)

The 1963 edition of this well-known investors' guide covers about 4,000 companies all over India. It contains useful information on licensing, foreign collaboration, external assistance, expansion of the public sector, taxation and incentives and the general economic trends. The usual features of the book have been retained, and statistical tables, graphs, etcetera, have been varied, added to or substituted in order to include the latest available data. The book, as usual, will prove useful to investors.

PLAN FINANCE

Financing under Planned Economy. By M. A. Master. (Published by the Forum of Free Enterprise, Sohrab House, 235 Dr. D. N. Road, Bombay 1. Pages 18.)

In this pamphlet Mr. M. A. Master, who is an authority on budgetary matters, points out that the tax efforts of the Central Government

during the first three years of the plan have already been so big as to exceed the five year target. He has pleaded that the policy of underestimating revenues, pursued by the Government for several years, should be stopped. Quoting Sir A. Ramaswami Mudaliar, the author says that as a result of high taxes and high prices of essential goods, there is very little money left with the investor. Mr. Master emphasises that the Finance Minister will not be able to stimulate economic growth unless he makes appropriate changes in the fiscal, credit and other economic policies in order to enable the private sector to play its rôle.

BANKING NUMBER

Southern Economist Banking Number. Edited by Mrs. Susheela Subrahmanya. (Published by the Editor from 45-88, S. J. Park Road, Bangalore 2. Price Re. 1, pages 52.)

The *Southern Economist* is relatively a newcomer to economic journalism, but it is well on the way to establishing itself. The banking number carries several articles on various aspects of banking, such as branch expansion, credit transfers and cost reduction. Special mention may be made of the article on "Rôle of Banks in the British Economy" by Paul Bareau. The publication also contains a review of the progress of Indian commercial banks in recent years, banking developments since the emergency, hire-purchase finance in India and foreign private investment in the country. It will be useful both to people in the banking profession and to students of economics.

SANTHANAM BODY EMPHASISES NEED TO CHECK CORRUPTION

(FROM OUR NEW DELHI CORRESPONDENT)

THE Santhanam Committee's report on the prevention of corruption was published here last week. The Central Home Minister, Mr. Gulzarilal Nanda, recently claimed that he would completely eradicate corruption in India within two years. The institution of official and non-official Vigilance Commissions has now been followed by the publication of the Santhanam Committee's report, which shows what a formidable task they face.

In a lecture in Madras about five years ago, Sir C. D. Deshmukh hinted at the existence of corruption in high places. This was flatly denied at the time by the Prime Minister, Mr. Nehru, who declared that the Opposition, having failed to win the elections, was indulging in mudslinging against the Congress Party. However, Mr. Nanda has publicly admitted that there is corruption in the administration. The Santhanam Committee has gone much beyond Mr. Nanda's admissions. The committee, among other things, says: "The tendency to subvert integrity in the public services, instead of being isolated and aberrative, is growing into an organised, well-planned racket."

"It was represented to us that corruption has increased to such an extent that people have started losing faith in the integrity of public administration. We heard from all sides that corruption has in recent years spread even to those levels of administration from which it was conspicuously absent in the past. We wish we could confidently and without reservation assert that at the political level, Ministers, legislators and Party officials were free from this malady. The general impressions are unfair and exaggerated. But the very fact that such impressions are there causes damage to the social fabric."

"That such impressions should have come into existence in so short a time after the people of this country had given themselves a Constitution of their own is all the more distressing if it is remembered that the struggle for freedom in India was fought on a particularly high moral plane and was led by Mahatma Gandhi who personified integrity. The people of India rightly expected that, when the governance of the country passed into the hands of the disciples of the Father of the Nation who were in their own individual capacities known for high character and ability, the Governments in India, at the Centre and in the States, would set up and achieve a standard of integrity, second to none in the world, both in the political and administrative aspects."

"It has to be frankly admitted that this hope has not been realised in full measure. But it has to be noted that a good percentage of our public servants, even those who have opportunities, maintain and function in accordance with strict standards of integrity."

"There is a widespread impression that failure of integrity is not uncommon among Ministers and that some Ministers who have held office during the last 16 years have enriched themselves illegitimately, obtained good jobs for their sons and relations through nepotism, and have reaped other advantages inconsistent with any notion of purity in public life. The general belief about failure of

integrity among Ministers is as damaging as actual failure. That these Ministers have held office in the name of the Indian National Congress which had evolved the highest notions of personal integrity and service under the inspiration of Mahatma Gandhi has given rise to an exaggerated view of their failure to maintain high standards of integrity."

Suitable Machinery

"It is a pity that neither the Congress authorities nor the great leaders who took over the Government of India realised the importance of evolving suitable machinery and procedure for preventing and dealing with such corruption. We are convinced that the ensuring of absolute integrity on the part of Ministers at the Centre and the States is an indispensable condition for the establishment of a tradition of purity in the public services. Therefore, in the interest of the future of public life we consider that the following steps should be taken:

"(1) A code of conduct for Ministers, including the provisions suggested by us for public servants relating to the acquisition of property, acceptance of gifts and disclosure of assets and liabilities, should be drawn up. This code of conduct should be placed before Parliament and State legislatures. The Prime Minister and Chief Ministers should consider themselves responsible for enforcing the code of conduct."

"(2) Specific allegation of corruption on the part of a Minister at the Centre or a State should be promptly investigated by an agency whose findings will command respect. We recognise that irresponsible allegations cannot be taken serious note of. We, therefore, suggest that if a formal allegation is made by any ten members of Parliament or a legislator in writing, addressed to the Prime Minister or the Chief Minister, through the Speaker and the chairman, the Prime Minister or the Chief Minister should consider himself obliged, by convention, to refer the allegations for immediate investigation by a committee as has been suggested later in this section."

"(3) This would be in addition to the responsibilities of the Prime Minister and the Chief Ministers of States to take note of allegations made in the Press or which otherwise come to their notice. For such allegations also, the Prime Minister and the Chief Ministers should be free to refer the matter to the proposed committee. In all other cases, the Ministers against whom the allegations are made should, as a rule, institute legal proceedings by filing a complaint for criminal defamation, and the Ministers concerned should be given legitimate assistance by the Government of which they are Ministers."

"In cases where the Ministers are unwilling to take legal action, the Prime Minister or the Chief Ministers of States, as the case may be, should consider themselves obliged by convention—unless there is irrefutable proof of the integrity of the Minister concerned—to advise the President or the Governor, as the case may be, to withdraw his pleasure, which would mean the Minister will have to go out of office, unless he himself resigns."

Allegations against Ministers

"We considered carefully the suggestion that the Central Vigilance

Commission should deal with allegations against Ministers. We are unable to accept the suggestion. It will be fatal to the usefulness of the commission to be involved in matters likely to engender political passion and prejudice which an enquiry against a Minister is bound to give rise to. For the same reason, we do not think that any permanent tribunal should be established for this purpose."

"We consider that the appropriate course would be for the President to constitute a national panel on the advice of the Prime Minister. Whenever allegations against a Minister require to be enquired into, an *ad hoc* committee should be selected out of this national panel by the President. The committee may consist of three persons, one of whom at least should have held or should be holding a high judicial office. It should be the duty of the committee to ascertain whether there is a *prima facie* case."

Central Bureau of Investigation

"The committee should have the power to direct the Central Bureau of Investigation, in suitable cases, to investigate and report. If the committee wishes to make any enquiries otherwise than through the Central Bureau of Investigation, it should be given all the necessary facilities and assistance including free access to all documents, files, etcetera, without being hampered by any claim of privilege. On the completion of the enquiries either through the Central Bureau of Investigation or otherwise, the committee should consider the available material and advise as to further action, if any, that may be necessary. It may advise that a regular case be registered for investigation with a view to prosecuting the Minister concerned or a commission of enquiry under the Commissions of Enquiry Act, 1952, be appointed."

"If the committee makes such a recommendation, the Minister should resign as a matter of convention and should remain out of office till the completion of the proceedings. If the Minister is found guilty of the allegations or is found to have been corrupt, he should be dismissed and should also become ineligible for becoming a Minister or for holding any elective office. The necessary legal instruments for giving effect to this provision should be brought into existence. Until such time as the necessary legislation is made, there should be a convention which would give effect to this provision."

"As publicity would be an effective instrument, there should be a convention that the findings of the committee would be placed before Parliament or the State legislatures. We are aware that certain difficulties may arise out of the existing law of defamation. Suitable legal provisions should be made to afford protection from proceedings for defamation in relation to the proceedings and the findings of the committee."

"Next to the Ministers, the integrity of the members of Parliament and of legislatures in the States will be a greater factor in creating a corruption. We are aware that the favourable social climate against vast majority of members maintain the high standards of integrity expected of them. Still, it has been

talked about that some members use their good offices to obtain permits, licences, and easier access to Ministers and officials for industrialists and business men. It may be that some legislators are in the employment of private undertakings for legitimate work. In such cases it is desirable that such employment should be open and well known and should be declared by the legislators concerned."

"It should be a positive rule of conduct that such legislators should not approach Ministers or officials in connection with the work of their employers, and they should refrain from participating in the discussion or voting on demands or proposals in which their firms or undertakings are interested. Other legislators, who are not such *bona fide* employees, should on no account undertake, for any valuable consideration or other personal advantage, to promote the interests of or obtain favours for any private party either in the legislature or with the Government."

"It is desirable that a code of conduct for legislators embodying these and other principles should be framed by a special committee of representatives of Parliament and the legislatures nominated by the Speakers and the chairmen. This code should be formally approved by resolutions of Parliament and the legislatures and any infringement of the code should be treated as a breach of privilege to be enquired into by the Committee of Privileges, and if a breach is established, action including the termination of membership may be taken. Necessary sanctions for enforcing the code of conduct should also be brought into existence."

"The public belief in the prevalence of corruption at high political levels has been strengthened by the manner in which funds are collected by political Parties, especially at the time of elections. Such suspicious attach not only to the ruling Party but to all Parties, as often the opposition can also support private vested interests as well as members of the Government Party. It is, therefore, essential that the conduct of political Parties should be regulated in this matter by strict principles in relation to collection of funds and electioneering. It has to be frankly recognised that political Parties cannot be run and elections cannot be fought without large funds. But these funds should come openly from the supporters or sympathisers of the Parties concerned."

"We consider that, in Indian conditions, companies should not be allowed to participate in politics through their donations. It is true that this matter was debated at length during the discussion on the Companies (Amendment) Act, 1960, and it was decided to permit such donations, subject to restrictions of amount and condition of publication. We do not think that this is sufficient and feel that nothing but a total ban on all donations by incorporated bodies to political Parties and purposes will clear the atmosphere."

Keeping Accounts

"One other step which we feel is essential in this connection is that proper account of their receipts and expenditure and should publish annually an audited statement of such accounts giving details of all individual receipts. We do not see why any political Party should object to this provision, and as it may not be easy to ensure compliance through voluntary agreement, simple legislation obliging the keeping of such accounts and its publication may be necessary. We do not suggest that there should be any restriction whatsoever on the formation and functioning of political Parties other than this sole requirement."

"Failure to conform to such obligation should debar a political Party from recognition by the Election

THE HONGKONG AND SHANGHAI BANKING CORPORATION—Cont'd.

AUDITORS' REPORT ON THE INDIAN BRANCHES OF THE HONGKONG AND SHANGHAI BANKING CORPORATION UNDER SECTION 20 OF THE BANKING COMPANIES ACT 1949.

We have audited the above Balance Sheet and the annexed Profit and Loss Account of the Indian Branches of The Hongkong and Shanghai Banking Corporation with the books and accounts of the Calcutta Branch and with certified Returns from Bombay Branch.

In accordance with the provisions of Section 20 of the Banking Companies Act 1949, read with the provisions of Section 211(1), (2) and (5) and 227(5) of the Companies Act, 1956, the Balance Sheet and Profit and Loss Account are not required to be and are not drawn up in accordance with Schedule VI of the Companies Act 1956, but are in conformity with Forms A and B of the third Schedule of the Banking Companies Act 1949.

We report that:—

- We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for our audit.
- In our opinion proper books of account as required by law have been kept by the Calcutta Branch so far as appears from our examination of those books and proper returns adequate for our audit have been received from Bombay which was not visited by us.
- The abovementioned Balance Sheet and Profit and Loss Account are in agreement with the books of account and certified returns.
- In our opinion and to the best of our information and according to the explanations given to us such Balance Sheet and Profit and Loss Account give the information required by the Companies Act 1956, in the manner required for Banking Companies and, on such basis and subject to the same remarks, give respectively a true and fair view of the state of affairs of the Indian Branches as at 31st December 1963, and their results for the year ended on that date.

Calcutta, 26th March, 1964.

PRICE, WATERHOUSE, PEAT & CO.,
Chartered Accountants.

PROFIT AND LOSS ACCOUNT OF THE INDIAN BRANCHES FOR THE YEAR ENDED 31st DECEMBER, 1963.

31-12-62. Rs. nP.	EXPENDITURE	Rs. nP.	31-12-62. Rs. nP.	INCOME : (Less : Provision made during the year for Bad and Doubtful Debts and other usual or necessary provisions).	Rs. nP.
33,98,711 79	1. Interest paid on Deposits, Borrowings, etc. ...	35,28,434 02	72,95,613 01	1. Interest and Discount ...	74,04,227 12
30,08,801 04	2. Salaries and Allowances and Provident Fund ...	33,45,785 09	18,44,062 56	2. Commission, Exchange and Brokerage ...	21,56,592 18
Nil	3. Directors' and Local Committee Members' Fees and Allowances ...	Nil	2,64,115 86	3. Rents ...	2,59,764 52
4,56,716 45	4. Rent, Taxes, Insurance, Lighting, etc. ...	4,92,332 80	Nil	4. Net Profit on sale of Investments, Gold and Silver, Land, Premises and other Assets ...	84,486 41
70,386 11	5. Law Charges ...	25,470 01	42,620 80	5. Net Profit on Revaluation of Investments, Gold and Silver, Land, Premises and other Assets ...	65,996 78
73,947 82	6. Postage, Telegrams and Stamps ...	61,854 47	57,842 00	6. Income from Non-Banking Assets and Profit from sale of or dealing with such Assets ...	Nil
13,000 00	7. Auditors' Fees ...	15,000 00	Nil	7. Other Receipts ...	44,988 47
2,76,089 79	8. Depreciation on and Repairs to the Banking Company's Property ...	2,45,014 67	Nil	8. Loss ...	Nil
1,33,549 80	9. Stationery, Printing, Advertisement, etc. ...	1,22,695 05	1,00,16,055 46		1,00,16,055 46
Nil	10. Loss from sale of or dealing with Non-Banking Assets ...	Nil			
11,08,106 98	11. Other Expenditure (including proportion of Head Office and General Administrative Expenses) ...	12,16,386 93			
9,62,951 40	12. Balance of Profit ...	9,63,063 34			
95,04,254 23		1,00,16,055 46			

Particulars of remuneration relating to Managers:—Salary Rs. 1,18,783.93 Bonus for 1962 and 1963 Rs. 12,000—Savings Allowances Rs. 4,761—Medical Expenses Rs. 4,486.03—Club Membership Subscription Rs. 1,040—Total Rs. 1,41,070.96. The monetary value of perquisites Rs. 11,199/- and Bank's contribution to the Provident Fund Rs. 7,578/- in respect of the Managers are not included in the above figure.

R. E. H. NELSON,
Manager, Calcutta Office.

Commission, the postal authorities and banks. Those who receive donations for unauthorised political Parties or for themselves for political purposes should have to account for them in their own private accounts, and include them in their total income for purposes of income tax. Regular maintenance of accounts and publication will by itself enforce a minimum degree of good behaviour on the part of all political Parties.

"Although we did not make any direct enquiries, we were informed by responsible persons, including Vigilance and Special Police Establishment Officers, that corruption exists in the lower ranks of the judiciary all over India and in some places it has spread to the higher ranks also. We were deeply distressed at this information. We, therefore, suggest that the Chief Justice of India, in consultation with the Chief Justices of the High Courts, should arrange for a thorough enquiry into the incidence of corruption among the judiciary, and evolve, in consultation with the Central and State Governments, proper measures to prevent and eliminate it. Perhaps the setting up of vigilance organisations under the direct control of the Chief Justice of every High Court, co-ordinated by a Central Vigilance Officer under the Chief Justice of India, may prove to be an appropriate method.

"Universities are the main sources of supply of officers for our public

services, especially at the higher levels. It is, therefore, of supreme importance that they should set standards of integrity which will become an integral element of the intellectual and psychological outfit of every graduate. It is a matter of great regret that in some universities, conditions are far from satisfactory for the admission of students, recruitment of lecturers and professors, and the general management of university funds. We suggest that the University Grants Commission and the Inter-University Board take immediate steps to institute an enquiry into the malpractices that may be prevailing in the universities, and evolve measures to fight them."

The committee has made some significant comments on the Federation of Indian Chambers of Commerce and Industry. It says: "We have to point out, with regret, that while a number of trade associations and State chambers of commerce readily accepted our invitation to help us with their views and advice, the Federation of Indian Chambers of Commerce and Industry, which could have given powerful support to the fight against corruption, would not even accept our invitation to meet us."

SMALL CAR PROJECT

No Decision Yet

The small car project is still in a speculative stage. Enquiries show

that the reactions of Standard Motors of Madras to the Government's proposal for majority participation are not favourable. The Government is, therefore, back to the old position of starting a project of its own for which, apparently, there is no provision as far as the third plan is concerned. The possibility of the Central Ministry of Industry sounding, possible collaborators in France, Britain, the U.S.A. and West Germany is not ruled out. One thing, however, is certain—that the Government is unhappy over the prices and the shortage of motor-cars. So it is earnestly considering putting a small car on the market, which should be within the reach of at least the upper middle class people in the country. A beginning in this direction even during the third plan period cannot be ruled out.

PATENT LAW

New Ministerial Body

The Government of India has set up a small Ministerial Committee to examine the patent law *vis-à-vis* its earlier decision against the granting of fresh patents for the drug, pharmaceutical and food industries. The committee consists of four Cabinet Ministers, Messrs C. Subramaniam, M. C. Chagla, A. K. Sen and Humayun Kabir and three Ministers of State, Messrs Manubhai Shah,

CAPITAL, 9th April, 1964.

Nityanand Kanungo and Dr. Sushila Nayyar.

The original decision, leading to the drafting of a Bill, was taken at the instance of the Central Health Minister, Dr. Sushila Nayyar. This was followed by protests both from foreign Governments whose citizens would have been adversely affected by the proposed legislation and from the Indian drug and pharmaceutical industry. The case for reopening the issue was made when it was shown that the banning of new patents was likely to affect not only research but also new investment adversely.

Although a new Patent Bill is a certainty, it is almost definite that it will not be on the old lines. Meanwhile, Italy, whose example was cited in favour of banning patents for the drug, pharmaceutical and food industries, is now having second thoughts on the Blue. There is also a proposal for a common patent law for all the European Common Market countries, including Italy.

U.S.A.

Programme for Trade Team

A detailed programme has been worked out for the meetings of the U.S. business executives which commence here on 13th April. Apart from the discussions scheduled to take place through panels, the Central Ministries of Finance, Heavy Engineering, Steel, Oil, International Trade and Industries and the Planning Commission have worked out plans to hold discussions with the visitors. Blueprints, indicating the industries offering scope for fresh investments, are being prepared for the conference.

KUWAIT

Trade with India

In a joint communiqué on commercial and industrial co-operation between India and Kuwait signed recently in Kuwait, the Central Minister of International Trade, Mr. Manubhai Shah, recalled the discussions held in India with the Kuwait oil delegation in January this year. India then had expressed the view that she could become a regular customer for the sulphur to be produced in the proposed Kuwait refinery. The Minister said that he was also aware of the talks that were being held with the Indian authorities for the sale of kerosene and other petroleum products by Kuwait. These, he felt, must open up new possibilities for similar exchange of goods between India and Kuwait. Since trade between them was transacted in free convertible currency, Kuwait and India could look forward to an increase in the volume of trade in diverse fields.

It was felt that certain fields of industrial activities should be examined by competent technical experts and business men from India and Kuwait whose visits should be encouraged by the two Governments. The industries so selected are the following: caustic soda, salt, soda ash, a modest plant for pig iron and castings (all grades of iron ore could be imported from India), structural works, synthetic rubber plant based on local gas and petroleum by-products, plastic and plastic products, steel and wooden furniture, dry dock facilities, electrical goods industry, like heaters, air-conditioners, air coolers, water coolers, and geysers, telephone equipment (assembly), lorries (assembly), aluminium rolling mill (including the making of utensils), rolling mill for non-ferrous

CAPITAL, 9th April, 1964.

metals, textile industry (based on the import of cotton and yarn), rayon and art silk fabrics processing industry (based on imported rayon silk fabrics), blending of tea, and shipping.

The two Ministers discussed the possibilities of Kuwait's private financial participation in Indian industrial development. It was also felt that there was scope for investment by Kuwait investment institutions and business men to the extent of \$100 million initially in industries under the following groups: food products, including (a) fish canning, (b) instant food, (c) fruit and vegetable canning, and (d) food processing industries; readymade garments, caustic soda and soda ash, hardened oil for industrial uses, starch from tapioca, synthetic fibres, including acetate, acrylic and other fibres, pesticides, sanitary-ware, footwear (machine-made), grinding wheels, linoleum, aluminium (a smelter of 100,000 tons may be set up), pig iron and cast iron spun pipes, iron castings, jigs, tools and fixtures, twist drills, steel tubes and pipes, heavy electrical equipment, transport equipment, printing machinery, machine tools, electronic components, storage batteries, dry batteries, sugar machinery, cement machinery, railway equipment, transmission lines for electric power, hand tools, hotel industry, and fertiliser projects.

S.T.C.

Trade Team Signs Contracts

It was agreed that the two Governments concerned should encourage financiers and industrialists and investment institutions of the two countries to examine closely the possibility of industrial and financial co-operation for mutual benefit. The investment can be in both share capital and credits.

A trade delegation of the State Trading Corporation, headed by its chairman, visited East Germany, Czechoslovakia and Russia last month. In East Germany, it negotiated prices and the supply of fertilisers and the co-ordination of the activities of the representatives of the State Trading Corporation and private firms who participated in the Leipzig Fair.

In Czechoslovakia, the delegation sought to promote trade in chemicals, and in Russia, it negotiated the supply of fertilisers and the settlement of contracts for other items of exports and imports. Following this visit, contracts have been concluded by the S.T.C. with Messrs Bergbau Handel, Berlin (East Germany) for the supply to India during 1964, of 44,000 tonnes of ammonium sulphate and 63,000 tonnes of muriate of potash.

EMERGENCY INSURANCE

Schemes Modified

The Emergency Risks (Goods) Insurance Scheme and the Emergency Risks (Factories) Insurance Scheme have been modified so as to provide for the automatic extension of the policies already issued under these two schemes, by a further period of three months with effect from 1st April, 1964. No premiums will be charged and no fresh applications will also be necessary for the renewal of the policies.

As for property which becomes insurable for the first time on or after 1st April, 1964, applications should be made to the Oriental Fire and General Insurance Company, in the prescribed manner, but without Treasury chancery, for the issue of policies as provided for under the schemes. The question whether any premium should be levied in these cases at any later date will be decided at an appropriate stage, but for the time

being, no premiums will be due, and no payments should, therefore, be made.

AUSTRALIA

Trade Talks Held

The recent Indo-Australian talks held in New Delhi constituted the second round of consultations on matters of trade and economic co-operation between India and that country. As a result of the series of talks, the areas of economic co-operation have been identified and the possibilities of diversification and expansion of trade are being pursued. The third round of consultations is scheduled to take place in or around September 1964.

PYRITES

Project to Make Sulphur

The Pyrites and Chemicals Development Co. Ltd is examining a project for the production of elemental sulphur from pyrites ore. A process has been invented in Finland which is at present being studied.

The Company is also examining the global tenders for setting up a sulphuric acid plant in Sindri. The production of sulphuric acid from Amjhore pyrites ore is a separate project, and the proposed 400-ton plant will

meet the partial requirements of the Sindri fertiliser factory and the Bihar State superphosphate factory.

According to the present estimates, the plant is likely to be commissioned in early 1966. A project report on the mining scheme for the annual production of 240,000 tons of pyrites ore from Amjhore mines has been prepared by the Indian Bureau of Mines and is being considered by a

Waria (Durgapur)-Burdwan	March 1965
Moghalsarai-Allahabad	March 1965
Allahabad-Kanpur	March 1966
Conversion of Howrah-Burdwan from D.C. to A.C.	Between March 1965 and December 1965
Saktigarh-Dum Dum (via chord)-Chitpur Yard	March 1965

committee of experts appointed for the purpose.

RAILWAYS

Progress of Electrification

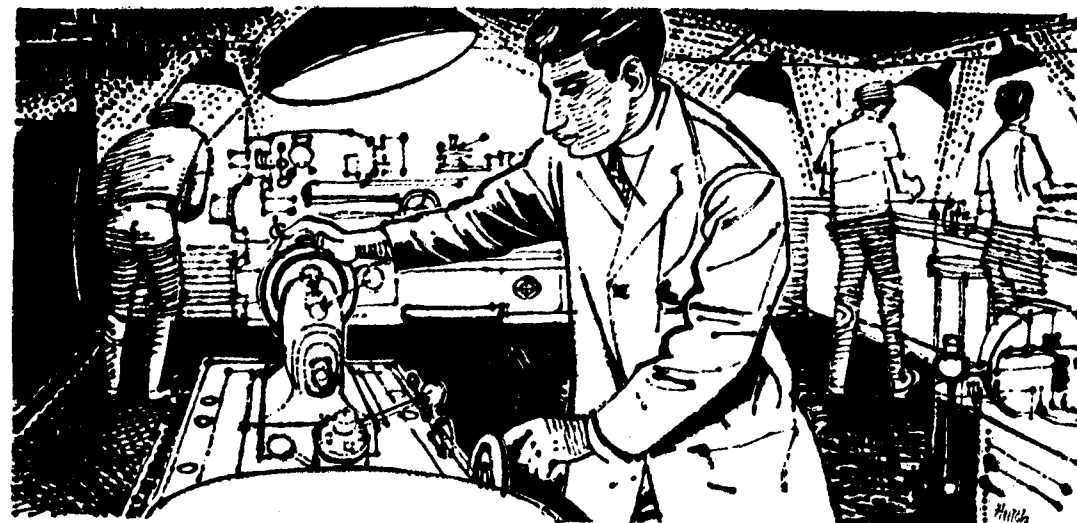
On the Howrah-Delhi line, electrification from Howrah up to Kanpur has been approved and its extension up to Delhi is being investigated. The Howrah-Bandel-Burdwan sections on D.C. 3,000 volts and Waria (Durgapur) Gaya-Moghalsarai on A.C. 25,000 volts have already been electrified. On the remaining portions, namely, Burdwan to Waria

(Durgapur) and Moghalsarai to Kanpur and also on Saktigarh-Dum Dum (via chord)-Chitpur Yard, work of providing overhead equipment for the A.C. system is progressing. The following tables will show the probable date of completion of the various sections:

Orders for the freight type of locomotives have also been placed. But

through electric trains from Howrah to Kanpur can only be run at the end of the third plan. The names of the other sections which have been electrified since 1957 up to the end of February 1964 or expected to be electrified during third plan or early fourth plan, where work is in progress, are indicated below: (1) sections electrified up to February 1964

Eastern Railway
Sealdah-Ranaghat
Dum Dum-Bongaon
South Eastern Railway
Asansol-Sini-Rajkharwan-Dangoa-posi;



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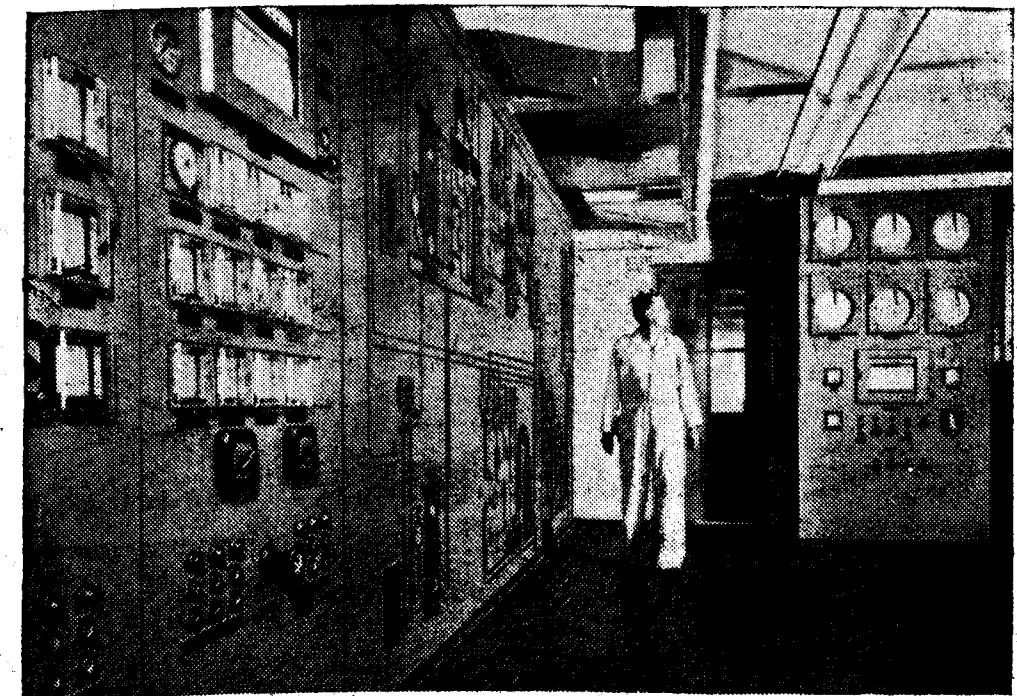
al mains failure. Modern methods of control and 'trickle' charging mean that Keepalite equipment has outstandingly long life and requires minimum of maintenance. That's why architects everywhere specify Keepalite as sure inexpensive protection for factories, hospitals, schools, banks and public places.

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ENC 4



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7/77A Tikekner, Kanpur

PHS-11 (H)

Nimpura (Kharagpur)-Tatanagar-Rourkela
Damodar-Radhanagar;
Ramkanali-Chourashi; and
Garhadrubesar-Adra-Jaychandi-pahar.

Southern Railway
Tambaram-Vandalur

(II) The sections expected to be electrified between 1st March, 1964 and 31st March, 1966, namely, the remaining period of the third plan.

Eastern Railway

Ranaghat-Santipur;
Kalinayanpur-Krishnagar City;
Bandel-Naihati
Sealdah South Sections
Southern Eastern Railway
Rourkela-Birmatrapur
Anara-Bhojudih-Jamadoba
Washery
Dangoapost-Gua;
Barajamda-Bolani and
Padapahar-Banspani

Central Railway
Igatpuri-Nandgaon

Southern Railway
Vandalur-Villupuram; and conversion of Madras (Beach)-Vandalur from 1,500 V D.C. to 25 KV A.C.

(III) The sections on which work is in progress but likely to be energised in early fourth plan.

South Eastern Railway
Howrah-Kharagpur
Kharagpur-Nimpura

Central Railway
Nandgaon-Bhusaval

CZECHOSLOVAKIA

Trade with India

Speaking at a Press conference last week, Mr. F. Ruzicka, vice-minister of the Czechoslovakia's internal trade said that India was now occupying third place in that country's foreign trade with the non-socialist States and that his country held the sixth place in the foreign trade of India. While in India his mission was able to select some consumer goods, suitable for the Czech market. Two members of his delegation would stay on for some time and finalise the negotiations about prices and sign contracts for the purchase of consumer goods worth several lakhs of rupees.

It was anticipated that contracts would be signed for the delivery of: all types of socks (nylon, cotton, etcetera), fully processed sueded, knitted ready-made woollen wear, woollen and cotton underwears, ladies' shoes, woollen knitting yarns, handkerchiefs, handicrafts and razor blades.

In the near future, the possibilities may be considered in such goods as poplins (shirtings), cotton mixed various artificial fibres, flannels, other kinds of knitted underwears, and socks, silk, juices and squashes, sardines, crab meat, spices, sport goods, like leather balls, hockey, etcetera, shoes, refrigerators, portable transistors and razor blades.

The Minister, however, added that Czechoslovakia was buying consumer goods from a number of countries. He found that the prices of some of the Indian consumer goods were above the world average. It might, therefore, be difficult to encourage their imports to Czechoslovakia. In accordance with India's policy of promoting exports, the authorities concerned should reconsider the export price value of this type of goods. In order to popularise Indian goods in the Czech market, the Czech Government has requested the Government of India to organise an extensive exhibition of Indian engineering and consumer goods in Czechoslovakia in 1965.

London

NO VALUE-ADDED TAX FOR BRITAIN

(FROM OUR LONDON CORRESPONDENT)

BRITAIN will not follow the Common Market in adopting a turnover tax or value-added tax on the French model. But there is a strong possibility that purchase tax may be extended to cover a wider range of consumer expenditure. This seems to be the most likely outcome of the report of the Richardson Committee on turnover taxation, which has just been published. The committee, appointed by the Chancellor of the Exchequer last year to look into the practical effects of introducing a turnover tax in place of either purchase tax or profits tax, comes down firmly against any change.

A value-added tax in place of purchase tax would not, it says, assist exports or economic growth. But it would involve a far greater administrative burden for both business and the tax authorities than the purchase tax either with its present or with an extended coverage. The committee also considers that "the balance falls positively against the substitution of a value-added tax for the profits tax." The substitution would be more likely to harm than to benefit the balance of payments and a worsening of this position would impede growth.

The advantages of changing to a value-added tax were discussed by the National Economic Development Council in its report "Conditions Favourable to Economic Growth," published last year. Supporters of such a tax have argued that it would provide a built-in incentive in exports and would strengthen the economy. In rejecting these claims, the Richardson Committee says it is satisfied that substitution of a value-added tax for profits tax would cause prices to rise. Business men would seek to recover a value-added tax in prices, but they do not regard the profits tax as entering directly into prices and would not expect its abolition to reduce prices. Higher prices would in turn lead to pressure for wage increases; the combined effect of wage and price increases would be likely to harm the balance of payments. The adverse effects, therefore, would be likely to outweigh any favourable effects of growth and economic efficiency. The committee discusses the claim that a value-added tax could be remitted on exports where profits tax may not. It concludes that, in the form the tax would be likely to take in this country, remission would count as an export subsidy and would run foul of our obligations to G.A.T.T. and E.F.T.A.

The committee also finds that companies are not more heavily taxed in the U.K. than in other countries. Although the nominal rates of tax have risen over the last decade, the effective burden on company profits has generally been reduced. This is because of the generous tax treatment of capital expenditure on new plant and machinery. The committee obtained evidence from leading firms, including Boots, B.M.C., Shell, I.C.I. and Unilever, about the way in which the tax substitution would affect their pricing policies, exports and imports, and investment decisions. Its conclusion is that a change would have no important effect on exports or investment and would not in practice

give any special incentive to business efficiency.

Comparing value-added tax and purchase tax, the committee says the arrangements by which French exporters are relieved of the tax are in practice very similar to the arrangements by which exports are relieved of purchase tax in Britain. Although there are differences in method and scope between a value-added tax and purchase tax, it says, they have the same basic purpose and both aim to tax consumer expenditure. The question is, therefore: which of the two methods is most suitable for use in this country? The committee's firm conclusion is that "purchase tax provides the more logical, efficient, and economical method."

The Richardson Committee has disposed of the idea that exports could be boosted, and economic growth encouraged, by a simple change in the tax system. A switch from purchase tax to a value-added tax was never a very promising idea. The committee shows conclusively that it would do nothing to help exports; against this it would be much more costly and troublesome to administer. (In France 277,000 businesses pay T.V.A. against 65,000 businesses registered for purchase tax in the U.K.)

In theory, there is more to be said for a T.V.A. as a substitute for profits tax. As long as prices did not rise by the full amount of the T.V.A., the change might benefit the balance of payments and stimulate economic growth and efficiency. But everything depends on how business would respond, and unfortunately, the committee was left in no doubt that the reaction of most firms would be to put prices up. Most of the business men who gave evidence said that they would regard a T.V.A. as a charge or cost to be recovered in higher prices. On the other hand, they did not regard profits tax as entering directly into prices and would not expect its abolition to reduce prices. This may not be wholly true; there is evidence that over the years companies have passed on increases in profits tax in higher prices, and that a permanently higher level of company taxation has come to be regarded as part of the cost structure. But there is not much doubt that a T.V.A. would be passed on far more speedily, in which case most of the advantages claimed would go by the board.

This is not the only place where the report suggests that business behaviour is less rational than one likes to think. The committee was told that export sales in general were made at prices which showed low margins on profits, and in some cases, losses. Moreover, witnesses said that export policy would not be affected by changes in the availability of after-tax profits on exports. The granting of money to promote exports would depend "on the merits of the case" not on increases in after-tax profits on sales.

Again, only three witnesses, when asked how they judged investment projects, said they looked principally at the return after payment of tax. The rest said they looked mainly at the pre-tax return. Although some of these said they had also begun to look at the return after tax. They regarded this as largely in the nature of a "second look." Witnesses justifi-

CAPITAL, 9th April, 1964.

fied this approach on two grounds: they felt it was the profitability of a project before tax which provided the financial motive to proceed with it, and if it proved successful, the profits provided the funds out of which to pay the tax. So much for "discounted tax flow" and other new-fangled methods!

Company Taxes Compared

A valuable by-product of the Richardson Committee's studies is to disprove the widely held notion that companies are taxed more heavily in Britain than in other countries. The point here is the way in which tax allowances on capital investment have eased the real tax burden. Thus, although the nominal rates of tax have increased from 50 percent on profits earned in 1954 to 53½ percent on profits earned in 1962, the committee is able to show that the effective burden of direct taxation on companies has fallen. Using estimates of "commercial depreciation made by the Inland Revenue", the committee calculates that the percentage of net company income taken in taxes has fallen from 49 percent in 1954 to 45 percent in 1962 for manufacturing industry; for the distributive trades, the percentage has fallen from 48½ percent to 47 percent.

This has come about largely because of improvements in the capital allowances and particularly the introduction of the investment allowance in 1954. The additional capital allowances provided in the last Budget will reduce the effective tax burden still further. On the percentage rate of tax, before allowances, Britain compares favourably with other leading industrial countries. The committee works out that the marginal rates of tax are: in West Germany about 57 percent, in both the United States and Canada about 52 percent; in France 50 percent. The rate in the U.K. is 53½ percent.

In addition, however, the cost of new plant and machinery is written off more quickly in the U.K. than in any of these other countries, except in Canada in the case of certain new machinery acquired within the next two years. The treatment of new industrial building compares favourably. There is also the point that in most of these countries dividends are taxed again in the hands of shareholders after company taxes have been paid. The committee produces striking figures to show how, if advantage is taken of the full allowances, little tax need normally be paid on profits earned by British firms on new plant and machinery in the early years of its life. A minimum of 91 percent of the cost is now written off for tax purposes in five years. How many business men have failed to realise this?

TAXATION AS A PERCENTAGE OF GROSS NATIONAL PRODUCT IN 1962

	Total Taxation percent	Direct Taxes percent	Social Security Contributions percent	Indirect Taxes percent
France	41.1	6.9	14.6	19.6
West Germany	41.0	15.6	11.6	13.8
Netherlands	34.8	14.3	9.4	11.1
United Kingdom	34.3	13.8	4.8	15.7
Italy	33.8	7.2	11.0	15.6
United States	30.9	15.5	4.7	10.7
Belgium	30.6	9.1	7.4	14.1

CAPITAL, 9th April, 1964.

Jute

THREAT TO CARPET-BACKING FROM SYNTHETIC GOODS

A SHARP and sustained increase in the demand for tufted carpets, especially in the U.S.A. and on the Continent, has led to an intensive drive for evolving a cheaper, lighter and regionally available material as a substitute for jute backing. World consumption of tufted carpeting in 1963 was around 235 million square yards, out of which the U.S.A. alone absorbed 192 million square yards. While the demand in other advanced countries is rising annually by 7.5 percent, North America's need for tufted carpeting may go up by about 70 percent by 1970. The sharper rise in the latter will be due to the steady increase in population and the present building boom in the U.S.A. New houses are springing up in that country at the rate of 100,000 a year.

The U.S. Jute Carpet-backing Council has stated that the tufted carpet-making industry considers jute backing to be most suitable. The Council feels assured that the jute industry has built up adequate wide-loom capacity to back up the expansion plans of the carpet-making industry. The jute industry has now only to convince the carpet makers that price stability and quality will be maintained. These two factors have helped carpet-backing cloth to become very popular in the U.S.A. during the last two years. The Council has urged Indian suppliers to be more particular about quality and price stability than anything else.

A well-known chemicals manufacturer in the U.S.A., Monsanto Chemicals Corporation, has already produced a 100 percent man-made carpet-backing material from nylon-reinforced foam, which may soon compete with jute as double-back. The material is likely to be marketed shortly under the trade name "Chemback". The competition from paper, as backing material, also continues, especially where the tufted carpets produced are of cheap quality. A backing material knit from kraft paper yarn is not only cheap but is also of lesser weight, with consequent saving in the cost of transporting the finished product.

Price Incentive to Growers

The hardening trend in the fibre market—both spot and forward—since February is a seasonal phenomenon arising from the gradual depletion of stocks with growers and stockists in the upcountry areas. The firm undertone is likely to continue during the remaining few months of the season. The marketable surplus, mainly of mesta and lower-grade jute, which will be available to mills until the arrival of the new crop, has been notationally estimated at around half a million bales.

The Jute Bulletin, published by the Indian Central Jute Committee, welcomes the modest rise in prices at sowing time since it offers an incentive to growers. From the industry's point of view, says the Bulletin, there is not much to worry about for quite some time. At the end of February 1964, I.J.M.A. mills had 2,505 million bales of fibre in their godowns, while those outside the I.J.M.A. had 150,000 bales. To these are to be added upcountry stocks and the undelivered balances in transit, together estimated at around 12 million bales. Thus, besides the J.B.S.A. stocks of 775,000 bales, mills have enough raw

material to maintain maximum production for at least five months more.

Discounting the belief that the present high prices of paddy and rice have made the cultivators unhappy about the return fetched by jute during the season, the journal does not expect any large drop in the acreage under jute and mesta during the coming season. Claiming that the 1963-64 crop was the first to have enjoyed a sustained and steady demand, it says that the compulsory monthly purchase quotas issued by the Jute Commissioner and the support extended by the State Trading Corporation in collaboration with jute co-operatives have enabled the bulk of the season's fibre to be marketed at or above the parity of the Calcutta floor price of Rs. 30 a maund, basis Assam Bottoms. The extensive price-support operations during the past two years have convinced cultivators that their produce will fetch them a fair and reasonable return. They are also aware that a high premium is available on fibre of good quality.

Preliminary reports say that with a few good showers in March, lowland sowing has been completed in Assam and Tripura. Sowing is also progressing in the northern districts of West Bengal and in parts of Bihar.

Specifications for Sugar Bags

The Indian Standards Institution has drawn up draft specifications prescribing the constructional details and other particulars of 112cm. x 67cm. (44in. x 26.5in.) A Twill jute bags for packing sugar. The details will soon be circulated for eliciting technical comments. Copies of the draft are available from the I.S.I. offices in New Delhi, Calcutta, Bombay, Kanpur and Madras.

Hessian for Wall Decoration

The ubiquitous jute fibre is now used to produce a fashion fabric for decorative wall covering in place of paper. The material is being increasingly used by the home furnishing

trade all over western Europe, including Britain. Furnishing firms in the U.K. are being supplied with a large variety of weaves and widths of hessian in a wide range of colours. Claimed to be non-fraying and easily washable, wall hessians are specially treated for fade-cum-rot resistance. The common width is 36in. But demand is growing for a still wider fabric, measuring up to 72 inches or more.

THE JUTE MARKETS

Manufactured Goods: Dull conditions prevailed in the Calcutta gunny market during the past week. The earlier enquiries from abroad failed to materialise into orders. The week's slender quota of completed business included Indian Government tenders for about 6,000 bales of B Twills for ready and April positions, scattered covering against the recent Argentine and American hessian deals, some due-date purchases and short- and shipper-covering of a routine nature. These could not maintain sentiment since quite a large number of mills emerged as keen sellers for all positions. Towards the close, they became reserved when prices dipped to uneconomic levels. The continuing deterioration in Calcutta port called for caution. The hesitant note in the recently published directors' reports of jute mill companies on the prospects for the current season was bearishly interpreted. Tired long liquidation and some bear-hammering in the futures market worsened sentiment. Fluctuations were narrow in the spot market and wide in the futures section. Turnover was moderate in the former and fair in the latter. The closing undertone was easier in both.

Wednesday's quotations were as follows:

	April	May	June	July-Sept.	Oct.-Dec.
40in. 7½oz.	34.10	34.20	34.25	34.40	34.25
40in. 8oz.	36.75	—	—	—	—

40in. 10oz.	46.80	46.25	45.30	46.45	46.29
B Twills	112.70	113.55	113.80	114.40	114.70
Cornsacks	115.75	116.00	116.25	116.50	116.75
Heavy Cees (Plain)	113.00	113.00	113.25	113.75	114.00
A Twills	134.00	134.25	134.25	135.50	137.00
Liverpools	128.25	128.00	128.00	128.00	128.00

Raw Jute: Easy conditions prevailed in the raw jute market during the past week. Despite a gradual decline in arrivals in the agencies to around 40,000 maunds a day, holders seemed to be worried over the indifference of the mills. The left-over fibre consisted mainly of lower-grade jute and mesta, in which mills were not interested. For the first time in many months small business was reported in Pakistani cuttings. Reports of well distributed rainfall in the northern districts of West Bengal, Tripura, lower Assam valley and in parts of Bihar combined with the delay in the issue of a fresh purchase quota by the Jute Commissioner caused a bearish reaction. A glut of offgrade stocks induced holders to sell at slightly lower prices. As a result, prices tended to soften for the better grades as well in the Calcutta and the upcountry markets. In the futures market, Upper Assam White Bottoms for June suffered a sharp setback in sympathy with the trend in the spot market and following tired long liquidation, combined with some amount of short-selling. Opening on a soft note, the price fell after wide fluctuations on alternate bouts of realising and bear-covering. Turnover was small in the spot market and moderate in the hedge market. The closing undertone was hesitant in both.

Wednesday's quotations were as follows:

	Landed at Mills (Basis Bottoms)	Current Prices	T.S.D. Minimum Prices	
	Rs. A Qtl.	Rs. A Md.	Rs. A Qtl.	Rs. A Md.
Assam-Agartala Jute	84.39	31.50	80.38	30.00
Northern Jute	83.05	31.00	79.04	29.50
Western Desal Jute	77.70	29.00	73.68	27.50
Selected Daissee	91.09	34.00	85.74	32.00
Assam-Agartala Tossa	87.07	32.50	83.05	31.00
Mesta:				
Assam-Northern	68.32	25.50	72.34	27.00
Local Daissee	68.32	25.50	72.34	27.00
Bihar Dist.	64.30	24.00	68.32	25.50

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THE U.K. JUTE MARKETS FIBRE RATES REDUCED

(FROM OUR DUNDEE CORRESPONDENT)

ALTHOUGH the raw jute market was reported to be steady in Pakistan, some sellers here have reduced their prices. However, this made little difference to the lowest quoted rates, but there were now more sellers willing to accept bottom prices. Demand from Dundee spinners was small and of a very selective nature. During the first half of

March, the registered sales of raw jute to the U.K. were approximately 52,000 bales which was much larger than expected. This could mean that a portion of these registrations was still unsold to spinners in Dundee.

Reports concerning the new crop continue to be satisfactory with sowings normal for the time of year. As more rain has fallen in the jute growing areas, this could weaken prices for old crop fibre. Offers being made here was still irregular with the lowest rates at £143 for Mill Firsts, at £110 10s for Mill Lightnings, at

£97 for Mill Hearts and at £82 for Grade Hearts, c.i.f. U.K., for April-May shipment. Grade Tossa-2/3 was available at £125 and Grade Tossa-4 at £106 10s. Outport Tossa-2/3 was at £95 10s and Outport Tossa-4 at £84 10s, April-May.

Cuttings were steady at £60 for S.N.C. and at £52 10s for N.C. and offers are still rather scarce. Mesta was quiet and unchanged at £85 10s for A, at £75 for B, at £69 10s for C and at £50 for cuttings, c.i.f. U.K. for April-May shipment. There was no buying interest shown in Siam jute at present. Offers were being made

CAPITAL, 9th April, 1964.

at £79 10s for grade A, at £69 for grade B and at £65 10s for grade C. delivered mill Dundee for April-May shipment.

The Calcutta goods market was steady during the past week, and there was little buying interest shown by the Dundee Jute Control. Quotations are at 70s for 40in. 10oz. and at 51s 10d for 74oz. a 100 yards f.o.b. Calcutta for April-June shipment, at 70s 6d and 52s 4d July-September and at 70s 3d and 52s October-December. B Twills were at 173s 2d, 175s and 175s 7d for the respective shipment periods.

Jute spinners in Dundee were busy, but a large portion of the demand was coming from the carpet industry. Supplies of many descriptions can now be obtained for reasonably early delivery and spinners are not sold so far forward as previously. There is no change in prices.

The cloth position was rather quiet generally. Manufacturers of hessians would welcome more orders, although they are still running to full capacity. Supplies of wide cloth for carpet backing is only available for forward delivery; likewise cloth woven from stainless yarn. The heavy end of the trade is quiet and production of sackings has been reduced. The main lack of demand is for narrow sackings and so far, there are no indications of any improvement in the position.

IMPROVING THE EFFICIENCY OF THE U.K. JUTE INDUSTRY

A total of £13.8 million has been spent in the post-war modernisation of the Dundee jute industry, it was announced by Mr. William Low, retiring chairman, at the recent annual meeting of the British Jute Trade Federal Council. Of this sum, £11.2 million has been spent on machinery and equipment and some £2.6 million on buildings. Last year, the capital expenditure by jute firms in Dundee and district was £414,000, and a further £517,000 is due to be spent this year. A slackening of the pace of capital investment during the past two or three years, Mr. Low said, was a result of uncertainty over official policy. The level of expenditure for the future would be largely influenced by forthcoming Board of Trade decisions. The figures, he said, showed that in spite of restraints on expenditure, the industry was maintaining itself in good technical trim.

Mr. Low said that the jute trade had been passing through a period of adjustment to new trading conditions and to new patterns of production. The transition had been eased by the fact that they had been experiencing a time of high activity in most markets. They had not had for some years such a long and sustained level of demand and the reasons for this could be the replenishment of buyers' stocks after the scarcity of raw jute in 1961; the continued high level of activity among world buyers of many types of jute goods; the remarkable stability of the price of raw jute; and the determination of the jute trade to achieve a higher level of operational efficiency in order to exploit the favourable market conditions.

The British jute industry, Mr. Low said, had now been virtually forced out of the making of standard hessians by economic circumstances and Board of Trade action. It was now almost wholly geared to the production of high quality specialised products. Its competitive position, however, was affected by the extra cost of purchasing jute fibre at prices which were artificially raised by the discriminatory policies of the main jute-growing countries. This discrimination accounted for a large proportion of the level of protection given by the Board of Trade system to safeguard employment in the Dundee area.

CAPITAL, 9th April, 1964.

Commodity Markets

STEADY RISE IN INDIAN PEPPER PRICES

(FROM OUR SOUTH INDIAN CORRESPONDENT)

INDIAN pepper prices continued their upward spiral last week, with the week-end quotation from Cochin touching Rs. 385 a quintal for garbled ready and Rs. 416 for May and Rs. 377 for July deliveries. Trade circles were attributing this to encouraging advices from abroad, and also to active buying by Indian shippers. Sellers, it was said, were scarce. An element of speculation was also at play.

It is said that the market is now in the grip of bulls who are encouraged by the fact that the major share of the Indian crop has already been sold, and the holders of the balance are not in a mood to part with their stocks for unattractive prices. The absence of a competitor for India at present in the supply line is another encouraging factor. Singapore is not in a position to offer any substantial quantity at cheaper rates, and attract the foreign buyers. The position of Indonesia which is now handling its crop independently, is not clear. She is not, however, a problem for India at present.

In the meanwhile, there are reports that the stock position in the United States which is the largest buyer of Indian pepper, is not very comfortable, and America will have to buy from India to meet her requirements. The bulls in the market hold the view that the U.S. buyers will be forced to adjust their price ideas to Indian rates. Price movements in New York justify this feeling to a certain extent. New York quotation for black pepper (spot delivery) has gone up from 37 to 41 cents a lb within the course of the past two weeks. The week-end report from New York was that pepper market was ruling firm with a fair demand from grinders. However, one cannot be sure as to how long the American buyers will follow the upward movement in Indian rates. The possibilities for buyer resistance asserting itself after a certain stage cannot be ruled out. East European countries which together took over 50 percent of the total Indian exports so far this season are at present keeping away from the market, probably on account of the fact that Indian prices are going up and the present prices are above their ideas.

CASHEW

Active U.S. Buying

If the present trends are maintained, cashew exports from India are likely to make further improvement this year. Exports last year were a record at 53,400 tons, valued at Rs. 22 crores. Export figures for the first two months of 1964 are encouraging. Over 300,000 cases of processed kernels had been shipped from India during January-February 1964. The U.S.A. had taken 177,600 cases of 50 lbs each, Russia 34,900 cases, the U.K. 27,300 cases, East Germany 16,000 cases, West Germany 11,300 cases and Australia 6,400 cases among the importers of cashew kernel from India.

The U.S.A. was an active buyer in the cashew market recently. She is reported to have bought quantities at 56 cents a lb. Indian shippers are now demanding 57 cents, as against the American offer of 56 cents. Thus there is a disparity between Indian and American price ideas as in the case of pepper. There is said to be a lull in the demand from east European countries due to the disparity

in Indian demand and their price ideas.

Raw nut supply position is considered satisfactory at present. Imported nut from Africa is at present available at around Rs. 800 a ton. Indian nut which is moving into the market in larger quantities now is selling around Rs. 80 a quintal. The peak supply period of indigenous nuts begins this month. The Indian crop is officially estimated at about 90,000 tons, but the processors are of the view that this is very much on the high side. They are not prepared to place it at any figure beyond 70,000 tons.

With a view to making the country self-sufficient in cashew, the Kerala Government has been taking some measures, prominent among them being extension of cashew cultivation on Government lands. Under its cashew afforestation scheme, the Forest Department of the Kerala Government has cultivated cashew trees on 10,572 acres at a cost of Rs. 8.65

lakhs. Another measure is research. The research station which has been functioning in Kottarakara has been shifted to Anakkayam in Malabar. The research station is mainly concerned with methods for increasing production of cashew nuts. Besides advices on modern techniques of cashew cultivation, farmers can obtain better seeds and seedlings from this institute. Kerala is the premier cashew producing State in India.

COFFEE

Certificates for Exports

A system of issue of certificates of origin for all coffee exports from India will be introduced soon by the Central Government on a provisional basis. This is a sequel to the decision of the International Coffee Organisation taken in March requiring exports of coffee from 1st April, 1964, to be accompanied by certificates of origin. Fourteen chambers of commerce in Bombay, Madras, Cochin, Calicut, Mangalore and Tellicherry are authorised to issue the certificates. The International Coffee Organisation has laid down that importing countries will refuse to accept consignments after 1st June, if they are not accompanied by certificates of origin. This is one of the devices visualised under the International Coffee Agreement to ensure that the price of

coffee does not fall to uneconomic levels for the producer. India is a producer member of the agreement which was formed some time ago at the instance of the U.N.

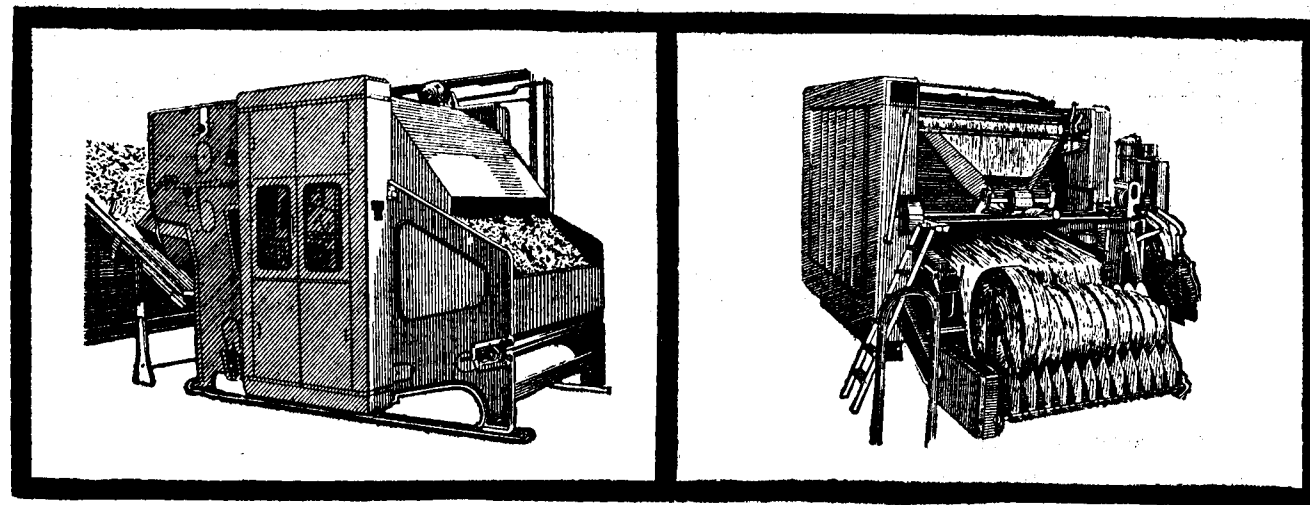
India will be in a position to export more coffee this year than she did last year on account of a larger crop which is at present estimated at 62,000 tonnes, compared with 56,000 tonnes of the previous season. India exported 22,400 tonnes in 1963. She has been granted an export quota of 21,600 tonnes under the International Coffee Agreement. This quantity can be exported to the member countries of the agreement. India is at liberty to export anything in excess of this quantity to countries outside the agreement. India is one among the countries which have been asking for an enhancement of the quantity allowed. There were reports that the Coffee Council at its recent meeting had allowed a 5 percent increase over the original quota for some producer members including India.

The present position of the world market is such that export coffee will get a fairly attractive price. A larger earning on export will be beneficial to the growers. They can expect a larger return from the Coffee Board over the crop they have surrendered to its pool. Producers of coffee have been generally discontented at the gradual dwindling returns they have been receiving since 1957,

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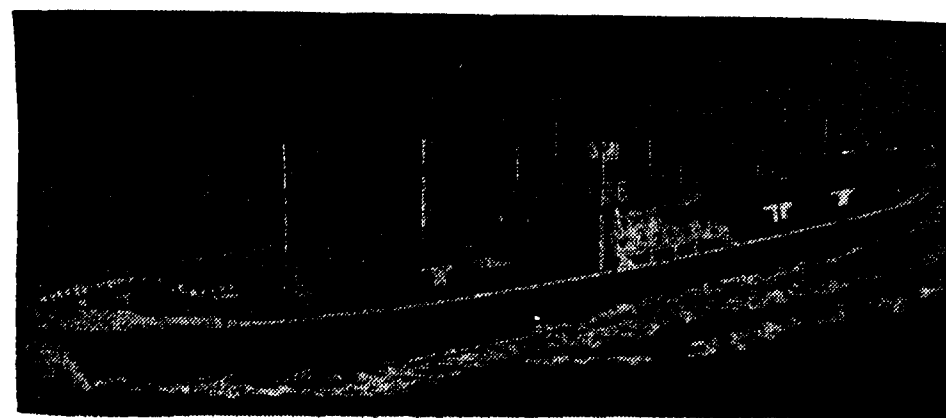
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while the cost of production has been spiralling. The climax was reached in 1960-61 when the return to the grower had to be pegged at Rs. 2 a point which was substantially below the cost of production, according to the growers. Although the return was a bit higher in 1961-62 and 1962-63, it could not by any means be said to be adequate or appreciably above the increasing cost of production, the growers argue. The worst sufferers have been the very large number of small growers whose cost of production is invariably higher.

Pricing Policy

The robusta growers were having a complaint that they were being discriminated against. While Arabica plantation and cherry got ten and six bonus points, respectively, over and above the final return at Rs. 2.26 a point paid to growers of all types for the 1961-62 season's coffee, the robusta growers felt very much annoyed and believed that the Coffee Board had

let them down. The Board after taking their complaint into consideration had raised the points to robusta growers by three for peaberry, two for flats and three for whole crop cherry in the revised P.D.S. for 1963-64. Rates at which robusta has been selling both in the internal and foreign markets during the latter half of 1963 were comparatively high, the internal price ranging from Rs. 190 to 210 and the export price from Rs. 120 to 143. The increase has been proportionately more striking in the case of robusta, compared with other types. The carry-over of 1962-63 crop to 1964 was very small. The Board is expected to pay to the growers something more than what it did for the previous crop. This will be a relief to growers, more so for the robusta growers. The damage caused by frost and fire to the Brazilian crop and the poor African robusta crop during last season is said to be the reason for the upward trend in prices. If this were so, the situation is likely

to revert to the old once these producers get over the present difficulties. In the meanwhile, the Government of India has permitted the Coffee Board to increase the minimum release price of coffee, which has been maintained at Rs. 2.20 a point for a pretty long period, to Rs. 2.39 a point, with a view to allowing the grower an economic return.

TEA

Demand for Quality Grades

(BY A SPECIAL CORRESPONDENT)

IT is generally reasoned that good teas will always fetch remunerative prices and it is interesting to read some comments made by A. D. Neale of Messrs Forbes and Walker, an old established tea broking firm in Colombo, on price trends in Colombo.

To generalise on recent prices is indeed a difficult task, as although many producers can look back on 1963 as a financially successful year because of increased crop and a fair price level, many others are left in the position where, if a loss was not actually incurred, a small profit was made at the expense of maintaining or improving a property by way of replanting, manuring, replacing old and worn out machinery and similar items. How do some estates make a profit and others a loss? One has only to look at the net averages for the year to see that in the main, it is the midcountry and low grown estates which have had a difficult year, while the demand for high-grown tea has been generally good with a reasonably satisfactory price level maintained. The actual net average price for high grown for the year was Rs. 1.90 while medium and low grown were Rs. 1.54 and Rs. 1.53, respectively. The total for all teas sold in Colombo was Rs. 1.68.

Much has been said and written recently about over-production, and the steady decline in average prices for medium and low-grown teas over the past few years would seem to agree with the view that greater crops have definitely resulted in lower prices. Mr. Neale, however, makes it clear that there is no over-production of good tea in Ceylon irrespective of the elevation at which the estate is situated. One of the industry's great problems today is the producer who is content to harvest and market large quantities of plain tea at a very small margin of profit. In the production of many other kind of goods, this is considered to be "good business," but unfortunately, in the manufacture of tea it results in poorly made, inferior liquoring grades being offered for sale. Now the remedy would appear to lie with buyers, but it is an unfortunate fact that many parts of the world have now come to accept poorer grades to meet their market requirements.

As many other countries are also "churning" out this type of tea, Mr. Neale merely considers it a question of time before Ceylon with its high duties and costs finds itself outpriced and much of the tea may prove to be unsalable—or can be sold only at a discount. In addition, of course, the good name of Ceylon tea is also being harmed by the poor grades being distributed throughout the world. However, those estates that take care to produce well-made teas—undoubtedly at a slightly higher cost—will continue to meet with a worldwide demand at satisfactory prices.

NON-FERROUS METALS

Sharp Price Variations

OVER the last few weeks, there have been some surprising variations in the price of both tin and copper on the London metal market, with inevitable repercussions on base metals as a whole. World consumption of copper has been increasing, and demand has remained good in spite of the recent lifting of restrictions on supplies by producers. It now remains to be seen how long the producers will be able and willing to hold their selling price to long-term customers at £236 a ton.

As Commander H. F. Grenfell, Chairman of M.T.D. (Mangula) said in his annual statement the other day, any assessment of the future must allow for possible interruptions in production due to labour troubles and the effect of inflationary pressures on operating costs. Much will depend on the rate at which consumption continues to expand and the rate at which production capacity can be increased. But at present, the outlook for copper seems more promising than for some time.



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COMPANY AND PUBLIC NOTICES

THE BOMBAY DYEING AND MANUFACTURING COMPANY, LIMITED

NOTICE

THE Eighty-fifth Annual General Meeting of The Bombay Dyeing & Manufacturing Co. Ltd. will be held at the Registered Office of the Company, Neville House, Ballard Estate, Bombay-1 on Wednesday, the 29th April, 1964, at 4-30 p.m. to transact the following business:—

1. To adopt the Directors' Report and the audited Balance Sheet and Profit & Loss Account for the year ended 31st December, 1963.

2. To sanction the declaration of a Dividend.

3. To appoint a Director in the place of Mr. Maneklal Premchand who retires by rotation, and being eligible, offers himself for re-appointment; and to consider and, if thought fit, to pass the following Resolution, of which a Special Notice as required by Section 281 of the Companies Act, 1956, has been received by the Company from some Members, and is hereby given to the Members:—

"RESOLVED that, pursuant to the provisions of Section 281 and other applicable provisions (if any) of the Companies Act, 1956, Mr. Maneklal Premchand, who has attained the age of 74 years and who retires by rotation and is eligible for re-appointment, be and he is hereby re-elected a Director of the Company, and it is hereby specifically declared that the age limit for Directors prescribed under Section 280 of the said Act shall not apply to him."

[The relative Explanatory Statement under Section 173 of the Companies Act, 1956, is annexed to this Notice.]

4. To appoint a Director in the place of Sir Jamsetjee Jejeebhoy, Bart., who retires by rotation, and being eligible, offers himself for re-appointment; and to consider and, if thought fit, to pass the following Resolution as a Special Resolution in respect of which Special Notice, as required by Section 261 of the Companies Act, 1956, has been received by the Company from some Members, and is hereby given to the Members:—

"RESOLVED that, pursuant to the provisions of Section 261 and other applicable provisions (if any) of the Companies Act, 1956, Sir Jamsetjee Jejeebhoy, Bart., who retires by rotation and is eligible for re-appointment, and who is an Executive and Officer of Messrs. Nowrojee Wadia & Sons (Private) Ltd., the Managing Agents of the Company, be and is hereby re-appointed a Director of the Company."

[The reasons which make the above Resolution necessary have been set out in the Explanatory Statement under Section 173 of the Companies Act,

1956, annexed to this Notice.]

5. To appoint a Director in the place of Mr. N. K. Petigara who retires by rotation, and being eligible, offers himself for re-appointment.

6. To appoint Auditors to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting, and to fix their remuneration.

SPECIAL BUSINESS

7. AND for the purpose of considering, and if thought fit, to pass (with or without amendment) as may be permissible, the following Resolutions as Special Resolutions and/or Ordinary Resolutions as specified below:—

(a) ORDINARY RESOLUTION

"RESOLVED that, pursuant to the provisions of Section 310 of the Companies Act, 1956, and subject to the approval of the Government of India being obtained, the remuneration payable to a Director of the Company be and is hereby increased from Rs. 100/- to Rs. 250/- for each meeting of the Board or of a Committee of the Board attended by him."

(b) SPECIAL RESOLUTION NO. I

"RESOLVED that, pursuant to the provisions of Section 360 of the Companies Act, 1956, and subject to the approval of the Government of India being obtained, the approval of the Company be and it is hereby accorded to a contract being entered into in terms of the draft placed before the Meeting, and for the sake of identification initialled by the Chairman, purporting to be between the Company and Messrs. Bombay Ring Travellers Co. Ltd., Bombay, (who are or may be deemed to be 'associates' of the Managing Agents of the Company)—subject to any amendments as may be suggested by the Government of India and accepted by the Board of Directors of the Company and by Messrs. Bombay Ring Travellers Co. Ltd.—to be operative for a period of five years as from the date of this Meeting, unless determined previously by three months' notice given by either side to the other, in respect of the supply or rendering to the Company by Messrs. Bombay Ring Travellers Co. Ltd., of services by way of undertaking repair work and precision jobs of grinding, milling, etc. of castings and machinery parts in their Tool Room, and services of an ancillary or auxiliary nature as also in respect of services to be rendered to them by the Company such as hiring to them trucks belonging to the Company: subject to the conditions that the prices or rates to be paid by the Company shall be

reasonable and/or approved of by the Directors of the Company, and that all payments to be made to the Company by Messrs. Bombay Ring Travellers Co. Ltd. shall be made within one month from the date of the supply or rendering of any service by the Company to Messrs. Bombay Ring Travellers Co. Ltd."

(c) SPECIAL RESOLUTION NO. II

"RESOLVED that, pursuant to the provisions of Section 360 of the Companies Act, 1956, the approval of the Company be and it is hereby accorded to a contract being entered into in terms of the draft placed before the Meeting and for the sake of identification initialled by the Chairman, purporting to be between the Company and Messrs. Bombay Ring Travellers Co. Ltd., Bombay, (who are or may be deemed to be 'associates' of the Managing Agents of the Company) to be operative for a period of five years as from the date of this Meeting unless determined previously by three months' notice given by either side to the other, in respect of the purchases from Messrs. Bombay Ring Travellers Co. Ltd. of wire heads, rings and ring travellers, and other machinery, articles and things required by or useful for the textile industry which are manufactured and/or dealt in by them, and in respect of the sale or supply to them of any property or any article produced, dealt in or owned by the Company; subject to the conditions that the prices of such products shall be reasonable and/or approved of by the Directors of the Company, and that all payments to be made to the Company by Messrs. Bombay Ring Travellers Co. Ltd. shall be made within one month from the date of the sale or supply of any property or any article by the Company to Messrs. Bombay Ring Travellers Co. Ltd."

(d) SPECIAL RESOLUTION NO. III

"RESOLVED that, pursuant to the provisions of Section 360 of the Companies Act, 1956, and subject to the approval of the Government of India being obtained, the approval of the Company be and it is hereby accorded to a contract being entered into in terms of the draft placed before the Meeting, and for the sake of identification initialled by the Chairman, purporting to be between the Company and Messrs. N. S. Guzder & Co. Private Ltd., Bombay, (who are or may be deemed to be 'associates' of the Managing Agents of the Company), to be operative for a period of five years as from the date of this Meeting unless determined previously by three months' notice given by either side to the other, in respect of purchases from Messrs. N. S. Guzder & Co. Private Ltd., of kapas, cotton and cotton seeds, and such other goods required for the textile industry in which they trade or do business or may trade or do business, as well as in respect of the sale or supply to them of any property or any article produced, dealt in or owned by the Company; subject to the conditions that the prices of such kapas, cotton and cotton seeds, and such other goods as aforesaid shall be such as are reasonable and/or approved of by the Directors of the Company and that all payments to be made to the Company by Messrs. N. S. Guzder & Co. Private Ltd. shall be made within one month from the date of the sale or supply of any property or any article by the Company to Messrs. N. S. Guzder & Co. Private Ltd."

(e) SPECIAL RESOLUTION NO. IV

"RESOLVED that, pursuant to the provisions of Section 360 of the Companies Act, 1956, the approval of the Company be and it is hereby accorded to a contract being entered into in terms of the draft placed before the Meeting, and for the sake of identification initialled by the Chairman, purporting to be between the Company and Messrs. N. S. Guzder & Co. Private Ltd., Bombay, (who are or may be deemed to be 'associates' of the Managing Agents of the Company)—subject to any amendments as may be suggested by the Government of India and accepted by the Board of Directors of the Company and by Messrs. N. S. Guzder & Co. Private Ltd.—to be operative for

(f) SPECIAL RESOLUTION NO. V

"RESOLVED that, pursuant to the provisions of Section 360 of the Companies Act, 1956, and subject to the approval of the Gov-

a period of five years as from the date of this Meeting unless determined previously by three months' notice given by either side to the other, in respect of the supply or rendering to the Company by Messrs. N. S. Guzder & Co. Private Ltd. of service as shipping, clearing, forwarding and transport agents, and other services ancillary or auxiliary thereto as also in respect of services to be rendered to them by the Company, such as hiring to them trucks belonging to the Company; subject to the conditions that the prices or rates to be paid by the Company shall be reasonable and/or approved of by the Directors of the Company, and that all payments to be made to the Company by Messrs. N. S. Guzder & Co. Private Ltd. shall be made within one month from the date of the supply or rendering of any services by the Company to Messrs. N. S. Guzder & Co. Private Ltd."

ernment of India being obtained, the approval of the Company be and it is hereby accorded to a contract being entered into in terms of the draft placed before the Meeting and for the sake of identification initiated by the Chairman, purporting to be between the Company and Messrs. G. Claridge & Co. Ltd., Bombay, (who are or may be deemed to be 'associates' of the Managing Agents of the Company)—subject to any amendments as may be suggested by the Government of India and accepted by the Board of Directors of the Company and by Messrs. G. Claridge & Co. Ltd.—to be operative for a period of five years as from the date of this Meeting unless determined previously by three months' notice given by either side to the other, in respect of Messrs. G. Claridge & Co. Ltd. rendering services by way of any work of or in relation to printing, embossing, engraving, etc., of, and supplying, stationery, labels, forms, certificates, coupons, folders, books, cartons, calendars, and other ancillary jobs, subject to the conditions that the prices or rates to be paid by the Company shall be reasonable and/or approved of by the Directors of the Company."

(g) SPECIAL RESOLUTION NO. VI

"RESOLVED that the Articles of Association of the Company be and are hereby altered in the manner following:—

(a) In Articles 15, for the words "or (upon paying Re. 1/- in respect of each certificate) to several certificates", the words "or to several certificates either without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Re. 1/- for each certificate) as the Directors shall prescribe", shall be substituted.

(b) The existing Article 54 shall be substituted by the following Article:—

54
Fee on
Transfer or
Transmission.

(1) The Directors shall have discretion (which they may exercise from time to time and for any period of time) not to charge any fee in respect of the transfer or transmission of a share.

(2) Subject as above, a fee not exceeding 25 naye paise per share may be charged in respect of the transfer or transmission to the same party of any number of shares of any

class, subject to such maximum on any one transfer or transmission as may from time to time be fixed by the Directors. Such maximum may be a single fee payable on any one transfer or one transmission of any number of shares of one class, or may be on a graduated scale varying with the number of shares comprised in one transfer or may be fixed in any other manner as the Directors in their discretion may determine, generally or in any individual case."

The Explanatory Statement under Section 173 is annexed in respect of the above Resolutions.

The drafts of the contracts referred to in Special Resolutions Nos. I, II, III, IV and V are open for inspection by any Member at the Registered Office of the Company on all working days from 10.30 a.m. to 1.00 p.m.

By Order of the Board,
NOWROSJEE WADIA & SONS
(PRIVATE) LTD.,
NEVILLE N. WADIA,
Director,
Managing Agents.

Bombay, 12th March, 1964.

Registered Office:

'Neville House',

Ballard Estate,

Bombay, 1.

Notes:—

(a) A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member.

(b) Proxy forms to be effective must be duly stamped with a 15 nP. Revenue Stamp, and must reach the Company not less than 48 hours before the time appointed for holding the meeting.

(c) The Share Transfer Books of the Company will remain closed from Saturday, the 14th March, 1964 to Thursday, the 2nd April, 1964, both days inclusive.

(d) The dividend when declared will be made payable at the National & Grindlays Bank Ltd., Bombay, and at any of the branches in India on or after the 30th April, 1964, to those Members whose names stand on the Register of the Company on the 2nd April, 1964.

(e) The Members are requested to notify immediately any change of address to the Company.

(f) The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of the Special Business set out above is annexed to the Notice of the Annual General Meeting posted to the Members.

THE INDIAN IRON AND STEEL COMPANY LTD.

NOTICE is hereby given that the Register of Members and Share Transfer Books for Preference Shares in the Company will remain closed from the 16th to 22nd April, 1964, both days inclusive, for the purpose of payment of Preference Dividend for the half-year ended 31st March, 1964, on or after the 1st May, 1964, to those Preference Shareholders whose names appear on the Company's Register of Members on the 22nd April, 1964, or to their mandatees.

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

Registered Office:

12, Mission Row,
Calcutta-1.

3rd April, 1964.

DALMIA CEMENT (BHARAT) LTD.

Dalmiapuram

NOTICE is hereby given that the Registers of Members and Share Transfers will remain closed from the 1st May to 21st May, 1964, both days inclusive, except for recording the share transfers received before the closure of the Registers. The dividend for the year 1963, when declared, will be payable to those shareholders whose names would appear in the Register of Members as on 21st May, 1964.

By Order of the Board,
S. C. AGGARWAL,
Secretary.

Dated: 30th March, 1964.

TENDER CALL NOTICE

SEALED Quotations are invited for supply of H.T. Wire of the following sizes and quantities and will be received upto 3 p.m. on 15. 5. 64 and will be opened on the same day in the presence of the tenderers or their authorised agents.

5 m.m. — 10 tons.
7 m.m. — 35 tons.

Sd/- B. Misra
Superintending Engineer
Delta Irrigation Circle
Keshari Nagar, Bhubaneswar-1

TENDER CALL NOTICE

SEALED tenders are invited for supply of Pumping Sets in complete shape as per specifications required. The tender will be received upto 3 p.m. on 15. 6. 64 and will be opened in the presence of the tenderers or their authorised agents. Detailed specifications and drawings can be had from the office of the undersigned on payment of Rs. 5/- per set.

Sd/- B. Misra
Superintending Engineer
Delta Irrigation Circle
Keshari Nagar, Bhubaneswar-1

CAPITAL, 9th April, 1964.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	L.S.T. Hours
Dunlop Rubber Co. (India) Ltd.	22-4-64	11 a.m.
Indian Aluminium Co. Ltd.	27-4-64	11-30 a.m.
Jessop and Co. Ltd.	29-4-64	11 a.m.
Bombay Dyeing & Manufacturing Co. Ltd.	29-4-64	4-30 p.m.

DIVIDENDS DECLARED OR PROPOSED.—Bengal Coal Co. Ltd.—Rs. 10 per share, (o) (f), subject to tax; New Beer-bloom Coal Co. Ltd.—65 nP per share (o) (f), subject to tax; National Co. Ltd.—Re. 1 per share (o), subject to tax; Budge Budge Jute Mills Co. Ltd.—Rs. 14 per share (o) (f), subject to tax; Buckingham & Carnatic Co. Ltd.—Rs. 12 per share (o) (f), subject to tax; Bangalore Woollen, Cotton & Silk Mills Co. Ltd.—Rs. 18 per share, (o) (f), subject to tax; Jessop and Co. Ltd.—10 p.c. (o), subject to tax; Sterling General Insurance Co. Ltd.—7½ p.c. (o), subject to tax; Mim Tea Co. Ltd.—Nil; Soorah Jute Mills Co. Ltd.—20 p.c. (o), subject to tax.

HIDES AND SKINS

The market was quiet. Stocks of skins were higher, but those of hides were less than in the previous week.

Bazaar Sales

(Between 21st March and 6th April, 1964)

Cowhides: Wet salted (Ord.) 16,000 pcs. on the basis of Rs. 7.50 to Rs. 9.25; Wet salted (Slaughtered) 43,000 pcs. on the basis of Rs. 10.50 to Rs. 16.50 and Rs. 19.50 to Rs. 28.50; Wet salted (Ord.) 2,500 pcs. on the basis of 70 nP a lb.

Goatskins: Wet salted (Patna, Daissee, Kustia) 72,000 pcs. on the basis of Rs. 310 to Rs. 330, Rs. 330 to Rs. 350 and Rs. 370 to Rs. 385; Wet salted (he-killed) on the basis of Rs. 4.00 and (she-killed) on the basis of Rs. 3.75 a piece; Assam-Dinajpur 54,000 pcs. on the basis of Rs. 225 to Rs. 230 and Rs. 265 to Rs. 335; Purneah 3,000 pcs. on the basis of Rs. 325; Mazafferpore-Purneah (heavy) 5,100 pcs. on the basis of Rs. 440 to Rs. 480 and Rs. 510.

Bazaar Stocks

(6th April 1964)

Cowhides: Wet salted 119,000 pcs. **Goatskins:** Wet salted (Patna, Daissee, Kustia, Killed) 65,000 pcs.; Assam-Dinajpur 1,43,000 pcs.; Mazafferpore-Patna - Pakur - Purneah-Kis-senganj 3,59,500 pcs.

SHELLAC QUIET

During the week ended 7th April, the market remained quietly steady. The range of quotations was as follows:

	Rs. a package
Pure Buttonlac	136, 134 value.
Lemon One Shellac	136, 134 buyers.
Lemon Two Shellac	140, 138 sellers.
	120 buyers.
	124 sellers.
	124 value.
Standard One Shellac	104 buyers.
	108 sellers.
	104 value.
Pure T. N. Shellac	94, 92 value.
Golden Kusmi Seedlac	200 value.
Kusmi One Seedlac	120 value.
Golden Bysackey Seedlac	100 value.
Manbhumi Fine Bysackey Seedlac	80 buyers.
	84 sellers.
	80 value.
Fine Bysackey Seedlac	60 buyers.
	64 sellers.
	60 value.
Genuine Bysackey Seedlac	54 value.
Grade One Class B	80 value.
Seedlac	
Grade Two Class B	60 buyers.
Seedlac	64 sellers.
	60 value.

Shipments during March 1964 were 32,051 packages.

"CAPITAL" STOCK AND SHARE LIST THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

Official quotations of the Calcutta Bombay Madras London Stock Exchange Association and other sources.
Figures given after stroke (/) mean Naye Paise.

Tuesday, 31st March, 1964.

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GOVERNMENTS LOANS

Outstanding Amount	Interest per cent	Year of issue	Repayable	Market quotations
Ra				Ra

GOVERNMENT OF INDIA

2,48,91,06,000	3	1946	1986 or later	63/10
8,93,33,000	3	1896-97	At the option of the Government of India after a months' notice	63/00
1,10,11,78,000	3	1943	1966-68	97/90
30,33,10,000	3	1950	1964	99/60
14,77,48,000	2½	1946	1976	83/50
1,15,05,83,000	3	1948	1970-75	90/35
1,58,17,94,000	3½	1954	1964	99/90
1,53,97,92,000	3½	1955	1965	99/65

86,63,53,000	3½	1956	1974	96/75
56,99,30,000	3½	1957	1967	99/60
1,54,70,22,000	4	1957	1972	99/20
94,51,44,000	4	1958	1973	99/10
1,97,40,92,000	3½	1956	1967	99/10
70,00,000	3½	1958	1968	98/10
1,56,64,22,000	3½	1958	1968	99/40
1,90,85,42,000	3½	1959	1968	97/00
81,06,39,000	4	1959	1970	98/40
82,65,41,000	3½	1960	1966	99/65
98,05,17,000	4	1960	1980	98/40
65,96,55,000	4	1961	1981	98/50
84,12,53,000	4	1963	1969	99/40
28,07,95,000	4½	1962	1972	100/20
52,01,71,000	4½	1963	1968	100/00
1,14,03,37,000	4½	1962	1965	100/15

3,40,34,300	4	1952	1964	99/95
6,57,22,800	4½	1957	1969	98/40
6,58,20,700	4½	1958	1970	98/75
4,35,23,000	4½	1958	1971	98/70

MADHYA PRADESH

2,03,28,800	3	1948	1964	98/50
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MADRAS

5,24,81,200	4	1952	1964	99/95
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5,55,57,300	4½	1958	1970	98/70
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UTTAR PRADESH

1,55,31,200	3	1936	1961 66	93/25
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5,89,13,900	4	1952	1964	99/95
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7,65,58,900	4½	1958	1970	98/70
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WEST BENGAL

2,00,00,000	4	1952	1964	99/95
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7,58,72,200	4	1955	1967	99/05
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7,11,46,100	4	1956	1968	98/70
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5,10,49,700	4½	1958	1970	98/75
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7,69,68,400	4	1959	1971	97/75
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7,00,00,000	4	1960	1968	98/40
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73,07,21,000	4½	1961	1972	98/80
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7,00,00,000	4½	1962	1974	99/50
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MYSORE

2,95,85,200	4	1933	1953-63	100/00
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				57,72,000 4½ 1961
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These notes refer to the Debentures on the next page.

Option to repay at par on 3 months notice—

(a) Option to extend the redemption period for further 10 years

(b) at any time after

(c) on or after 1-1-61

(d) option to redeem at 2½% Prem after 14-5-64 and before 15-5-64

Option to repay on 6 months notice—

(e) at any time after 30-6-61 at 10½%

(f) at 10½% between 1-1-61 & 31-12-64

(g) at 102½% after 30-6-61 and before 30-6-64

(h) at any time after 30-6-61 at 10½%

Option to repay on 3 months notice—

(i) at any time at 3% Premium

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

(k) at any time at par

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

PORT TRUST LOANS

Outstanding Amount	Interest per cent	Year of issue	Repayable	Market quotations
Ra				Ra

CALCUTTA

36,50,000	4	1904	1964	96/00
35,00,000	4	1905	1965	96/00
15,00,000	4	1906	1967	96/00
14,00,000	4	1907	1968	96/00
20,00,000	3	1938	1963-68	92/00
20,00,000	4	1952	1962	100/00
56,00,000	4	1910	1971	92/00
75,00,000	4	1911	1972	92/00

BOMBAY

28,82,600	5	1923	1953-55	83/50
29,01,000	5	1924	1954-56	83/50
28,55,100	5½	1932	1962	83/75
20,00,000	4	1906	1966	97/50
15,00,000	4	1907	1967	97/50
30,00,000	4	1908	1968	95½N
2,566,600	4	1909	1969	95½N
2,333,000	4	1910	1970	95/00
25,00,000	4	1912	1972	95/00
13,00,000	4	1913	1973	95/00
50,00,000	4	1914	1974	95/00
25,00,000	4	1916	1976	95/00
68,00,000	6	1920	1945-80	119/50
25,00,000	4	1927	1961-70	99/75
10,00,000	3½	1936	1966	89/00

MADRAS

20,00,000	4	1906	1966	97/50
15,00,000	4	1907	1967	97/50
30,00,000	4	1908	1968	95½N
2,566,600	4	1909	1969	95½N
2,333,000	4	1910	1970	95/00
25,00,000	4	1912	1972	95/00
13,00,000	4	1913	1973	95/00
50,00,000	4	1914	1974	95/00
25,00,000	4	1916	1976	95/00

STERLING LOANS

28,82,600	5
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BANKS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		8-4-64	31-3-64	A year ago		1960	1961	1962		8-4-64	31-3-64	A year ago
Allahabad Bank P.	18	18	15-15*	100	250/00	250/00	396/00	Indian Overseas Bank	14	14	..	..	146/00	146/50	148/00
Bank of Baroda	17	17	16	50	91/00	94/00	85/50	National & Grindlays Bank	13½	14	16-14*	sh. 13	sh. 29/6	sh. 30/6	sh. 41/4½
Bank of India	20	20	20-18*	50	102/00	102/00	105/00	Punjab National Bank	20	20	20	10	18/94	19/81	18/37
Central Bank of India	20 2/5	20	20	25	45/00	45/00	53/00	Union Bank of India	11 2/5	11 2/5	11 2/5	5	6/20	6/20	6/48
Chartered Bank	15	15	15-15*	£1	sh. 47/6	sh. 48/9	sh. 61/-	United Bank of India	4.3	6	6-7½	10	7/75	7/78	6/50
Hindusthan Commercial	Nil	Nil	Nil	50	13/50	13/50	14/00	United Commercial Bank	12	12	12-12*	50	71/50	71/00	71/50
Hindusthan Mercantile	Nil	Nil	Nil	50	10/75	10/75	15/62								
Hong Kong & Shanghai	£3½	£3½	£3 1/5	HK\$23	£20½	£20½	£16½								
Iranian Bank	15	15	14	100	157/00	157/00	174/50								

* 1962

JUTE MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		8-4-64	31-3-64	A year ago		1960	1961	1962		8-4-64	31-3-64	A year ago
Agarpara P.	10	2½	2½-12*	10	9/62	9/62	9/56	Hukumchand P.	28½	28½	28½-26½*	7½	19/75	19/85	18/00
Alexandra P.	44	15	42½	100	300/00	300/00	305/00	Inda	14	12	8-22½*	12½	15/12	15/12	17/62
Alliance P.	6	Nil	10-12½*	100	120/00	123/00	110/00	Kamarhatti P.	5	Nil	20	100	179/00	179/00	148/00
Anglo-India P.	20	7	10-12*	100	180/00	180/00	201/00	Kankannarrah P.	Nil	Nil	10	100	137/00	136/00	119/00
Auckland P.	27	12	Nil-15*	100	132/00	132/00	150/00	Kelvin P.	15	15	5-20*	100	144/50	144/50	165/00
Bally P.	25	25	25	100	242/00	242/00	235/00	Kinnison P.	20	5	12½-12½*	10	17/81	17/81	16/50
Barnagore P.	30	10	10-10*	£5	214/00	217/00	172/00	Kinnison P.	20	7	Nil-10*	100	121/00	121/00	140/00
Bengal P.	5	..	..	10	8/00	8/00	10/25	Lansdowne P.	Nil	Nil	Nil-10*	100	96/00	96/00	85/00
Birla P.	15	15	15-15*	10	31/87	32/62	26/00	Lawrence P.	12	12	Nil-22*	10	12/00	12/44	13/25
Budge Budge P.	10	Nil	12	100	140/00	140/00	169/00	Megna P.	..	..	..	100	78/00	80/00	81/00
Calcutta P.	..	..	..	100	8/12	8/12	8/00	Naihati P.	..	..	..	100	6/00	6/00	8/06
Caledonian P.	12	5	..	100	175/00	175/00	205/00	Naskarpara	..	..	..	100	22/00	21/06	25/37
Chandany P.	10	5	Nil-40*	10	21/25	21/62	..	National P.	7½	Nil	10	10	11/62	11/62	11/25
Chiviot P.	Nil	5	..	10	20/25	20/25	21/44	Nellimarla P.	15	15	Nil	10	11/81	11/87	12/62
Chitvalsa P.	5	Nil	5	10	8/75	8/69	11/00	New Central P.	30	30	5-10*	80	25/75	25/75	29/00
Clive P.	..	..	..	10	7/25	9/00	7/75	Northbrook P.	8	6	10-10*	5	60/00	60/00	49/50
Dalhousie P.	1	1	Nil-25*	100	119/00	121/00	145/00	Nuddea	Nil	Nil	Nil-10*	10	4/44	4/44	4/81
Delta P.	7½	Nil	12	100	146/00	146/00	141/00	Presidency	Nil	Nil	Nil-10*	10	9/20	9/20	9/44
Empire P.	12½	7½	12½-15*	10	14/94	17/75	15/31	Rameshwara P.	Nil	Nil	Nil-10*	10	7/50	7/50	7/37
Fort Gloster P.	25	10	12½-20*	100	251/00	251/00	399/00	Reliance P.	Nil	Nil	Nil-10*	10	10/50	10/50	10/50
Fort William P.	22½	22½	10-20*	100	23/37	23/37	26/00	Sammugger P.	4	Nil	10	£1	22/50	22/50	18/75
Ganges P.	10	10	15-20*	10	13/19	13/25	11/69	Shree Ambica P.	6	6	Nil	10	10/50	10/50	10/50
General Industrial	40	10	13	10	16/00	16/00	17/00	Soorah P.	25	25	Nil	10	144/00	144/00	146/00
Gourepore P.	30	25	20-20*	10	22/94	22/94	22/94	Tittaghar P.	6	Nil	13	£1	10/50	10/50	10/50
Hastings P.	6	6	6-6*	100	128/00	128/00	128/00	Union P.	6	Nil	10	£1	10/50	10/50	10/50
Hooghly P.	10	20	7½-10*	10	16/00	16/00	20/00	Victoria P.	30	30	60	1	9/00	9/00	5/50
Howrah P.	12½	10	Nil-10*	10	16/75	16/75	19/00	Waverley P.							

* 1963

COAL COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		8-4-64	31-3-64	A year ago		1960	1961	1962		8-4-64	31-3-64	A year ago
Amalgamated	10	12½	15	10	22/06	23/25	21/00	Mundulpur	..	..	..	10	2/69	2/69	2/69
Wengal P.	25	21	19	100	251/00	250/00	262/00	Nazira	7½	Nil	Nil	10	6/25	6/25	5/12
Wengal Bhatdee	..	..	..	10	3/48	3/48	3/48	New Beerbhoom P.	10	10	..	10	16/06	16/12	17/62
Wengal Nagpur	10	26	..	10	22/00	22/00	22/00	New Manbhoom	7½	9	12	10	11/94	11/94	13/00
Bhalgona	..	..	..	10	4/25	4/25	5/00								
Bharat Collieries P.	..	..	..	10	3/44	3/44	3/53								
Bhulanbararee	..	..	..	10	10/00	10/00	12/00	North West	20	20	..	10	19/75	19/75	19/75
Bokaro & Rampur	..	..	..	10	11/19	11/19	11/19								
Borrea P.	15	15	..	10	20/25	20/25	23/87	Onal P.	6	7½	..	10	13/50	13/50	12/00
Burrakur P.	13	13	13	10	15/75	16/19	15/50	Parasea P.	1½	1½	..	10	14/00	14/00	16/00
Central India	8	10	10	10	8/87	9/19	9/94	Pench Valley	10	10	10	10	8/00	8/00	8/00
Central Kurkend P.	..	..	..	10	3/44	3/44	3/06	Rangegunge	15	17	17	10	13/62	13/62	13/00
Churulla	..	..	..	4	4/25	4/25	5/75	Rewa	20	20	..	10	25/50	25/50	28/50
Dhemo Main	Nil	Nil	20*	£1	29/25	29/25	29/00								
East Indian	10	10	..	10	22/44	22/44	25/62	Samla	10	..	..	10	8/00	8/00	10/03
Equitable P.	15	15	..	10	13/25	13/25	13/50	Searsole	Nil	Nil	Nil	10	1/25	1/25	1/94
Ghusick & Muslia	Nil	Nil	Nil	10	2/47	2/47	2/03	Seepore P.	42 6/7	42 6/7	35 5/7	7	34/75	34/75	45/00
Guzdar Kajora	..	..	..	10	5/44	5/44	8/12	Sendra	5	3½	..	10	5/00	5/00	5/00
Hurriladhi	..	..	..	10	..	..	..	South Karanpura	2½	Nil	Nil-2½*	10	7/62	7/62	7/87
								Standard	15	10	..	10	10/44	10/44	16/00
Karanpura Development	5	5	..	100	10/12	10/19	11/00								
Karanpura Collieries P.	7½	10	10	10	13/50	13/50	16/00	Union	..	..	..	10	10/25	10/25	10/37
Katras Jheriah	95	40	25-30*	10	32/00	32/00	48/75	Western Bengal	6	7½	9	10	8/69	8/62	8/75
Khas Kajora P.	..	..	..	10	17/62	17/62	18/70	West Jamuria	Nil	Nil	..	10	4/00	4/00	4/12

* 1963

COTTON MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		8-4-64	31-3-64	A year ago		1960	1961	1962		8-4-64	31-3-64	A year ago
Basant P.	..	..	..	10	13/50	13/50	12/75	Elgin P.	11½	17½	17½-17½*	10	21/75	21/75	20/69
Bengal Luxmi	..	..	..	10	30/00	30/00	28/00	J. K. Cotton (Rayon) P.	12½	10	..	10	11/75	12/00	12/50
Bengal Nagpur P.	Nil	..	..	10	2/44	2/44	3/00	Jay Shree	10	10	..	10	15/25	15/62	14/81
Bharat Commerce	6	15	15	10	21/62	22/31	20/75	Muir P.	..	..	..	100	63/00	60/00	135/00
Birla Cotton	10	20	20	10	27/00	27/00	26/75	New Victoria P.	Nil	..	..	2½	1/28	1/41	1/62
Boreah P.	10	20	15	10	23/25	23/00	21/44	Orissa Textile P.	Nil	Nil	..	10	4/75	4/75	9/00
Cawnpore Textiles	7-1/5	10	10	5	6/50	6/47	6/25	Rampoor Cotton	Nil	Nil	Nil	1	3/00	3/00	12/00
Delhi Cloth & Genl. P.	12	13	13-13*	25	45/69	45/81	45/87	Swadeshi (Kanpur) P.	5.51	..	..	100	11/00	11/00	11/50
Dunbar	20	20	15	10	29/00	29/00	26/87								

* 1963

BOMBAY COTTON MILLS

NAMES OF MILLS	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		7-4-64	31-3-64	A year ago		1960	1961	1962		7-4-64	31-3-64	A year ago
	Ra	Ra	Ra		Ra	Ra	Ra		Ra	Ra	Ra		Ra	Ra	Ra
Ahmedabad Advance P.	16	12	..	100	139/50	139/50	170/00	Indian	23 1/5	25	..	250	882/50	875/00	761/25
Apollo	Nil	Nil	..	2	1/72	1/72	1/94	Indore Malwa United	32	16	..	100	207/50	210/00	185/00
Baharilal Ramcharan	Nil	Nil	..	25	130/00	138/00	82/50	Khatas Makanji P.	15	18	..	100	181/25	187/50	355/00
Bombay Dyeing, etc.	14	14	14	25	60/20	60/50	63/50	Koninor	5.7	6	Nil	100	334/00	338/00	281/00
Bradbury P.	10	25	..	100	151/00	151/00	150/00	Lakshmi Vishnu P.	21 1/2	24	24-20*	100	100/00	100/00	107/50
Century	30	30	..	100	615/20	616/50	475/00	Morarjee Goudaldas P.	14	14	..	50	376/00	379/00	450/00
Central India P.	Nil	Nil	Nil-Nil*	100	91/00	92/00	105/00	Myarjee Spg & Mfg P.	14	24	..	50	42/00	41/00	46/00
Coorla	11	11	..	100	162/00	160/25	142/00	New City of Bombay	Nil	Nil	..	100	188/75	188/75	142/50
Dawn	30	30	..	100	154/00	154/00	150/00	New Great Eastern P.	Nil	12	..	100	178/00	178/00	270/00
Edward Textiles	30	30	..	100	280/00	280/00	325/00	Phoenix	15	20	..	100	222/50	223/00	246/00
Elphinstone P.	18	22	18	50	96/00	95/50	93/00	Sassoon & Alliance	17	20	10	10	38/50	39/25	43/75
Finlay	23	23	..	100	309/00	308/00	325/00	Sassoon Spinning	15	Nil	22-16*	50	120/00	130/00	128/50
Gokak	14	18	..	100	131/50	182/00	174/00	Simplex	18	20	14	100	253/00	250/00	220/00
Hindustan	50	50	..	250	950/00	950/00	810/00	Shree Niwas P.	17	19	17	100	246/50	248/00	248/00
India United	8	14	..	100	21/24	21/24	22/60	Sureshji P.	36	21 3/5	..	100	267/00	267/00	300/00
	13 1/2	37 1/2	..	100	2/54	2/56	2/56	Swan	20	22	20	25	56/50	57/00	57/00
								Tata	46 2/5	25	..	250	850/00	847/00	760/00
								Western India							

MISCELLANEOUS COMPANIES—Contd.

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			A year ago	NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			A year ago
	1980	1961	1962		Rs.	8-4-64	31-3-64			Rs.	1960	1961		1962	Rs.	8-4-64		31-3-64	Rs.
ENGINEERING & METAL																	
Arthur Butler (Muzafferpore) P.	Nil	Nil	10	10	21/25	21/25	14/50	J. K. Synthetics		3	Nil-10*	10	11/62	11/50	10/62		
Bharati Electric Steel	10	10	12½	10	14/75	14/75	13/19			50	2/75	2/75	2/75				
Braithwaite India	25	25	14	10	32/50	32/50	33/06	James Wright P.		1Dd	00/43	00/43	00/43				
Bridge & Roof	30	30	30	10	52/25	52/25	52/25			7	6-7*	100	75/00	76/50	75/00		
Britannia Building & Iron P.	Nil	Nil	Nil	10	3/20	3/20	3/85	Jardine Henderson Ltd. P.		14	12½	10	15/00	15/06	14/75		
Britannia Engineering P.	10	10	10	10	9/94	9/87	9/56	Jay Shree Industries P.		5	12	12-13*	10	26/06	26/37	20/25	
British India Electric Cons.	45	20	15	10	28/12	28/12	33/12	Kesoram Industries P.				50	5/69	6/19	7/00		
Burn P (Engineering)	28½	28½	28½-25*	100	290/00	292/00	438/00					1Dd	1/94	1/94	2/37		
Calcutta Steel	15	15	15-12½*	10	14/00	13/87	13/69	Macfarlane & Co.		8	8	7½	100	95/00	95/00	93/50	
Dalmia Iron	20	10	10-10*	10	11/06	11/75	10/87	Macneil & Barry Ltd. P.		2½	2½	25-25*	10	25/81	27/87	23/75	
Guest, Keen, Williams	16	14	14	10	24/87	25/06	30/69	Martin Burn Ltd. P.		15	15	18	1000	206/00	206/00	210/30	
Hooghly Docking	Nil	Nil	12½	50	101/00	101/00	102/00										
Indian Iron & Steel P.	15	16	16-16*	10	24/68	24/72	20/10	McLeod & Co. P.		25	25	19	10	29/75	30/62	42/00	
Indian Malleable Casting	Nil	**	**	50	6/00	6/00	6/00	Metal Box Co. of India Ltd. P.		25	25	25-18*	10	22/37	22/44	24/37	
Indian Standard Wagon P.	28½	28½	28½-20*	10d	2/06	2/06	2/50	National Insulated Cable P.		20	20	20	10	28/12	28/12	27/06	
Indian Steel & Wire Products	23	24	23-28*	100	33/50	33/50	49/00	National Pipe & Tubes P.		13	15	13-15*	10	18/94	19/03	18/50	
Industrial Containers	Nil	10	10	10	20/00	20/00	22/00	National Rolling & Steel Ropes		Nil	6½	8	10	12/56	12/56	10/75	
Jay Engineering	17 3/20	17 3/20	15-10*	10	19/75	19/62	24/25	National Rubber P.		18	7	7	10	12/06	13/62	10/62	
J. K. Steel P.	20	20	10	10	15/94	16/31	15/25	National Tobacco P.		8.7	**	**	75	65/00	65/00	65/00	
Jessop & Co. P.	8.58	8.58	8.58	10	23/12	23/12	22/25	New India Investment Corpn		10	7½	7½	100	**	**	**	
Kumardhubi Engineering P.	10	11½	15	3	5/44	5/20	6/87	Octavius Steel P.		12	12	13	10	26/87	26/65	26/25	
Marshall Sons (India)	Nil	Nil	Nil	2	2/72	2/34	2/75	Philips India		4	75	75-10*	10	22/62	22/62	26/19	
National Iron and Steel	Nil	Nil	Nil	10	5/84	5/87	4/12	Publicity Society		4	8½	8½-10*	10	118/00	119/50	130/00	
Saran Engineering	8½	10	12½-10*	10	7/12	8/12	8/00	Rallis India P.		20	10	8-9*	10	11/94	11/94	11/31	
Steel Containers	30	20	20	10	28/12	28/12	19/75	Rentha Industries P.		Nil	**	**	10	7/87	7/87	8/06	
Textile Machinery	10	10	**	10	28/00	28/00	20/95	Sirsilk P.		8	8	10	14/94	14/94	14/00		
								Sen-Raleigh Industries P.		15	15	7½	10	16/87	16/87	17/06	
								Snow Wallace P.		2½	2½	2	10	1/25	1/25	0/94	
								Spencer's Hotel		18	18	12½	10	30/25	30/25	29/00	
								Union Carbide		30	20	**	1PO	2/69	2/69	2/25	
								Walford Transport		20	30	**	1O	3/37	3/44	3/37	
SUGAR BREWERIES ETC.																	
Balrampur Sugar	8	8	4-Nil*	2½	1/85	1/85	2/19			20	20	20	5	10/25	10/25	10/25	
Belsund Sugar	18½	10	6/2/3	7½	7/50	7/50	8/50	Hercules		22½	28½	28½	8	23/50	23/50	25/00	
Bharat Sugar P.	15	15	15-15*	10	16/00	16/00	13/00	Ruby General		10	13½	15½	10	10/37	10/37	9/06	
Carew (Sugar) P.	Nil	Nil	Nil	10	12/19	12/75	13/50	Standard General		45	50	50	25	6/12	6/12	6/00	
Chawnpore Sugar P.	Nil	Nil	Nil	10	9/75	9/75	10/62	Triton						130/00	130/00	132/00	
Champaran Sugar	15	12	Nil-Nil*	10	11/00	12/62	15/87										
Durbhanga	4	Nil	6	10	9/87	9/87	7/25	Concord of India		20	20	20	5	10/25	10/25	10/25	
New Saven Sugar and Gur	**	**	**	10	4/50	4/50	5/62	Hercules		22½	28½	28½	8	23/50	23/50	25/00	
Purtabpur Sugar P.	**	**	**	10	10/81	10/81	11/50	Ruby General		10	13½	15½	10	10/37	10/37	9/06	
Ramnugger Cane & Sugar P.	30	35	30-15*	10	29/31	29/31	30/37	Standard General		45	50	50	25	6/12	6/12	6/00	
Raza Buland	12½	10	10-10*	10	10/37	10/37	9/50	Triton						130/00	130/00	132/00	
Ryam Sugar P.	**	**	**	10	4/50	4/60	5/75										
Samastipur Central Sugar	**	**	**	10	3/75	3/75	5/62	Concord of India		20	20	20	5	10/25	10/25	10/25	
Shree Krishna Gynodaya Sugar P.	15	**	**	10	7/87	7/25	7/00	Hercules		22½	28½	28½	8	23/50	23/50	25/00	
Shree Sitaram Sugar	**	Nil	Nil-Nil*	10	7/12	7/12	7/12	Bengal		40	25	25	10	34/12	34/12	34/25	
Sitalpore Sugar	4	Nil	Nil-Nil*	10	3/69	3/69	6/12	Delhi P.		**	**	**	10	14/00	14/00	14/00	
								Ganesh P.					12½	12/75	13/75	15/75	
								United		15	Nil	Nil	10	19/75	19/75	19/75	
								Hooghly		35	10	7½	10	37/81	27/81	30/00	
United Provinces	15	5	Nil	10	11/25	11/25	10/62	United									
Upper Ganges Sugar P.	72½	72½	72½	10	60/25	60/00	60/00										
MISCELLANEOUS																	
A Firpo (Restaurateur)	7½	10½	5	10	5/90	5/90	5/90	Attock Oil		13½	13½	13½	£1	sh. 34/1½	sh. 35/10½	sh. 32/9	
Aluminium Corporation P.	12	12	12-5*	10	12/06	12/37	13/12	Burmah Oil P.		9-2/5	**	**	£1	sh. 69/44	sh. 69/8	sh. 49/6	
Anderson Wright Ltd. P.	11½	Nil	6	10	11/50	11/50	11/50	Indo Burmah Petroleum P.		30	25	22½	30	21/37	21/37	23/00	
Angele Bros.	25	28½	28-28*	10	23/62	23/44	21/75	Tide Water Oil		30	35	35	10	33/19	33/19	26/75	
Assam Match	18	20	3	10	26/37	27/75	28/75										
Assam Saw Mills & Timber	Nil	Nil	3	3	2/44	2/41	2/50	PAPER MILLS									
Associated Battery	25	15	15-15*	10	23/81	23/75	24/44	Bengal P.		32	27½	20	10	27/00	27/25	28/75	
Associated Hotels of India P.	Nil	10	10-15*	10	10/31	10/31	10/31	Aluminium Paper Pulp		15	13	12-15*	10	19/06	19/06	18/12	
Balmer Lawrie & Co.	25	25	25	100	258/00	261/00	257/00	Orient Paper P.		22½	22½	22½-20*	10	37/25	37/25	31/95	
Bararee Coke	Nil	Nil	15-15*	10	21/56	21/56	24/00	Shree Gopal Paper P.		17-6/7	17-6/7	17-5/7*	10	21/94	25/12	21/50	
Birds Investments P.	9½	10	10	10	10/44	10/44	10/00	Sirpur P.		6½	8½	8½-5*	10	11/90	12/50	11/44	
Britannia Biscuit P.	25	30	25-21*	10	50/25	50/25	33/87	Star Paper P.		Nil	Nil	Nil	10	8/37	9/12	10/06	
British India Corporation P.	4	7	9	5	9/37	9/03	9/15										
British Palms	12½	15	10	10	21/31	21/31	20/50	Titagbur P.		10	13	13-13*	2½PO	3/31	3/31	3/78	
Calcutta Silk Manufacturing P.	Nil	Nil	**	10	6/94	6/94	7/15	West Coast P.		25	20	10-10*	10AO	14/87	15/50	16/25	
Clive Row Investment	8	7½	14	100	8/44	8/37	8/19			25	20	10-10*	10BO	14/87	15/50	16/25	
Duncan Brothers & Co. Ltd. P.	14	14	14	100	131/00	131/00	135/00			6	7½	**	100	158/00	158/00	160/50	
Dunlop Rubber Co. (India) P.	21½	20	15	10	36/12	36/50	32/12	PRESSING COMPANY									
Dyer Meakin (Breweries)	25	30	25-21*	10	31/25	31/25	28/50	Camperdown		11	11	**	100	100/00	100/00	104/00	
Eastern Investments Ltd. P.	14	14	12-10*	100	107/00	107/00	128/00										
Electric Construction	10	10	10-10*	10	12/69	12/62	12/62										
French Motor Car	20	20	**	20	31/75	31/75	35/12	REAL PROPERTY STORAGE									
Ganges Rope	17½	20	20	100	236/00	236/00	236/00	Bengal Bonded Warehouse		11	8	8-9*	A500	995/00	995/00	1,050/00	
General Investments Trust P.	5	5	5-5*	75	43/00	43/00	43/00						B82½	125/00	125/00	135/00	
Gillanders Arbuthnot & Co. Ltd. P.	10	11	11-11*	10	14/69	14/06	13/81	Calcutta Safe Deposit					C100	186/00	186/00	122/00	
Gladstone Lyall & Co. Ltd. P.	42/5	40	30	10	28/12	28/12	33/25						C100½	125/00	125/00	14/15	
Godfrey Phillips (India) Ltd. P.	40	40	30	250	236/00	236/00	241/00	Humayan Properties P.		6	**	**	100	11/00	11/00	11/00	
Great Eastern Hotel	9	6	**	10	12/62	12/87	13/50	Midnapore Zemindary P.		Nil	Nil	Nil-Nil*	85	18/50	19/50	9/25	
Hindustan Aluminium P.	Nil	**	**	10	18/31	18/37	16/08						1Dd	2/10	2/10	2/10	
Hindustan Motors P.	9	12	12½-11½*	10	14/00	14/00	17/87										
Hindusthan Pilkington	Nil	Nil	Nil-Nil*	10	12/31	12/75	14/25	FRAMWAYS & STEAMER									
Hindusthan Rywytors P.	Nil	Nil	Nil-Nil*	10	5/50	5/50	5/75	Bengal Assam Steamship P.		7½	7½	22	100	128/00	128/00	106/00	
Isaac Holdens	6	6	9-8*	10	9/69	9/75	10/69	Calcutta Landing & Shipping		3½	7½	22	10	19/81	34/00	30/00	
Imperial Tobacco	8	9	17½	10	31/94	31/62	31/06	Calcutta Steam Navigation		10	Nil	Nil	10	8/87	8/87	11/00	
Indian Aluminium Co. Ltd. P.	15	15	22½-22½*	10	35/75	36/19	32/00	Calcutta Tramways P.		Nil	**	**	£1	10/62	10/62	11/06	
Indian Cable P.	22½	22½	12-12*	10	25/37	26/50	26/75	Fraser		Nil	**	**	10	8/94	8/94	10/00	
Indian Oxygen	15	15	12-12*	10													

* 1963

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until				NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			
	1960	1961	1962		Rs.	Ra.	Rs.	Ra.		1960	1961	1962		Rs.	Ra.	Rs.	Ra.
MININGS																	
Burma Mines	23/3	Nil	Nil	3½S	0/44	0/44	0/44	Alkali & Chemical Corpn. of (1)	12	15	15—15*	10	30/12	30/37	29/25		
Chrestien Mica Industries P.	15	12½	..	100	10/44	10/44	9/85	Bathgate & Co. Ltd P.	Nil	Nil	..	5	0/84	0/84	0/84		
Indian Copper Corporation	25	20	..	5Dd	6/87	6/87	8/85	Balchem Chemical & Pharm. P.	7	10	..	100	99/00	98/00	98/00		
Metal Corporation P.	27	27	..	2	3/45	3/48	4/21	Calcutta Chemical P.	18	18	18	10	18/69	18/69	18/00		
Orissa Mineral Development	Nil	..	..	100	7/31	7/47	7/69	Frank Ross P.	..	..	..	6	3/19	3/19	3/25		
	36	28	20	10	22/12	22/12	25/00	Smith Stanstreet P.	25	25	25-22½*	5	13/50	13/50	13/37		
CHEMICAL INDUSTRIES																	
ELECTRIC LIGHTING, POWERS																	
CEMENT, LIME, SLATE, ETC.																	
Ashoka Cement	7	7	7—7*	10	6/87	7/06	7/00	Agra Electric Supply	11	11	11	100	125/00	125/00	120/00		
Assam Bengal Cement	..	..	..	100	4/00	4/00	3/03	Bareilly Electric Supply	11	11	11	10	11/87	11/81	14/37		
Bengal Potteries	15	..	..	1Dd	0/50	0/50	0/69	Benares Electric Supply	11	11	11	10	11/81	12/25	12/44		
Bisra Stone Lime	30	30	10	2d	4/56	4/56	5/88	Bhagalpur Electric Supply	8	8	8	8	6/25	6/25	6/00		
				..	20/25	19/75	35/00	Calcutta Electric Supply	7	7½	7½	£1	14/06	14/06	14/12		
Dalmia Cement (Bharat) P.	12	12	12	100	13/37	13/12	12/87	Cuttack Electric Supply	10	10	10	100	88/00	88/00	88/00		
				1Dd	2/81	2/81	2/15	Disargarb Power Supply P.	10	10	10	100	86/00	86/00	86/00		
Jaipur Udyog P.	6	8	8.36	10	11/37	11/69	10/75	Jhansu Electric Supply	..	..	..	10	5/90	5/90	5/90		
Kumardhubi Fireclay & Silica P.	18	18	18	10	18/45	18/45	18/45	Jubbulpore Electric Supply	10	10	10	10	11/87	11/87	11/25		
Orissa Cement P.	15	15	10	10	13/75	13/75	14/75	Mirzapur Electric Supply	..	..	..	7/50	7/50	7/50			
Reliance Firebricks & Pottery	22	15	10	10	22/75	22/75	22/75	Muzafferpore Electric Supply	12½	12½	12½	10	11/19	11/19	11/25		
Sone Valley Portland Cement	4	6	8	10	4/16	4/25	4/50	Muttra Electric Supply	10	10	10	10	11/06	11/06	11/12		
Sutna Stone & Lime	27½	30	35	10	28/31	28/31	35/00	Patna Electric Supply	10	10	10	10	10/12	10/12	10/48		
								Shahahanpur Electric P.	6½	6½	6½	10	6/75	6/75	6/87		
								Sijua (Jherriah) Electric	10	9	9	10	8/50	8/50	7/25		
								United Provinces Electric	11	11	11	100	154/00	156/00	119/00		
								Upper Jumna Valley Electric	13½	13½	13½	11	21/19	21/19	14/06		

SOUTH INDIA PLANTATION COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		6-4-64	31-3-64	A year ago		1959	1960	1961		6-4-64	31-3-64	A year ago
Amalgamated P.	7½	10	..	10	10/01	10/01	10/36	Malankara	16	15	..	10	16/50	16/50	15/92
Anandam P.	15	15	..	10	14/19	14/19	15/24	Midland Rub & Prod. P.	10	12½	12½	10	11/20	11/50	10/37
Athimattam	Nil	Nil	..	2	1/20	1/20	0/80	Nilgiri P.	5	8	..	10	9/12	9/12	8/90
Balanoor P.	15	15	12	10	12/37	12/37	12/91	Nonsuch	20	20	20	10	23/00	23/00	22/15
Balmadies P.	7½	7½	..	2	1/80	1/80	1/90	Osoor	15	15	..	2	2/50	2/50	2/71
Be Be P.	5	Nil	..	5	2/35	2/46	2/15	Ouchterlony	15	13	12	2	4/00	4/40	4/35
Blue Mountain	12½	12½	10-10*	2	2/43	2/41	2/56	Parkside Neilgherry	27½	27½	22½-27½*	10	26/33	26/33	24/00
Chembr Peak	15	20	20-20*	2	4/65	4/65	3/51	Peermade P.	22½	22½	25	10	20/62	20/62	22/50
Cochin Malabar P.	15	17½	20-20*	3	6/45	6/40	6/00	Peninsular	20	20	..	10	21/25	21/25	20/10
Coffee Lands P.	25	6	..	10	16/62	16/62	12/75	Periakaramalai	12½	13½	20-12½*	2	3/44	3/44	3/05
Consolidated Coffee P.	25	20	..	10	21/25	20/85	16/25	Rajagiri Rub. & Prod. P.	20	20	..	10	21/25	21/25	18/70
Coonor P.	20	17½	13-17½*	10	18/37	18/37	19/25	Rajendra P.	50	25	..	5	10/42	10/42	9/80
								Swinton	7½	..	..	2	2/68	2/68	2/82
Coorg P.	20	20	..	2	4/85	4/85	3/98								
Cottanad Plantation P.	15	10	..	10	9/60	9/60	9/31	Teekoy P.	6	Nil	..	10	6/60	6/60	5/03
Devashola (Nilgiri)	25	20	..	10	24/08	24/08	24/92	Thirumbadi	7	7	12	1	1/90	1/95	1/54
Devon P.	15	15	12	10	11/96	11/96	12/66	Travancore Rubber	10	13	..	10	12/00	12/00	10/95
Emerald Valley	8	10	..	2	6/10	6/10	5/06	Travancore Rub. & Tea P.	7½	8	10	10	9/90	10/20	9/00
Gokul	9	10	..	2	2/00	2/00	1/90	Tropical Plantations	8	8	..	25	21/00	21/00	19/75
Haileyburia P.	12½	15	..	10	12/90	12/90	12/62	Twyfords	10	10	..	10	8/55	8/55	9/10
Kailas	20	22½	..	2	5/97	5/95	5/30	United Nilgiri	19½	21	22	10	23/22	23/22	20/34
Kalasa Tea Produce	15	20	25	2	4/10	4/10	3/45	Vaikundam	25	30	..	10	35/10	35/10	29/45
Kil Kotagiri P.	35	25	25	2	4/75	4/80	5/15	Waterfall Estates P.	12½	12½	10-10*	2	2/36	2/36	2/25
Lucky Valley	10	10	10	10	12/00	12/50	11/00	Woodland P.	5	10	..	10	6/90	6/90	7/85

† Kgs.

* 1962

SOUTH INDIA COTTON MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		6-4-64	31-3-64	A year ago		1959	1960	1961		6-4-64	31-3-64	A year ago
Bangalore W. C. Silk P.	10	10	18	100	273/00	270/00	230/00	Lakshmi	12	20	30-25*	50	134/50	134/50	137/00
Buckingham & Carnatic P.	10	10	18	100	285/00	285/00	262/00								
Cambodia P.	Nil	9	10	10	9/35	9/35	13/00	Madura	12½	15	15	15	33/56	35/30	28/25
Coimbatore Cotton	6	12	16	100	167/00	167/00	171/70	Mettur Industries	25	30	30-22½*	100	286/00	286/00	324/00
Coimbatore Spg. & Wvg.	..	..	..	50	115/50	115/50	68/00	Palani Andavar P.	16	20	..	100	202/75	202/75	215/00
Kothari Textiles P.	..	..	8	10	9/35	9/35	10/55	Vasanta P.					255/00	255/00	276/00

* 1962

SOUTH INDIA SUGAR MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		6-4-64	31-3-64	A year ago		1959	1960	1961		6-4-64	31-3-64	A year ago
Andhra P.	20	..	..	10	14/75	14/75	18/20	K. C. P.	15	..	..	10	24/00	24/00	25/07
Cauvery P.	Nil	6	8	100	100/00	100/00	99/00	Kothari	..	Nil	Nil-Nil*	10	6/90	6/90	7/07
Deccan Sugar	25½	25½	12-18*	5	11/85	11/90	9/50	Mysore	30	30	30-30*	10	44/65	44/65	51/30
E.I.D.—Parry	28 4/7	21 3/7	21 3/7-28 3/7*	£1	36/65	35/75	38/17	Travancore P.	10	10	..	10	7/45	7/45	6/85
Indian Sugar P.	12½	14	10-8*	10	10/00	10/00	10/25	United Breweries	60	60	60-25*	10	33/00	33/00	95/00
Jeyapore P.	10	8	..	10	14/68	14/68	15/00								

* 1962

SOUTH INDIA MISCELLANEOUS COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1959	1960	1961		6-4-64	31-3-64	A year ago		1959	1960	1961		6-4-64	31-3-64	A year ago
Aluminium Industries	12½	18	..	10	21/25	19/80	20/37	Mysore Chemical Mfgs. P.	20	20	..	10	16/70	16/70	18/28
Andhra Cement P.	10	10	10	10	10/10	10/10	9/75	Mysore Lamp P.	16	20	..	10	30/00	30/00	34/10
Ashok Leyland	8	8	..	5	6/97	6/95	7/85	Mysore Paper	12½	15	15	10	12/40	12/40	13/50
Binny	10	12½	..	100	282/00	292/00	327/17	Mysore Tobacco	12½	10	..	10	12/00	12/00	8/25
Brunton & Co.	Nil	..	..	10	5/00	5/00	5/30	Parrys Cont.	20	30	..	1	3/20	3/31	3/44
Enfield P.	5	5	..	10	10/62	10/50	9/25	Spencer (Provisions)	18	18	18-18*	10	22/37	22/37	22/50
India Cement P.	9	11	9-12*	5	5/68	5/65	6/20	Standard Motors P.	9	9	..	10	10/17	10/10	16/13
Indian Steel Rolling P.	7	..	..	10	9/95	9/95	10/50	I. Stanes P.	27½	32½	..	10	26/70	26/70	29/05
Mettur Chemical Industrial P.	8½	12½	12½-13½*	10	13/30	13/65	12/87	Textool	15	15	..	100	142/50	142/50	157/00
Mysore Chem. & Fert.	5	10	10	10	7/90	7/95	9/75	Tube Investments	10	10	10	100	210/00	214/00	235/00

* 1962

LIGHT RAILWAY AND OPEWAY COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		8-4-64	31-3-64	A year ago		1959	1960	1961		8-4-64	31-3-64	A year ago
Ahmedpur Katwa	1.90	1.90	1.75	100	24/87	24/87	29/00	Darjeeling Ropeway	..	..	..	10	8/50	8/50	8/00
Arrah Sasaram	5	5	5	100	31/62	29/12	27/00	Dehri Rohtas	17	20	15	10	12/50	12/50	13/75
Bankura Damodar	1.90	1.90	1.75	100	24/87	24/87	29/50	Putwan Islampur	1.90	1.90	1.90	100	28/7	28/7	28/70
Burdwan Cutwa	1.90	1.90	1.75	100	24/87	24/87	29/50	Howrah Amta (P)	6	8	4½	100	34/00	34/00	46/00
Chaparmukh-Silghat	2.90	2.90	2.80	100	35/00	35/00	35/00	Katakhal Lala Bazar	3.50	3.10	1.90	100	39/00	39/00	45/00
Cherra Chhatrak Ropeway	9	12	12	5	4/62	4/62	5/75	Shahdara (Delhi)	0	3	..	100	52/00	52/00	50/00

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& COMPANY LIMITED
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CAPITAL

A Weekly Journal of Commerce, Industry and Finance

WITH WHICH IS INCORPORATED

THE INDIAN FINANCIAL REVIEW

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76th YEAR OF ISSUE

CALCUTTA, 16th APRIL, 1964.

Vol. CLII 3804

CONTENTS

Editorials	
Stock Market Reform: Some Perfume for the Corpse	577
Heavy Engineering Bungle	578
Loosening Trade Bonds	579
Marketing Board for Sugar	579
West Bengal Power Shortage	579
Current News and Comment	580-582
Reorganising the Planning Commission	
Cloth Exports Pick Up	
Foreign-controlled Rupee Companies	
S.T.C.: The Expanding Leviathan	
Black Pepper Export Prospects	
Improving Banking Techniques	
Industrial Engineering Lags	
A Ditcher's Diary	583
Guide for Investors	585-92
Steel Shares Depressed Despite Higher Production	
Asian Cables	
Bengal Assam Steamship	
Bijoynagar Tea	
Binny	
Central Bank	
Coimbatore Cotton	
Eso Standard Eastern	
Guest, Keen, Williams	
Hindustan Aluminium	
Hindustan Polymers	
Hindustan-Pilkington Glass	
Mim Tea	
Modi Industries	
National Jute	
National Rubber	
Ouchterlony Valley	
Sankey Wheels	
Scottish Indian Machine Tools	
S.F. Products	
Shreenivas Cotton	
Singareni Collieries	
Sivanandha Mills	
Soorah Jute Mills	
Swastik Rubber	
Tide Water Oil	
New Capital Issues	
The Stock Markets	593
Special Articles	
I.B.A. Chairman Surveys Banking Progress	596
The Need to Limit the Number of Holidays in India	605
Balance-sheets	
Central Bank	598
Indian Bank	605
Chairmen's Statements	
National Rubber Manufacturers	600
United Commercial Bank	602
Newsletters	
New Delhi	607
London	611
Sections	
Money	597
Jute	613
Commodity Markets	615

STOCK MARKET REFORM: SOME PERFUME FOR THE CORPSE

SHARE prices in the stock markets have dropped sharply since the Central Budget for 1964-65 was presented by the Finance Minister, Mr. T. T. Krishnamachari, on the last day of February. The first reaction to the Budget was a mixture of anxiety and hope. But, subsequently, investors have found that many of the tax proposals are likely to be highly damaging for companies in general, and for the stock markets in particular. The first proposal which has worried investors is the one for levying a tax of 7½ percent on the amounts distributed as ordinary dividends; it is feared that, with this levy, it will be difficult to maintain, let alone increase, the returns on equity capital. Secondly, the idea of imposing a capital gains tax on shareholders who receive bonus shares, is considered extremely unjust—especially since the tax is to be imposed regardless of whether or not the capital gains are actually realised. The move, it is feared, will compel shareholders to reject any proposals for bonus issues which their companies might wish to make: in that way, the growth prospects for equities will suffer. Thirdly, it appears that the tax burden on many companies, described as those in which "the public are not substantially interested", has been greatly increased: in this group, it is said, fall many highly efficient and well managed concerns whose shares have long been considered as blue chips in the markets. Fourthly, among the worst features of the taxation proposals is the fact that many of them take effect retrospectively. It is extremely unjust to penalise shareholders or taxpayers for decisions which they took during the past year and which they now find are going to increase their tax liabilities sharply.

Perhaps the best index to the state of the stock markets is to be found in the fact that not only have the older shares dropped substantially, but the fall in the newer ones has been even sharper. A large proportion of the shares issued by new companies in recent years are now quoted below par. Most of the new issues floated since the Budget was presented have proved far from successful: even after the use of special "persuasion" to secure subscriptions, a substantial proportion of such issues have been left in the hands of the underwriters. While investors and speculators have stayed out of the markets, some support has been forthcoming from the Life Insurance Corporation and the Unit Trust of India. Nevertheless, the downward trend has continued because, with the lack of buyers, even small offers tend to reduce prices disproportionately. Not for a long time has the turnover been as poor as in recent weeks. The business has centred mainly on clearing shares, and in that section too operators have been inclined to take their profits at the first opportunity.

Although the stock markets are nearly dead, it is some consolation perhaps to find that ways are meanwhile being devised to perfume the corpse by improving their mechanism and their basic structure. Of particular interest in this context are the directions issued to the stock exchanges

by the Stock Exchange Division of the Department of Economic Affairs in the Central Finance Ministry. The purpose of the proposals

holders well in time, their transit to the company concerned may be delayed by factors beyond the control of the shareholders. Although most of listed companies generally exercise their discretion and take steps to transfer shares provided the transferees co-operate and complete all formalities, it has been recommended that listed companies should take as sympathetic a view as possible in this matter in order to ensure that bona fide investors do not suffer.

In recent years, the ownership of companies has tended to broaden, and shareholders are often widely dispersed all over the country. But some companies issue dividend warrants which are payable only in particular centres, so collection commission has to be paid by shareholders who do not live in such centres. This tends to discriminate between investors residing in different parts of the country. Listed companies have, therefore, rightly been asked to make their dividend warrants encashable at as many centres as practicable. It has also been recommended that listed companies should announce their dividends before the actual closure of their transfer books. There is at present generally a time-lag between the commencement of the closure of books and the announcement of the dividends. The delay gives rise to unnecessary difficulties and complications when shares are delivered in the market after the closure of the transfer books; they have to be settled on an ex-dividend basis since the cum-dividend buyers cannot register the shares in their names in time to get the dividend direct from the company.

Under the by-laws of the stock exchanges, a provisional deduction is made from the purchase price on the basis of the last dividend declared by the company in case the new dividend is not known before the closure of books. When the dividend is actually announced, and if it is different from the last dividend, the difference is adjusted between buyers and sellers. Apart from the unnecessary clerical work involved, the differences have to be recovered, and there is a risk that the buyer or the seller may refuse or become unable to pay the difference he owes. If the dividends are announced before the closure of the transfer books, the difficulties can be surmounted. Furthermore, listed companies are required to give the stock exchanges information concerning dividends, bonus and rights shares, etcetera, immediately after any decision has been taken by the directors. The idea is to prevent anybody from taking undue advantage of prior information. Companies, therefore, need to bear in mind that such information should be communicated to the stock markets during business hours.

Last, but not least, is the recommendation of the Stock Exchange Division that listed companies should issue periodical progress reports to keep their shareholders informed of the latest developments. If information concerning production, output, sales, labour relations, expansion programmes and similar matters is released to shareholders from time to time, it will help them to make sound investment decisions. It will also help promote a closer relationship between shareholders and their companies. One important reason why shareholders do not take much interest in their companies is that they are often not told about significant developments. A common practice in this country is to give shareholders flimsy information once a year through the medium of a directors' report submitted along with the annual accounts of the company. The two private steel companies issue monthly figures for production and despatches, and many plantation companies issue periodic reports. Other companies cannot have any special difficulty in communicating similar information through frequent reports. It is a poor defence to say that the disclosure of information will help trade rivals. The publication of periodic and detailed reports is obligatory for listed companies in the U.S.A. In other progressive countries too, managements consider it a duty to keep their shareholders informed about the latest developments in their companies.

Presiding at the annual general meeting of the Calcutta Stock Exchange Association recently, Mr. C. L. Jhunjhunwala mentioned the various measures which have been adopted to educate the members of the Calcutta Stock Exchange in in-

vestment matters through the medium of publications and study circles. In spite of these welcome efforts, it is generally felt that the investing public does not receive advice and service of the quality expected of the members of the stock market. It is time greater attention were paid to improving the public image of the members. The authorities could evolve a regular educational course which members of the exchanges would have to undergo. The need for education and training has become greater since investment problems became more and more complicated.

HEAVY ENGINEERING BUNGLE

TO build a heavy engineering industry may seem a sound idea in a country which hopes one day to become "the workshop of the East". But leaving export ambitions apart, India's own internal requirements are growing so rapidly that indigenous manufacture is both necessary and economically feasible in several directions. Machinery and equipment already account for a third of the import bill. As industrial growth gathers momentum, the demand for capital goods will inevitably increase; this will throw a heavy burden on the balance of payments unless some part of the rising demand can be met from within the country. The logic of India's import-saving strategy of development thus is broadly accepted. No country, least of all one that has barely started on the long road to industrial maturity, can aim at self-sufficiency in technology and, by inference, in capital equipment. To do so would deny it one of the major advantages of a late start by cutting it off from the progress being made in the world outside.

In this light, the decision made at the start of the second plan to set up a chain of heavy engineering units was essentially sound. The Government invited two missions—one from Russia and the other from Britain—to help formulate a broad plan. The British mission, guided admittedly by the traditions of the U.K. engineering industries, proposed four units to do the job that the Russians wanted done in one plant. Both missions proposed separate units for coalmining machinery, with Russia suggesting a considerably larger unit than the British had in view. A technical committee of eminent Indian engineers, headed by Sir Jehangir Ghandy, came out strongly in favour of accepting the British proposal, but New Delhi thought it knew better. It rejected the recommendation and decided to accept the Russian scheme. The reasons were never explained, but presumably the Russian emphasis on forcing the pace of industrial development appealed to the Indian policy-makers. They forgot, however, to take into account the entirely different circumstances of India in the mid-fifties from those of Russia in the mid-thirties.

But worse was still to come. India decided to go one better than her mentor. The Russian mission specifically recommended that the heavy machine-building plant should confine itself to an initial capacity of 45,000 tons and go beyond it only when production had been fully and firmly established. The original contract was signed in August 1959 on this basis, but a year-and-a-half later the Indian Government decided to telescope the second stage with the first and proceed from the start on the basis of 80,000 tons. Simultaneously, it was decided to enlarge the captive foundry-forge next door to the machine-building plant in Ranchi, to keep it in step. The coal-mining machinery scheme was also revised about the same time to raise its initial capacity from 30,000 tons to 45,000 tons, against the advice once again of the Russian mission.

The delays that resulted from the precipitate change in the design concepts of the plants were already well known, but an official, fully documented record is now available for all to see in the report that the Estimates Committee of the Lok Sabha has just published. The Heavy Engineering Corporation, the public-sector agency handling these projects, and the responsible Ministry, claimed most unconvincedly that the change had not resulted in either delay or infructuous expenditure, but the plea is discussed by the Committee on the strength of the evidence it collected. In the case of the machine-building plant, working drawings for the shops and equipment foundations were to be received between July 1961 and July 1962. Be-

cause of the change in scale, modifications were necessary to the drawings which started to come in June 1961 and "have not yet been completed". There was a similar delay of two years in the coal-mining machinery project and also in the foundry-forge, the net effect of which is seen in the dates now being quoted for bringing these units fully into operation.

HEAVY ENGINEERING BUNGLE

The coal-mining machinery project is expected to be in full production in 1968-69 and the Ranchi units by 1970-71. In other words, it will have taken 13 years or 14 years from the time the first contracts were signed to get to this stage, during which the investment made in the plants will go unrewarded. The inexcusably long lag imposes other penalties also, as the Corporation's unfortunate history makes clear. Machinery shipped out according to the original programme has been lying idle since 1961, with obvious danger of damage during storage, as was underlined by the fire last January, which affected 100 packages of equipment costing Rs. 45 lakhs. What is worse, performance guarantees given by the suppliers are invalidated if actual trials are postponed beyond the period stipulated in the contract—18 months from the date of shipment in the case of Russian equipment for the machine-building project. The Corporation has tried to overcome this difficulty by re-negotiating the terms of guarantee, but even with the best will in the world, no supplier will indemnify a customer against the deterioration of equipment in storage.

The lessons to be drawn are fairly obvious. The decision to go the Russian way was bad enough, but it was made worse by the Chinese-style economic adventurism of attempting to run before learning to walk. One hopes that the lesson has been learnt in New Delhi, but one cannot be too sure because of the reports now circulating in the Press that some Planning Commission luminaries have been thinking of further expansion in Ranchi to increase the supply of metallurgical equipment to meet an estimated annual requirement of 300,000 tons a year by 1970-71. Others favour starting another plant, but mercifully as a separate entity in another location. Both lines of thinking show that the fallacy of equating heavy industry with mammoth plants persists, despite the evidence to the contrary from such countries as Britain, West Germany and France. Economies of scale are undoubtedly important, but in units intended to do general jobbing work, like the machine-building unit in Ranchi, the optimum level of operation is fairly elastic. Tailor-made equipment, built to individual specifications, does not lend itself to assembly-line methods, although an endeavour may be made to get enough repeat orders to spread the cost of jigs, fixtures and tooling. The maximum size and weight of pieces machined or processed in the shop will tend to determine the capacity and number of machine tools and equipment installed. This in turn will decide the scale of operation at which the plants can hope to break even. But there is nothing at all to prevent a unit from adding to its range as it goes along. In India's situation, where the need and pace of expansion are fairly determinate, this will involve making arrangements in advance for additions to capacity by providing space in the layout and by gearing utilities to the long-range targets.

The usual practice, where the discipline of profit-making sets inexorable limits to plant designers' ambitions, is to start at the lighter end with small capacity and work one's way up to the heavier ranges. This offers the added advantage of allowing time to train skilled cadres—a consideration which should be extremely important in India's case—and for establishing healthy traditions with-

Investment decisions nowadays call for a fairly high degree of specialised knowledge. Unless a broker has the talent and the training to understand investment problems, he cannot give his clients the correct advice. The stock markets should also consider starting compensation funds to reimburse investors in case any member of a stock exchange defaults. Such a fund would stimulate investment; the London Stock Exchange has found it to be an important factor contributing to the great esteem in which that institution is held by the investing public.

in the unit. One can indeed force the pace as the Russians did during the 'thirties, but one should then prepare oneself in advance for the bungling and failures, and the high costs which had to be paid. In the Russian case, the conditions of isolation made a forced march a necessity, which in turn gave the effort a certain discipline. Since India's circumstances are different, it is not surprising that the country should find it impossible to emulate that discipline even if one presumed that it wished to do so.

Gentlemen who forgot to plan for roller and ball bearings and electric motors needed by the heavy machine-building project—to name only two of the countless completing items required for the

LOOSENING TRADE BONDS

THE opening of the U.N. Conference on Trade and Development in Geneva coincided with the publication of figures that showed significant changes in the direction of Britain's trade. The U.K. Board of Trade summarised thus the changes in the pattern of Britain's exports during the three months from December to February, compared with the preceding three-month period. Exports to the sterling area increased by 2 percent, the increase being particularly prominent in the case of Australia. Exports to the European Common Market decreased by 2 percent, and the decrease was particularly noticeable in the cases of West Germany, France and Italy. Exports to the European Free Trade Association increased by 13 percent, and the increase was prominent in the case of Scandinavia. Elsewhere, including the dollar area, no appreciable changes were recorded. The significant figures, obviously, are those for European trade. Only the reductions in internal tariffs in the two west European blocks can explain the sharp divergence of trends. Until recently, British exporters were very successful in the Common Market and comparatively neglectful of the Free Trade Association. But as a consequence of the tariff reductions, the products of Common Market countries (particularly West Germany) have been substituted for British goods in the Common Market and British goods have been substituted for products of Common Market countries (particularly West Germany) in the E.F.T.A. Trade has been diverted not only by the actual changes, but also by the expectation of future changes, in relative prices.

The E.C.M. is, of course, a much bigger economic group than the E.F.T.A., and the trend of its import policy, as revealed at the Geneva conference, will be watched rather anxiously. The idea that the lowering of tariffs within the E.C.M. was necessarily a move towards free trade, in a general sense, has already been revised. Although outside suppliers are certainly not excluded, the E.C.M. has naturally tended to conduct more of its total trade within itself and its associated territories. The U.K. figures provide new evidence of this tendency. However, regional groupings can promote trade if their policies are outward-looking. The U.K. policy in Geneva is not concerned particularly with the Free Trade Association of the sterling area. Both Britain and the U.S.A. are trying to persuade the Common Market countries to accept more imports from the underdeveloped countries generally, and both—in principle at least—are willing to do likewise. In the opening phase of the conference Mr. George Ball, U.S. Under-Secretary of State, said that the industrial countries as a group should reduce import duties on, and other impediments to, the products—primary, processed, and manufactured—of the developing countries as a group, and that they should not ask for reciprocal benefits. Enlarging the outlets for these countries' developing export industries is an essential element in the Anglo-American policy for assisting their development in general; whereas French policy seems more inclined to provide compensation for maintaining restrictions on trade.

It was, of course, known in advance that the Geneva conference would be concerned more with relations between the developed and the developing countries than with relations between groups of developed countries, but it is not in practice feasible to keep the two concepts entirely separate. The principle of regional grouping is involved in

plant to function at all—may suffer the ignominy of transfer, made the less unbearable usually by a promotion, as in one recent case. Others whose neglect contributed to a highly damaging fire may have their conduct looked into, but it is a safe guess that no one will have to face the Indian equivalent of Siberia. But then these lapses fade into insignificance when one considers the much larger loss the country has sustained because of the wrong-headed adventurism which underlies the whole approach to these important engineering units. Since the blame for this must be laid, according to knowledgeable sources, at New Delhi's tallest door, the search for culprits is likely to be totally unrewarding. *Quis custodiet ipsos custodes?*

the discussions; and it may be considered necessary to promote this principle in the developing countries, because some of them are not economically viable alone. One idea that has already emerged from the conference is that positive assistance must be related to a country's potential. The Americans, particularly, are now emphasising that development involves not only beneficence on the one side and national pride on the other, but also practical economics. They wish to promote in development areas a political and economic "climate" congenial to private capital. Bigger groupings, in which duplication of capital projects is avoided and the market for products is wide, are

MARKETING BOARD FOR SUGAR

THE Central Government's move to establish an all-India sugar marketing board has given rise to understandable resentment in the sugar industry. Although the final shape and functions of the Board are not yet known, it appears that it will take over the distribution of the commodity with a view to exercising centralised control over its price and distribution. The existing channels of distribution—the State Governments, licensed wholesalers and retailers—may, however, continue. It is obvious that a marketing board thus conceived may be a procedural innovation, even an improvement, but its usefulness in improving supplies to consumers is dubious. The main problem facing the country today is the shortage of sugar, and the Marketing Board can do precious little to alleviate the shortage. Indeed, its operations can be a positive deterrent to larger production.

The industry's basic argument against the Sugar Marketing Board is that it will perpetuate controls. During its chequered history, the industry has seen that controls have invariably stifled consumption and production. At the same time, the *gur* and *khandsari* producers, who are not subject to controls, have flourished at the cost of the sugar mills. Decontrol and incentives, in happy contrast, have always stimulated production and facilitated the lowering of prices. At present, hardly 25 percent of the total cane output is processed into sugar, while as much as 60 percent is converted into *gur*. The perpetuation of price and distribution controls on sugar, without at the same time imposing such restrictions on the *gur* and *khandsari*, will permanently impair the ability of factories to attract cane supplies and also arrest the industry's development. In fact, the country has already lost a considerable amount of sugar this year because of the diversion of cane, the likely output for the season being just about 2.6 million tonnes, against the target of 3.3 million tonnes. The Government ignored the industry's request for selective controls, which might have enabled the factories to attract more cane, at least towards the end of the crushing season. Under this scheme, the mills would have been free to sell their production in excess of last year's output in the open market, and thus could have taken the normal business risk of paying more for their cane.

The second, and perhaps more important, danger in perpetuating controls is that the industry's expansion will be retarded. The Government, in fact, belatedly recognised that because

an important element in this concept. Such ideas are controversial, and it is no secret that Mr. Ball's preliminary statement caused disappointment, even consternation, among some developing countries' representatives in Geneva. But many of the smaller developing countries have already shown themselves willing to merge their interests with their neighbours'.

To ignore the interests of private capital is, indeed, unrealistic, for the developing countries' need of imported capital is much too big to be satisfied by international institutions. But encouragement to private capital must come from countries that provide it as well as from those that receive it. The principle whereby development capital is insured by the Government of the country that provides it is already widely accepted, and this principle could be more widely applied. And, of course, the active participation of the developed countries is essential for commodity stabilisation schemes, which are now widely favoured as a means of assisting the primary-producing countries. What has often been lacking in such discussions is a central theme. Some observers feel that Mr. Manubhai Shah, Indian Minister of International Trade, introduced it in Geneva when he proposed that the General Agreement on Tariffs and Trade should be enlarged to become completely global, and that all regional preferential tariffs should be merged in a non-discriminatory preferential scheme. The intrusion of national, regional and ideological discrimination into affairs of trade may be helpful in promoting either trade or development.

of controls, the development of many vital industries had been arrested, and so decontrolled the prices of several commodities towards the close of last year. In the case of key industries like coal and cement, controls have discouraged investment and diverted funds to less important fields. It is surprising that in spite of these lessons, efforts are being made to clamp controls on a permanent basis on sugar. As things stand, the industry has no influence over as much as 80 percent of the total production cost, since the price of cane accounts for about 45 percent and taxes for 35 percent. Of the remaining 20 percent, 18 percent has to be allocated for wages and salaries (which have been fixed by the Sugar Wage Board), repairs, renewals and interest. This serves to show to what extent the profitability of the industry has been restricted and how difficult it is for it to attract capital. The Indian Sugar Mills Association has in a representation to the Government of India pointed out that the operations of the Marketing Board will affect the future expansion of the industry. This is particularly significant in the context of the production target of 3.5 million tonnes for 1965-66 and 4.5 million tonnes for the fourth plan.

From the consumer's point of view, it is doubtful whether the Marketing Board will be useful. It is unlikely to improve the mechanism of distribution and ensure the availability of sugar at fair prices to consumers. The present scheme of controlling ex-factory prices and the distribution of sugar through the State agencies is likely to continue. If the scheme has been found to be unsatisfactory, it is difficult to see how by the interpolation of a new agency it is going to improve, particularly when the weaknesses of the existing system remain intact. An enduring solution of the sugar problem lies in stepping up the output of the commodity. This cannot be achieved merely by increasing the output of cane or by improving its quality. An equally important measure is to prevent the diversion of cane to *gur* and *khandsari* production.

WEST BENGAL POWER SHORTAGE

THE power shortage in West Bengal has been so acute in recent years that it is difficult to visualise a time when supply will equal demand. Yet the Central Minister for Power and Irrigation, Dr. K. L. Rao, assured Parliament recently that

with the measures already being taken, the State will be self-sufficient in power by the end of 1965. The Minister's statement was brief and the factual basis for it was left unexplained. Consequently, it has failed to carry much conviction. On the other hand, West Bengal's Finance Minister, Mr. S. K. Mukherjee, clearly indicated in the course of his recent Budget speech that in spite of the measures which have been taken, the power shortage in the State is unlikely to disappear by the end of the current plan, although the present wide gap between supply and demand will be narrowed.

It may be useful to take a look at the facts. Realising that the demand for power was rising rapidly because of industrial development in the State—a fact confirmed by the Sachdev Committee which investigated the power needs of the eastern industrial region—the State Government raised its third plan provision for electricity from Rs. 48.00 crores to Rs. 79.50 crores. In terms of a quantitative assessment, the Sachdev Committee had indicated that West Bengal's power requirements by 1965-66 would be about 1,184 MW. Since the Committee's report, fresh developments led to a reassessment of the estimated demand at 1,219 MW a year by 1965-66. This means a deficit of 596 MW, taking all possible sources of supply existing a couple of years ago. To meet this obviously large deficit, the West Bengal Government took measures to create extra capacity of 788 MW within the State, capable of supplying 545 MW of firm salable power by the end of the third plan. Even so, a gap of 51 MW was left uncovered.

But the situation might actually turn out to be much worse than the State Government had expected. The State Electricity Board's Bandel project, it is rumoured, might not be able to go on stream as scheduled. This project is designed to produce 330 MW of electricity a year, and if the original schedule is kept, the first unit is due to be commissioned by the end of this year. Thereafter, the remaining three will be brought into production at intervals of one month. This is the most important of the power projects under the State's third plan, and it would be a pity if work is hampered by factors such as the recent labour trouble there. But even if it goes through as scheduled, Bandel power alone will not bridge the whole gap. The West Bengal Government's other major project for a 150 MW plant in Durgapur has little chance of materialising by 1965-66. The Planning Commission has already cleared the project, but the Central Finance Ministry, for some curious reason, is yet to sanction the foreign exchange expenditure. It is sad to think that Mr. Krishnamachari's Ministry is being so parsimonious about a vital project in a highly industrialised State. As the West Bengal's Finance Minister observed in his Budget speech, "delay in releasing foreign exchange for this unit will lead to a shortfall in the projected power generation and a corresponding shortfall in power supply by the end of 1965-66." It is not clear from what other source Dr. Rao will be able to produce this amount of energy if the Central Finance Ministry takes longer to sanction the foreign exchange required or does not release foreign exchange at all.

The Central Ministry's attitude has even more serious implications for the State's power plan for the next quinquennium. The Power Survey Committee appointed by the Centre has estimated that the load demand for power in West Bengal at the end of the fourth five year plan would be 2,200 MW. Accordingly, the State Government must provide for production facilities for an additional capacity of 1,100 MW, assuming that all the third plan schemes materialise. (In view of the delay over the 150 MW unit in Durgapur, a larger additional generating capacity will have to be provided for.) West Bengal is, of course, ready with the schemes which would raise the production potential to 2,200 MW by the end of the next plan, and these include a super thermal power station in Santhaldih of 1,050 MW capacity, a further extension of the Durgapur plant by 300 MW and extension of the Bandel plant by 150 MW. This would call for an investment of Rs. 200 crores, a large proportion of which will have to be spent in foreign exchange, although the heavy electrical plant in Bhopal might be able to supply an appreciable part of the equipment needed. The State Government will obviously have to fall back on the assistance of the Centre.

It is, however, unlikely that the Central Government will then be able to distribute its aid

more freely than it does now, even assuming that the desire to help is not hampered by such bureaucratic delays as now hold up the progress of the Durgapur power project. Dr. Rao is right in thinking that the planning of electricity production and distribution should hereafter be done in terms of regions (and eventually of the country as a whole when the regional power grids are interlinked through a national super-grid) rather than for States separately. Curiously enough, West Bengal was hostile to this idea. It based its opposition to the establishment of an electricity board for the eastern region on the spacious ground that the autonomy of State electricity boards might thereby be compromised. The attitude was in strange contrast to its free call on the Centre for financial aid. However, now that a power grid will be constructed for the States of Bihar, Orissa and West Bengal under the auspices of the newly established electricity board for the region, West Bengal should plan for power

in co-operation with the other two States. Orissa, for example, has a vast electricity potential waiting to be tapped. The Talcher thermal power station and the projected hydro-electric scheme in Tikkerpara in that State will be capable of producing energy much in excess what Orissa can consume in the foreseeable future. Dr. Khosla, the present Governor of Orissa and an eminent engineer himself, has calculated that hydro-electricity from the projected Tikkerpara station will be much cheaper than thermal power even from the Talcher plant. Although that may not be so relevant from West Bengal's point of view, this State should certainly consider the proposition seriously that electricity carried through high voltage transmission lines is likely to be a better economic proposition than setting up expensive new plants. Perhaps the Energy Resources Committee, which is now making an assessment of the power problem for the country as a whole, is already seized of the matter, and will in course advise the States what the best course of action is.

Current News and Comment

Reorganising the Planning Commission

Reports from New Delhi suggest that the reorganisation of the Planning Commission is once again on the agenda. This should cause little surprise because some of the disappointment with the poor execution of the plan is bound to rub off on to its author, which is the Commission. Opening the Indian Science Congress a few months ago, Mr. Nehru felt obliged to give the body, his brain-child more than anyone else's, a severe reprimand. He alleged that the Commission had strayed from its original purpose to become another soulless, bureaucratic machine duplicating the hierarchical structure of the Secretariat. But this particular failing, one should imagine, is capable of correction without altering the character of the Commission—a view which inclines one to think that the immediate motive for reorganisation is altogether different. Many wonder whether it has something to do with the fact that the head of the Commission is no longer a ranking leader of the ruling Party, but an outsider—the erstwhile leader of an opposition Party in fact—who got the job not because of his political standing but as a "technocrat." It is no secret that Mr. Asoka Mehta, in his rôle as technocrat, has views which are closely in accord—perhaps to a surprising degree—with those of another technocrat who heads the Finance Ministry. Both have seemed to act together and, what is more, spoken in concord on such tricky issues as the rôle of private foreign investment. One assumes that the identity between the two has been mutually helpful *vis-à-vis* the unconverted, all of them mere politicians. Yet the assault on the Commission's prerogative has come strangely enough from the Finance Ministry. Is it that Mr. T. T. Krishnamachari finds presiding over the Finance portfolio not sufficient to absorb his undoubted talents and is looking, therefore, for new areas to annex?

Mr. Krishnamachari's ambitions may indeed be one factor behind the assault (which his *alter ego*, Mr. Asoka Mehta, is in no mood to take lying down). But more decisive perhaps is the larger political necessity. The Planning Commission was, as one must in fairness to Mr. Krishnamachari admit, never intended to have executive authority. A Joint Secretary of the Commission, a noted economist in his own right, in an authoritative paper published three years ago described the body as a "staff agency". It had, he bluntly said, "neither constitutional nor even statutory authority", being "essentially an advisory body". But by usage it came to acquire executive functions, chiefly through its responsibility for co-ordinating policies and programmes originating from different agencies of the Government. If it is now to be stripped of this overgrowth of executive functions, it only means that someone else will have to do the co-ordination, presumably the Department set up for the purpose in the wake of the emergency over which Mr. Krishnamachari presided until his translation to Finance. At the time when this Department was created, the then Finance Minister considered its existence separate from his Ministry as

a personal affront to his position as the principal architect of economic policies. Some very specious reasoning was then employed to justify co-ordination being an independent entity, and amusingly the Kamaraj axe made it necessary soon enough to reverse the arguments when Mr. Krishnamachari moved on to Finance, taking co-ordination with him.

The intention seems to be that the Finance Ministry's co-ordination function should be enlarged by taking over the responsibilities in this sphere which the Planning Commission carries. This may well be a good thing because the need for co-ordination grows daily more desperate as the economic disarray arising from past failures comes to light. Co-ordination, in the sense of making people give up their particular predilections to plod along in more useful directions, is a political task requiring great authority. Without this, an ebullient Chief Minister determined to go ahead with his favourite dam, or with a port for which no supply lines exist, cannot be restrained. As long as the head of the Planning Commission or the Ministry of Planning was a senior Congress leader of the stature of Mr. Gulzarilal Nanda, Central Home Minister, there was at least a slender chance of success in the difficult rôle of disciplining the errant; the failure to do so in the two examples just cited provide evidence of how demanding the job was. With Mr. Nanda yielding place to an outsider, it follows that this burden could now devolve on other shoulders. This logic of reorganisation may be reinforced by the other equally valid point that the difficult choices in the end are often political rather than economic in a democratic society. It is appropriate, therefore, that the making of these choices should manifestly be a political responsibility, as is now intended under the reforms.

Cloth Exports Pick Up

Exports of mill-made cotton piecegoods in March from Bombay port, which accounted for 90 percent of the country's total textile exports in 1963, are provisionally placed at 50.14 million yards valued at Rs. 4.278 crores, compared with 32.11 million yards worth Rs. 2.773 crores in the previous month and 42.25 million yards valued at Rs. 3.196 crores in March 1963. The important destinations during March were, as usual, the U.K. with an offtake of 18.13 million yards (valued at Rs. 1.589 crores), Ceylon 8.69 million yards (valued Rs. 82.7 lakhs), the Sudan 2.47 million yards (valued Rs. 13.4 lakhs) and East Africa 2.39 million yards (valued Rs. 15.9 lakhs). The March figure raises the total for the first quarter of the year to 128.42 million yards valued at Rs. 10.738 crores, compared with 120.43 million yards valued at Rs. 8.823 crores in the same period of last year. Shipments of cotton textiles from Bombay in 1963 totalled 470.55 million yards valued at Rs. 35.916 crores.

A particularly welcome feature of cloth exports in the first quarter of the current year is the rise

in price realisation. The average price realised for January-March 1964 works out to 83.6nP a yard, against 73.2nP a yard in the corresponding period of 1963. The all-India average for 1963 was 77nP a yard. The increase in cloth exports during the first quarter has given rise to optimism, not unqualified though, in textile industry circles that the export performance this year will be better than in 1963. The optimism has to be tempered with caution for the simple reason that while the world market in textiles has been shrinking, new competitors have been emerging, the latest among them being Mexico. The latter is reported to have plans to become one of the world's leading exporters in the course of next five years. The fact that the export market has been shrinking is best exemplified by the decline in Japan's exports which has been the largest exporter of cotton textiles in the past several years. Between 1960 and 1962, Japanese cloth exports fluctuated between 1,412 million and 1,448 million square yards. But in 1963, exports declined sharply to 1,205 million square yards. Exports this year, according to current expectations, are likely to be maintained around the previous year's level. One of the principal reasons adduced for the fall in Japan's cloth exports is the expansion of the textile industry in the "emerging" nations and the entry of some of them into the export field.

As for the Indian textile industry, it is still being compelled to carry on with outmoded machinery. The progress of modernisation and rehabilitation continues to be slow. The total amount of money that the industry will be required to spend on plant and machinery during the third plan period for modernisation, rehabilitation and expansion is estimated around Rs. 350 crores. The production of indigenous textile machinery during the third plan period is estimated around Rs. 156 crores, which includes machinery worth Rs. 18 crores for the silk and woollen industries. The machinery which requires to be imported during the current plan period is of the value of Rs. 212 crores. Imports during the first three years of the plan add up to Rs. 62 crores. Assuming the same level of import for the remaining two years, total textile machinery imports will be of the order of Rs. 104 crores, leaving a gap of Rs. 108 crores. Recently, Platt Brothers of U.K. offered the facility to import textile machinery worth Rs. 10 crores under deferred payment arrangements. It is also very likely that the Government of Japan will extend a suppliers' credit of Rs. 8 crores to India for the purchase of machinery from Japan. These facilities are greatly welcome, but these will still leave a gap of Rs. 90 crores in the textile industry foreign exchange requirements of machinery imports. Modernisation and rehabilitation is the cotton textile industry's most pressing problem.

Foreign-controlled Rupee Companies

A study entitled "Finances of Branches of Foreign Companies and Foreign Controlled Rupee Companies—1961" published in the March 1964 issue of the *Reserve Bank of India Bulletin*, shows that in spite of the slackened pace of growth which characterised the operation of public and private limited companies in India in 1961, the foreign-controlled rupee companies did quite well. The latter maintained the good result of the previous years. The article gives comparative figures for 251 branches of foreign companies, 160 foreign-controlled rupee companies, and 1,674 "other" public and private limited companies. It shows that gross profits as percentage of sales for 160 foreign-controlled rupee companies, 251 branches of foreign companies and 1,674 "other" public and private limited companies in 1961, amounted to 11.1 percent, 5.8 percent and 9.2 percent, respectively, compared with the corresponding figures of 10.8 percent, 6.6 percent and 9.2 percent in 1960.

The figures of gross profits as a percentage of total capital employed for these three categories of companies at 13.3 percent, 7.2 percent and 9.4 percent, respectively, in 1961 (against the corresponding figures of 13.1 percent, 7.6 percent and 9.4 percent in 1960) also show that the foreign-controlled rupee companies did better. Furthermore, they showed better results in the matter of total gross assets formation and dividends as a percentage of net worth.

It was not by mere chance that the foreign-controlled rupee companies did better than the

others. In their case, productivity, sales and costs of production showed superior results because of better utilisation of talent and proper co-ordination among different departments. It is quite significant that in the case of these companies, the value of production (i.e., value of sales adjusted for stocks) increased by 10.9 percent in 1961, compared with the previous year, whereas on the expenditure side, the constituent items recorded a more or less uniform rise of around 10 percent. This was better than in the case of companies belonging to the other categories. It is also significant that country-wise, the largest proportionate increase in gross profits (29 percent) and profits before tax (31.6 percent) took place in the case of the U.S.-controlled companies. The companies controlled by "other countries" came next in order with increases of 26.8 percent and 25.9 percent in gross profits and profits before tax, respectively. The U.K.-controlled companies came last with increases of 7.3 percent and 8 percent in the two indicators. Industry-wise, the trading companies showed a better performance in 1961 than in the previous year. All the three profitability ratios declined for the U.K.-controlled companies in 1961, compared with 1960. The companies controlled by the U.S.A. and "other" countries showed all round improvement.

S. T. C.: The Expanding Leviathan

The strictures of the Estimates Committee of the Lok Sabha against the State Trading Corporation have not caused much surprise; they are more or less similar to those made by private trade and industry for years. The S.T.C. was created as a Government monopoly and is still expanding under official patronage. Set up in 1956 to promote trade with socialist countries, the turnover of the S.T.C. has steadily increased from Rs. 9 crores in that year to as much as Rs. 141.219 crores in 1962-63. But when the Corporation was ushered into existence, the Government repeatedly said that it would not encroach on the legitimate activities of private traders, although subsequent developments have belied this assurance. Neither the consumer nor the private trader would have grudged an expanding rôle for the S.T.C. had it been efficient in organising and promoting trade. The Estimates Committee has judged the

S.T.C. by this basic test of efficiency and found it wanting. It has pointed out in its report that the Corporation has not benefited either actual users or general consumers so far as prices are concerned. The Committee has, therefore, rightly suggested that the rôle and functions of the Corporation should be laid down more specifically in order to remove the prevailing uncertainty and avoid criticism.

There is no reason to believe that the Committee has taken a partisan view of the activities of the S.T.C. It is sad to recall how the S.T.C. monopolised one commodity after another, which private traders were handling efficiently. But now that the actual working of the S.T.C. has shown serious deficiencies, the Committee has strongly urged that there should be a clearer indication of the commodities which would be handled by the Corporation in future and the principles governing their selection. The Government seems to have responded to this suggestion by making the odd announcement that it has taken a firm decision to put the S.T.C. in charge of the sugar export trade. New Delhi has not, however, cared to explain why the Indian Sugar Mills Association, which was hitherto handling exports, should be dislodged to make room for the S.T.C., especially when there is no guarantee that the latter will promote exports better than the former. But in heralding the S.T.C.'s entry into the sugar export trade, the Government has declared that the Corporation will build permanent and bigger export markets which, by implication, the I.S.M.A. has been unable to do.

This decision has been taken in the face of the fact that the S.T.C. has made either exorbitant profits in certain commodities or has shown a loss in others. The trade in such commodities as camphor, mercury, coconut oil, betelnuts, cloves, etcetera, has enabled the S.T.C. to make profits varying from 100 percent to 200 percent, which would have been dubbed as an anti-social activity had it been done by private traders. The S.T.C. has defended its policy with the plea that the making of exorbitant profits is necessary to curb "speculative trading and unhealthy practices". But in offering this excuse, it has not bothered to consider whether it will sound convincing to either traders or consumers. It is, therefore, with a sense of dismay that the Committee has said: "It has to be realised that State trading, which is not uni-

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versally supported, has to create a good image of its working in the public mind. The benefit it brings to the consumer is the measure of its success."

Improving Banking Techniques

The Reserve Bank has recently published a report on the seminars of chief executives of small and medium-sized banks organised by it last year. Since 1954 the Reserve Bank has been running a Bankers Training College for the supervisory staff of commercial banks to promote sound banking techniques and procedures. The College has not, however, been able to meet fully the demands of banks for training their supervisory staff, and it was observed that small banks in particular were not in a position to take full advantage of the facilities. The problem of affording training facilities to officials of small banks had to be tackled expeditiously since small banks play a significant rôle in the economic development of the country. So three seminars were held in Madras by the Reserve Bank to provide chief executives of small banks a forum for exchanging views among themselves and with officials of the Reserve Bank and some of the bigger commercial banks on subjects of common interest.

The Reserve Bank's report gives a succinct account of the proceedings of the seminars. The proceedings covered all important aspects of the working of a commercial bank, such as the steps to be taken for mobilising savings of the people and the policies to be followed in investment and lending operations, allocation of profits and recruitment and training of staff. The theme of the discussions was that, in order to discharge its obligations to shareholders, depositors and borrowers, it is necessary for a commercial bank to follow such policies in the employment of its funds as would secure a balance of the three conflicting aims of safety, liquidity and profitability. Discussions were held on the policies followed by well-managed banks in investing funds in Government and other trustee securities, the procedures, techniques and safeguards adopted by banks in making advances against different kinds of securities, methods of credit investigation and reporting and modern techniques of analysis of balance sheets of joint stock companies.

The report gives a summary of the discussions on certain other subjects such as advances to directors, advances against shares of joint stock companies, rôle of the chief executive, relationship of the Reserve Bank with commercial banks, control and supervision of branches, *kuri* and chit business and training facilities for staff. The annexures to the report contain specimen forms for use in commercial banks, such as forms of credit report, analysis of balance sheet, audit report, and statements obtained from branch offices. The forms will be useful particularly to the smaller banks in improving their systems of assessment of credit risks, branch control and supervision.

Black Pepper Export Prospects

India exported about 19,400 tonnes of black pepper during the year ended October 1963, as against 23,600 tonnes in the previous year. The outlook for the current season, however, is considered to be more promising, exports during the first five months—November to March—being placed around 10,000 tonnes, thanks to the continuous buying interest on the Continent, particularly the East European countries. In his presidential address at the annual general meeting of the Pepper and Ginger Merchants Association in Bombay, Mr. V. V. Mariwala attributed the decline in exports during 1962-63 to cheaper offerings by Indonesia and Singapore—the main competitors—due to improved supply there. The uncertain political situation in the Far East, however, is thought to have improved the outlook for Indian pepper. During the current year, the U.S.A. has not made sufficient purchases from India because of heavy shipments from Singapore during the past few months, but with the Singapore stocks greatly depleted it is felt that U.S. buyers will now turn to India. The U.S. buyers did evince considerable interest in Indian pepper at around 40 cents some time back and this imparted considerable strength to the

Indian market. But prices have again suffered a setback over the past week as no large business has materialised with the U.S.A.

In his inaugural speech, the chairman of the Forward Markets Commission, Mr. A. S. Naik, pointed out that very often speculators depressed the prices of exportable commodities, thereby causing loss of foreign exchange to the country. It is rarely that the export effort is known to have suffered due to lower domestic prices. The complaint usually is that the country is unable to compete abroad because of higher domestic prices. The Forward Markets Commission has been emphasising the importance of forward trading in stepping up exports and has warned speculators—bulls as well as bears—against doing anything that is likely to harm the cause of exports. The value of forward trading in promoting exports seems to be exaggerated, and where exports have been unsatisfactory it has been due to factors quite unrelated to the volume of speculative activity. While speculators have more often been accused of hampering the export effort by rigging up prices, in the case of black pepper Mr. Naik has suggested that speculators have been artificially depressing prices.

The president of the Pepper and Ginger Merchants Association did well to point out that black pepper prices depend primarily on the supply and demand conditions in the world market. Internal consumption, being more or less steady, does not have any appreciable influence on the level of pepper prices. Pepper prices ruled easy last year mainly because of improved world supply. Mr. Mariwala did not favour the idea of having minimum prices for black pepper. However attractive this idea may appear, artificial price maintenance will not help the country as long as there are other countries producing the same commodity and competing in world markets. Mr. Mariwala added that unless the major producing countries co-operated or co-ordinated their efforts with India's through E.C.A.F.E. or any other international organisation, artificial maintenance of prices might hamper the free flow of trade. Mr. Mariwala suggested that a bonus incentive scheme should be introduced to boost the export of black pepper. A scheme to benefit shippers exporting more than a fixed minimum quantity might be evolved jointly by the export trade and the Export Promotion Council.

Industrial Engineering Lags

Inaugurating the annual convention of the Institute of Industrial Engineers (India) in Bombay recently, Mr. G. L. Mehta, chairman of the Industrial Credit and Investment Corporation of India, pointed out that proper use had not been made in India of industrial engineering techniques for increasing productivity and reducing production costs. The high costs of production have weakened the competitive position of many Indian goods including cotton textiles, gunnies, and engineering and chemical items.

The fault does not in all cases lie with engineers as industries, both in the public and private sectors, have been started in recent years because of political and regional pressures irrespective of economic considerations. The consequence has been that factories have not always been of the correct size, have not been located in proper places, and have not used modern techniques and processes. Even in spite of these handicaps industrial engineers should be able to help in reducing production costs by carrying out method studies, improving the lay-out of plants and the handling of raw materials and by introducing suitable wage incentives. An important point is that foreign techniques and processes may not always be useful in Indian conditions. So there is need to adapt the processes to local conditions. As the chairman of the Institute, Mr. H. N. Thadani, observed it is also necessary to increase the training facilities for industrial engineers. It will be useful if the courses of training include methods and processes suitable for application in Indian conditions.

Mr. Mehta stated that entrepreneurs in India have, to some extent, been lulled into complacency by the protection of a controlled economy and the scarcity of manufactured goods, which has enabled most industries to sell their goods in spite of the

high costs of production. But this advantage will be a short-lived phenomenon. The domestic market will become competitive in the not-too-distant future. In some cases in which the Government has licensed capacity in excess of demand, entrepreneurs have already felt the impact of competition.

CORRESPONDENCE

PAYING METROPOLITAN BANK DEPOSITORS

(To The Editor of "CAPITAL")

Sir,

The comments appearing under the heading "Current News and Comment—Paying Metropolitan Bank Depositors" in the issue of *Capital* dated 2nd April, 1964, are based on a misunderstanding of the position. Firstly, it is the Deposit Insurance Corporation, which is a statutory body, and not the Reserve Bank of India, which has to pay to the depositors for the insured amount of deposits. Secondly, the Corporation can pay the depositors only after the claims have been received and verified in accordance with the provisions of the Deposit Insurance Corporation Act. Under Section 18 of that Act, the transferee bank (the United Industrial Bank Ltd in the instant case) has to file a list of depositors showing the amount due from the Corporation to each depositor within a period of three months from the date of amalgamation and the Corporation has to pay the depositors or the transferee bank within a period of two months from the receipt of the lists. While every effort will be made to pay the claims as early as possible, it will be appreciated that payment cannot obviously be made during the period of moratorium or immediately on amalgamation.

Yours etcetera,

M. S. NADKARNI
Manager,

Deposit Insurance Corporation

Bombay, 9th April.

WORLD GOLD PRODUCTION

THE Commercial and Financial Chronicle of New York has published another very interesting article on this subject. The following are the figures for the whole world for the last twenty-three years:

	Ounces	Sterling £
1881-85	24,567,749	104,358,885
1886-90	26,604,172	113,108,820
1891-95	39,310,518	166,983,317
1896-1900	63,225,382	268,568,705
1901	12,894,856	54,774,769
1902	14,437,669	61,328,330
1903 (Est)	15,894,541	67,516,831
	196,934,887	836,639,657

The United States heads the list of contributors with 52 million ounces, but Australia is a good second with 49 million ounces. Africa has only recently made her influence felt, the total yield for the last seventeen years having been 27½ million ounces. Russia has produced 26 million ounces, Canada 7½ million, and Mexico 4½ million ounces. At the present moment, Australia is the largest producer, followed closely by the United States and Africa, the estimated figures for 1903 being—

Australia	...	4,299,234
Africa	...	3,317,662
United States	...	3,600,331
Canada	...	943,314
Russia	...	1,134,000
Mexico	...	500,000
Other Producers	...	2,100,000

Total ounces ... 15,894,541

The total yield of the Witwatersrand Mines for the last seventeen years was 23.7 million ounces valued at £100 millions. We have spent £200 millions to acquire this country, but the mines belong to private capitalists. Looked at from every point of view, it can hardly be called good business for any but the capitalists' aforesaid.

FROM

CAPITAL

21st April, 1904

A Ditcher's Diary

IF SHEIKH ABDULLAH'S RELEASE FROM PRISON WAS "a calculated risk", as Mr. Nehru was reported to have said the other day, it is already beginning dangerously to look as if the calculation behind the move was rather less certain than the risk. I have for some time had the uneasy feeling that the decision may have been slightly premature, and, in saying this, I am not unmindful of the dilemma which New Delhi faced: the Sheikh's incarceration for eleven years had done little to enhance the Government's reputation, at home or abroad; the prosecution case at the trial seemed over the years to have moved no nearer a successful conclusion than it was on the day it began; and Sheikh Abdullah was, meantime, acquiring a martyr's halo of glory, to which his claim was, to say the least, doubtful. How great the Sheikh's following in Kashmir is, I would not claim to know for certain; my own suspicion is that many popular Indian estimates of it may be somewhat exaggerated. And the danger in the statements he has made so far lies less in their categorical assessment of the past than in their ambivalence about the future, an ambivalence which suggests that the mirage of independence for Kashmir has not wholly departed from the Sheikh's mind. If that be so, to have to return the Sheikh to the abode from which he has just emerged would do India's reputation no good at all; and it is in this sense that I feel the decision to release him could reasonably have been delayed a little. The unpalatable truth is that New Delhi has yet to live down the sins of the Bakshi régime, and of its subsequent Shamsuddin reincarnation; the process will take time. Thanks to continuing weakness and vacillation, the Bakshi's influence in the Valley has by no means been wholly eliminated; as long as the influence survives, it remains a threat to honesty in Kashmir's political life, and so much the greater, then, would be the attraction of the alternative Sheikh Abdullah may ultimately choose to present. The delinquencies and lapses of years are not forgotten in a day; therein may lie the lesson India will have to learn before the Kashmir problem moves quietly to a satisfactory settlement.

THE POORER COUNTRIES, wrote an economist the other day in commenting on the U.N. Conference on Trade and Development in Geneva, have little in common but their poverty. The Afro-Asian countries, it begins to seem, have little in common but the geographical accident of their Afro-Asianness (if I may be permitted to use so horrid a term). The concept of Afro-Asia as a political or spiritual entity has never, to me, carried much conviction: it is a myth conceived in the womb of anti-im-

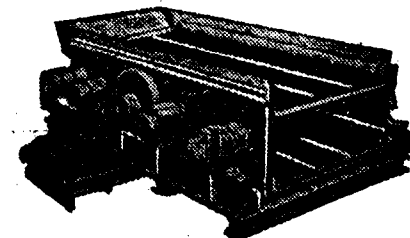
perialism, and as white imperialism recedes before the rising glory of the yellow, it is being exposed for the illegitimate and inconsequential concoction it is. The earnest and involved debate which has been going on in Djakarta about whether the Afro-Asian conference should be held this year or next, before or after the non-aligned nations' conference, would be laughable were it not so expensive in terms of energy, money and time. I am aware that behind the rigmarole of the public utterances at the preparatory talks there lies a deep political conflict: China, Indonesia and Pakistan, self-appointed pillars of Afro-Asia, seek priority for one conference, whereas Egypt and India, self-appointed pillars of non-alignment, prefer importance for the other—each for its own excellent and perfectly selfish reasons. In this conflict itself, if I may venture to say so, lie the seeds of futility of both conferences: as lush fountains of interminable oratory, their impressiveness cannot be underestimated, but in framing joint programmes of action, there need be no doubt that both will settle for the lowest common denominator of old shibboleths and new platitudes. The old faithfuls of Afro-Asia, as well as of non-alignment, know that in practical, everyday terms the true fruits of diplomacy are won at the quietly humble level of bilateral negotiations; only when the fruits are sure and sweet might they deserve to be commemorated through the ceremonial of an international conference of noisy but supposedly like-minded folk. A conference full of sound and fury, signifying nothing, is apt to degenerate into a circus; and a circus is what a second Bandung or a second Belgrade, at the moment, stands in danger of ending in.

THE BEST CONTRIBUTION PROFESSOR GALBRAITH made to Indian economic thinking while he was U.S. Ambassador here was, in my opinion, to point out the importance of "investing" in human beings. He was talking about education, of course, and although I do not remember his saying so at the time, he seemed to be referring mainly to technical instruction. Nevertheless, I am surprised to find his ideas being mentioned in support of those recently expressed by Sir Sydney Caine. The latter, who is Director of the London School of Economics, has written in the latest issue of *Lloyds Bank Review* that although education in Britain is an "industry" comparable in size with motor-cars or electrical engineering, its results are not on the same level. The first point that strikes me is how can Sir Sydney possibly know? I can agree with him that education in Britain, and in India too for that matter, fits "very ill" the task

of raising national productivity, and that, alone among industries, "the nature of the product is decided solely by the producers". But I am reluctant to concede the inference that the values of specific types of education—classics, natural science, economics—are subject to exactly the same process of economic assessment as all other production resources. If they were, there would be no point in educating women at all, unless they were destined for full-time careers in industry. I know there is a modern trend towards regarding a man as being a particular kind of calculating machine which must necessarily react in such-and-such a predictable fashion when fed with a certain "programme" of information. But I have never entirely subscribed to this view myself, and I would be surprised to find that Sir Sydney has, wholeheartedly. Progress is undoubtedly an attitude of mind; but the knowledge of exactly how to move forward at any particular time is something I have always regarded as of secondary importance to the will and inspiration to do so. If the desire is present, then the knowledge can soon be obtained. But all the knowledge in the world is useless without the urge to expand into a new and different life. To instil this faith in the future, in new and better things, by broadening the mind and introducing it to the opportunities which derive from more specialised knowledge, is what I consider to be the main purpose of education. And I suspect this primary need to broaden human horizons in the Indian context was what Professor Galbraith had in mind rather than the mere accumulation of technical skills, although these are, of course, extremely important. It will be a sorry day when all types of education are treated by cost accountants as just another factor of production; and I fancy the exercise will eventually prove to be a failure.

IT WAS SAID OF GENERAL DOUGLAS MACARTHUR that he joined the wrong army during the wrong century. There is much truth in this. It was his misfortune to be fitted by temperament more for the rôle of an imperial nineteenth century British general than a twentieth century American one. His resentment of interference from home, backed as it was by a patrician faith in the infallibility of his own judgment, was simply not suited to this age of rapid communication and close Government supervision. Nor was his capacity for making mistakes on the grand scale fitted to a period in history when such things could not simply be put right with ever more massive applications of military force. Such personal brilliance as he undoubtedly possessed would have adorned an empire-building pro-consul. But in a man whose allegiance was to a democratically elected President and not a monarch of the blood, and whose responsibilities as a statesman in a politically-minded era were at least as great as his duties as a soldier, his qualities inevitably

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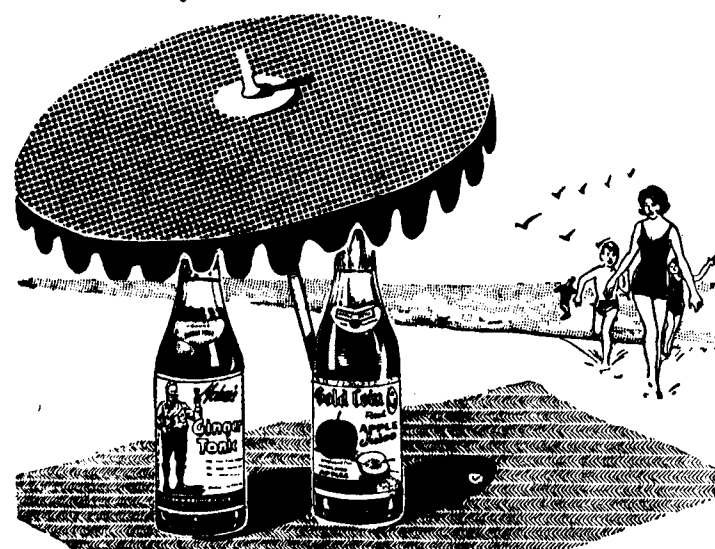
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proved the kind of liability which resulted in his dismissal by President Truman in 1951 and his elimination from the subsequent Presidential stakes by another general, ten years his junior, who was once a mere member of his staff. The American people were wise not to call MacArthur to the White House. His view of world affairs was too heroic, too simple-minded for this complicated era. He was certainly a military genius, at least at the tactical level. Where he was lacking was in overall strategic insight and political acumen. That would not always be disastrous in a general, if he is kept firmly in his place. But when circumstances have located him far from the levelling influence of his home country, and placed in his hands powers of political decision which he is not fitted by training to exercise, then incidents such as the defeat of the United States' army in North Korea are only to be expected. Indeed, the U.S.A. and the rest of us can thank our stars that in the pursuit of his, MacArthur did not land us all in another world war.

AS MESSRS KHRUSHCHEV AND SUSLOV EXCHANGE verbal missiles with their Chinese detractors, the pro-Peking elements in the Indian Communist Party have taken to a variety of head-hunting that each passing day becomes more salutary and interesting. If their chief target at the moment is the Party chairman, Mr. S. A. Dange, the choice is understandable: he committed the original sin of siding with Mr. Khrushchev against Mr. Mao; and later, perhaps worse, the bourgeois offence of condemning the Chinese openly for their imperialist adventures. Mr. Dange's comrades on the extreme left could hardly be expected to be satisfied with anything so gentlemanly as reprimanding their leader for his un-marxist deviations; such sins are heinous, and atonement could come only with the scalp of the man himself. On the genuineness or otherwise of the "Dange letters"—allegedly showing the gentleman in question as having offered to act as an agent of the old British raj while in custody during the Meerut conspiracy case—I shall not comment; since long before the days of another gentleman, Zinoviev by name, forgeries, confessed or denied, have been the substance of communist history. Nor am I interested in the truth or falsity of the allegation that Mr. Dange acquired *benami*, as shrewder investors among capitalist hyenas do, certain shares in a New Delhi newspaper; his investments, if any, are his own business, as mine would be mine. More important than the supposed discoveries themselves, to my mind, may be their timing: it is no secret that the C.P.I. left, freshly out of jail, has for some months been husbanding its strength for a showdown which it hopes will mark the rout of the right. Mr. Dange, conscientious as ever, has inspected the letters and, not unexpectedly, denounced them as forged. Messrs Sundarayya and Basavapunniah, no less conscientious, have inspected the letters too and, not unexpectedly again, proclaimed them as genuine. Where the enquiry now proposed by the Party's central executive will lead to, it is not for me to say, except that I have a quiet suspicion the authenticity of the documents may be less important to the final outcome than the power of the factions they have agitated so greatly. The spectacle of a C.P.I. openly split down the middle is not only fascinating, but reassuring. It is a long time since Indian political life offered so pleasant a prospect; the sulking and the ingratitude apart, there are some things for which, in all sincerity, we may still have to thank the Chinese.

A PIECE OF SPORTING EQUIPMENT WE MIGHT IMPORT from Japan has been brought to my notice by the *Gazette* of the John Lewis Partnership. The partners, well known for their outspoken criticisms of their management, report with approval a new management device thought up by the Matsushita Electrical Company. A stuffed effigy of the firm's head has been set up at headquarters, and any angry subordinate is welcome to work off his frustrations by beating it up. A bamboo pole has thoughtfully been provided for those who cannot express their full feelings with feet and fists. The figure has a special chamber set aside—the Human Control Room.

THE DITCHER

Guide for Investors

STEEL SHARES DEPRESSED DESPITE HIGHER PRODUCTION

(BY A SPECIAL CORRESPONDENT)

THE ordinary shares of the Tata Iron and Steel Company and the Indian Iron and Steel Company have been depressed since the Budget for 1963-64 was presented. The levy of the dividend tax and the inclusion of bonus shares as capital gains have discouraged investors. Although the production of the two steel companies for the year ended March 1964 has been satisfactory, confidence has not revived due to the generally poor outlook for equities. The output of salable steel by the Tata Iron and Steel Company has risen from 1.4 million tons in 1962-63 to 1.5 million tons in 1963-64, and that of steel ingot from 1.6 million tons to 1.9 million tons. The production of pig iron has improved from 1.76 million tons to 1.81 million tons. The output of salable steel by the Indian Iron and Steel Company has improved from 795,000 tons to 810,000 tons, and that of steel ingot from 1 million tons to 1.03 million tons, but the output of pig iron has fallen from 1.3 million tons to 1.2 million tons.

In view of the higher output, the profits of the two Companies for the year ended March 1964, are likely to be better than those for 1962-63. A redeeming feature is that the last Budget is unlikely to place any extra financial burden on the two Companies. In fact, they may enjoy a small relief, but it may not influence the dividends for 1963-64.

Investors have for the time being preferred to stay out since they have not yet been able to assess the likely effects of the partial decontrol of steel. Although the retention prices of controlled items have recently been raised, the increase is not expected to compensate the producers fully for the rise in production costs. As for the prices of decontrolled items, they have been generally raised by the Joint Plant Committee. In fact, the prices of several items of decontrolled steel, tested as well as untested, have been raised twice since the partial decontrol. The principle of adjusting these prices has been largely based on the pattern of demand. However, until the full effects of these moves are known, investors are unlikely to extend their commitments.

Guest, Keen, Williams Profit Rises

THE ordinary shares of Guest, Keen, Williams have declined to Rs. 24.50 due to the cut in the ordinary dividend in spite of a bigger profit for 1963. The directors have recommended a final taxable ordinary dividend of 6 percent, making a total of 12 percent for 1963, against 14 percent for 1962, but the dividend for 1963 has been declared on an increased share capital. The latter has been raised by the issue of bonus shares in the ratio of one share for two held. At the present price, the yield amounts to 4.9 percent. The profit has risen from Rs. 1.30 crores for 1962 to Rs. 2.15 crores for 1963. Taxation absorbs Rs. 1.4 crores, including Rs. 26.34 for tax on bonus shares, against Rs. 55.60 lakhs. A sum of Rs. 6.77 lakhs (against 10.58 lakhs) has been transferred to taxation equalisation re-

serve. Development rebate reserve is allocated Rs. 6.93 lakhs (against Rs. 5.55 lakhs), debenture sinking fund Rs. 5.05 lakhs (against Rs. 5 lakhs), capital reserve 7.5 lakhs and general reserve Rs. 3.64 lakhs (against Rs. 6.15 lakhs).

Sankey Wheels Shows Fair Progress

AT a time when the investment market is extremely depressed and several first-class shares are quoted at a discount, the Rs. 10-paid Sankey Wheels are commanding a premium of about Rs. 1.40 a share, indicating investors' confidence in the future of the Company. This confidence does not seem misplaced. The Company's first annual report for the period ended 21st November, 1962, to 28th December, 1963, states that the construction of the factory buildings in Durgapur has been substantially completed and most of the plant and machinery for the lorry wheel plant, both imported and indigenous, has been received at the site and is being installed. Power and water facilities have been secured and all the financial arrangements for the project, in terms of both foreign exchange and rupees, have been finalised.

The initial production is likely to commence shortly. The Company has applied for an industrial licence for the manufacture of tractor and tank wheels. It is felt that the production of these wheels can be economically combined with the existing manufacturing programme. Its accounts for the period under report reflect the capital expenditure incurred by the Company for the lorry wheels project. After providing depreciation amounting to Rs. 2.62 lakhs on the car wheel plant and writing off of Rs. 4.09 lakhs as preliminary expenses and public issue expenses, the Company has incurred a loss of Rs. 4.69 lakhs which is being carried forward.

Hindustan Aluminium Making Steady Progress

WHILE the shareholders of Hindustan Aluminium will perhaps need to wait for another year or two before their investment begins to bear fruit, they can certainly take comfort from the Company's performance during 1963. And the directors expect it to do much better this year. In spite of initial teething troubles, the working results for 1963 show a gross profit of Rs. 1.998 crores, against a loss of Rs. 1.99 crores in the previous year. After providing Rs. 1.952 crores (against Rs. 1.564 crores) for depreciation and Rs. 1.27 lakhs for taxation for 1960 (against Rs. 2.848 for 1959), there remains a credit balance of Rs. 3.38 lakhs. This is being adjusted against the loss of Rs. 194.06 lakhs brought forward from the previous year, leaving a net debit balance of Rs. 190.68 lakhs to be carried forward. Dividend has naturally been skipped. Whereas full depreciation as prescribed under the Act has been provided, no reserve for development rebate has been created due to the inadequacy of profits. However, since development

rebate is allowed to be carried forward, it is likely to be provided out of the assessable income of 1964 and subsequent years. The company has no liability for taxation for 1963.

Against the rated capacity of 20,000, the total production of the primary metal was 22,138 tonnes, but due to teething troubles, the production of alumina was 39,040 tonnes, against the rated capacity of 42,000 tonnes. Initial difficulties were experienced in the sale of ingots, but there was a good demand for fabricated metal and a total of 19,800 tonnes of aluminium products could be sold. With a view to increasing sales, the Company has been permitted to export ingots and import the same in a fabricated form due to inadequate fabrication facilities within the country. The outlook for the current year is considered to be encouraging. A plant for continuous casting and rolling of redraw rods has been set up and put into commission, and although some of the ancillary equipment is yet to arrive, the quality and production of E.C. rods is said to be satisfactory. Due to delay in the sanction of Export-Import Bank loan, other major fabrication equipment has not yet arrived and similarly the arrival of rolling mills, extrusion press and other related equipment is awaited. Most of these are expected to be in operation before the end of the current year. The Government has agreed to the Company's proposal to increase the capacity to 60,000 tonnes and the Company has approached the Export-Import Bank for a loan to finance the foreign exchange requirements of the first phase of the expansion programme. Provisional orders have been placed for two generating units for setting up a thermal plant to meet the additional requirements of power for the expansion programme.

Bigger Profit for National Rubber

NATIONAL Rubber Manufacturers Ltd has shown good progress for the year ended December 1963. Output and sales have risen, and the profit is bigger than that for 1962. The taxable ordinary dividend has been raised from 8 percent to 10 percent. In his chairman's statement at the annual general meeting of the Company held in Calcutta last Saturday, Mr. K. N. Mookherjee dealt with the expansion programmes. (A full text of the speech is published on a later page in this issue of

Capital.) It is proposed to increase the output of bicycle tyres, industrial V-belts and fan belts. Steps are being taken to manufacture P. V. C. conveyor belting. The production of 1,200 tons of reclaimed rubber is being undertaken. He hopes that the profitability of the Company will improve when the expansion schemes are completed.

The Company proposes to issue 500,000 ordinary shares of Rs. 10 each at par in the proportion of one new share for each one held. An application has been made to the Industrial Finance Corporation of India for a fresh loan of Rs. 30 lakhs for meeting part of the capital cost of expansion. Commenting on the raw materials position, Mr. Mookherjee pointed out that linking the grant of import licences for natural rubber with the use of domestic synthetic rubber, combined with the abolition of the maximum controlled prices of Indian natural rubber, will boost the costs of both natural and synthetic rubber. The move is considered rather premature, considering that many units of the industry are not yet equipped to use synthetic rubber due to their product lines or because of the absence of technical facilities and standardisation. The production and sales of the managed Company, General Tyres Ltd, have steadily increased. The Industrial Finance Corporation has agreed in principle to sanction an additional loan of Rs. 40 lakhs for the rationalisation and expansion of manufacturing capacity.

Hindustan-Pilkington Glass Passes Dividend

THE ordinary shares of Hindustan-Pilkington Glass Works Ltd have been sluggish around Rs. 14 a share of Rs. 10 each on passing the dividend for the year ended October 1963. The profit has amounted to Rs. 11.59 lakhs, after providing Rs. 18.63 lakhs (against 18.75 lakhs) for depreciation. Sales rose from Rs. 63.90 lakhs to Rs. 1.81 crores. After providing Rs. 1.28 lakhs for income tax for the earlier year, the loss brought in has been reduced to Rs. 12.90 lakhs which is being carried forward. The total output of sheet glass amounted to 5.2 million square metres. In spite of the increased sales, the profit has not shown a corresponding improvement due to higher production costs. The directors mention that total sales have not been commensurate with the capacity of the factory. With the depression in building construction following the Chinese aggression, the demand for glass has declined. The market trend has, however, shown an improvement recently, so the directors hope to achieve normal results during the current year. The construction of the rolled plate factory was completed and production began in October 1963. The factory is now producing quality wired and figured glass. Industrial licences to manu-

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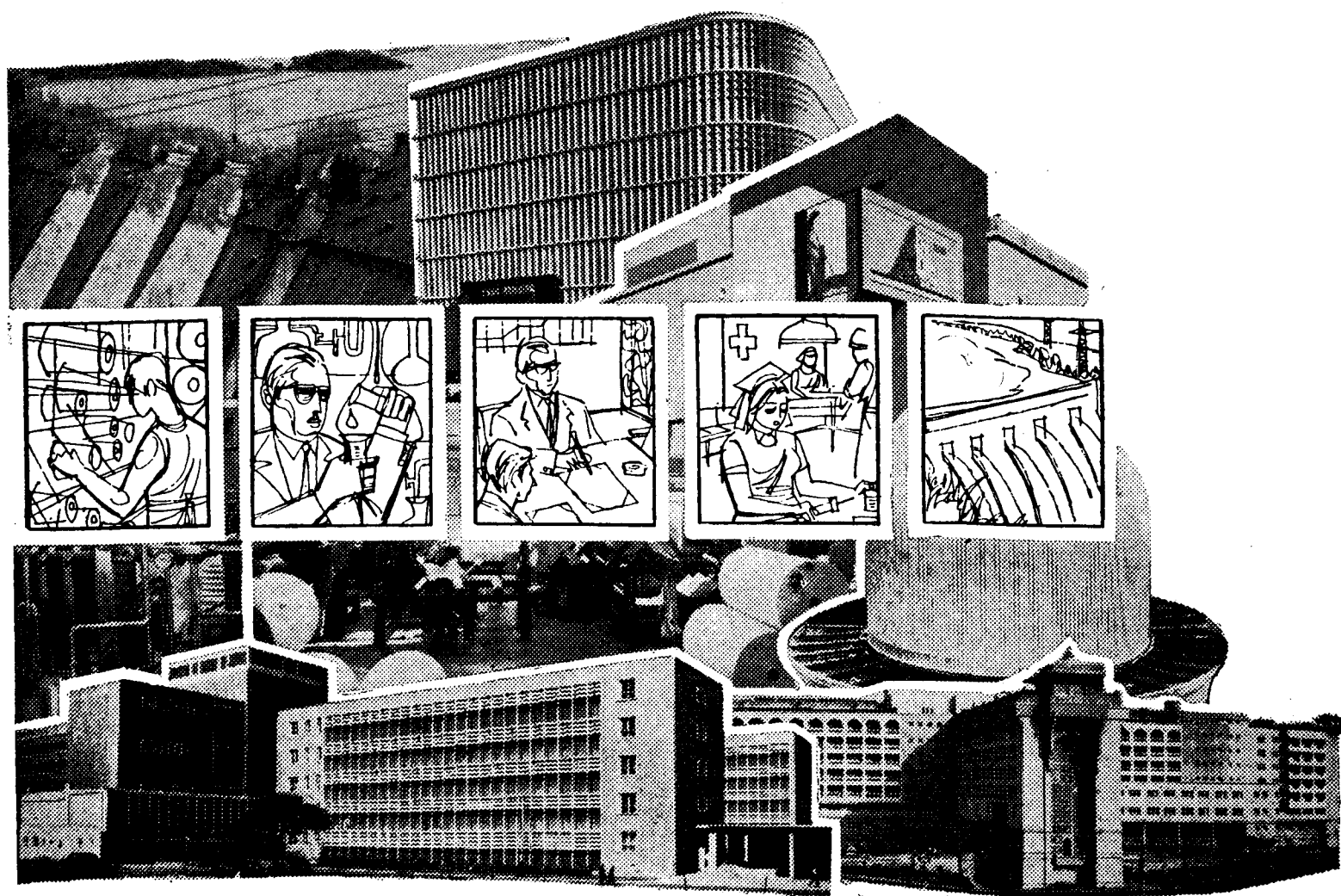
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factory wired and figured glass have been issued to some other companies and about four factories have begun production.

Scottish Indian Machine Tools: A New Venture

VOLTAS Ltd and Scottish Machine Tool Corporation Ltd of Glasgow have jointly promoted a new Company called Scottish Indian Machine Tools Ltd to undertake the manufacture of certain types of machine tools—guillotine shears, punches, plate blending rolls and other items of plate and bar working machinery. The project is estimated to cost Rs. 64 lakhs. The plant which, it is proposed, will be located in Thana (Bombay), will manufacture machinery worth Rs. 60 to Rs. 70 lakhs a year in the first stage. The factory building is likely to be completed by about the middle of this year, and it will be ready for production early in 1965. The Company will have an authorised capital of Rs. 1 crore—all in equity shares of Rs. 100 each. The issued capital will be Rs. 64 lakhs, of which Rs. 25.60 lakhs will be subscribed by the British collaborators and this amount will be used for the import of plant and machinery needed for the project. Voltas and its associates will take up shares worth Rs. 19.20 lakhs and the balance of Rs. 19.20 lakhs will be offered for public subscription in the near future. The machine tool industry is a basic industry with a great future in India, which is going ahead with rapid industrialisation. The Scottish Machine Tool Corporation, which is collaborating in the project, is a combine of five Scottish firms of high standing amalgamated in 1937. Voltas has been the sole distributor for the products of S.M.T. since May 1959, and it will also act as the sole distributor for the products to be manufactured by the new Company.

Hindustan Polymers Will Enter Market Soon

HINDUSTAN Polymers Ltd which has been licensed to manufacture annually 10,000 tons of styrene monomer, 7,500 tons of polystyrene and its copolymers and 1.5 million gallons of power alcohol will soon be in the market to raise Rs. 1.274 crores through public subscription. The Universal Oil Products Co. Inc., Illinois, U.S.A. and B. X. Plastics Ltd, England, a wholly-owned subsidiary of the Bakelite Xylonite Ltd, London, are collaborating in the venture. The factory will be located in Visakhapatnam. The project is estimated to cost Rs. 6.35 crores which will be met by the issued capital of Rs. 3 crores, foreign exchange loans of Rs. 2.16 crores and bank borrowings amounting to Rs. 1.19 crores. The Company has an authorised capital of Rs. 5 crores, of which Rs. 3 crores—all in equity shares of Rs. 100 each—is being issued for the present.

The promoters, directors and their associates have subscribed Rs. 1.126 crores, the I.C.I.C.I. Rs. 20 lakhs and the Bakelite Xylonite, the technical collaborators, Rs. 20 lakhs. All these add up to Rs. 1.526 crores. Equity shares worth Rs. 20 lakhs have been reserved for subscription by the Commonwealth Development Finance Co. Ltd, London. The balance of Rs. 1.274 crores is to be offered for public subscription. The entire public issue has been underwritten. The C.D.F.C., London, has agreed in principle to grant the Company a loan of Rs. 66.67 lakhs in sterling, the I.C.I.C.I. a loan of Rs. 75 lakhs in U.S. dollars, the I.F.C. a loan of Rs. 54.33 lakhs in French francs and the Mercantile Bank a loan of Rs. 20 lakhs in sterling. These loans totalling Rs. 916

crores will help meet the Company's foreign exchange requirements for the purchase of plant and equipment for the project. The board of directors consists of Mr. Kasturbhai Lal-bhai, Mr. Pratap Bhogilal, Mr. Bhogilal Leherchand, Mr. R. G. Saraiya, Mr. R. V. G. K. Ranga Rao, Mr. Jehangir P. Patel, Mr. N. K. Petigara and Mr. R. K. Parikh.

Modi Industries Shows Impressive Results

ALTHOUGH the dividend has just been maintained at 12 percent (Rs. 1.20 a share of Rs. 10), the working results of Modi Industries Ltd for the year ended October 1963 show an impressive improvement over the previous year's performance. While sales are up by hardly 8 percent from Rs. 7.33 crores to Rs. 7.90 crores, the gross profit has gone up by as much as 60 percent from Rs. 36.11 lakhs to Rs. 57.27 lakhs. After providing Rs. 9.55 lakhs (against Rs. 8.66 lakhs) for depreciation, Rs. 2.50 lakhs (against Rs. 55,000) for development rebate and Rs. 24 lakhs (against Rs. 15.60 lakhs) for taxation, the net profit for 1962-63 amounts to Rs. 17.06 lakhs, against Rs. 8.75 lakhs in the preceding year. With Rs. 50,239 (against Rs. 4.56 lakhs) brought forward from the previous year, the disposable surplus amounts to Rs. 17.56 lakhs (against Rs. 13.31 lakhs). The directors have set aside Rs. 3.44 lakhs (against nil) for gene-

ral reserve, Rs. 3 lakhs (against nil) for price fluctuation reserve and transferred Rs. 11 lakhs (against Rs. 4 lakhs) to dividend equalisation reserve. The proposed dividend absorbing Rs. 8.81 lakhs is to be paid from dividend equalisation reserve. After making various appropriations, there remains a small balance of Rs. 11,802 to be carried forward.

The sugar factory worked for 103 days, against 125 days in the previous year. Cane crushed was 1,055 million quintals (against 1,364 million quintals) with a recovery percentage of 9.01, against 9.49 in the previous year. The sugar factory could work for only 103 days due to the shortage of sugarcane. The sugarcane crop suffered due to premature dry weather. The directors state that because of the lower excise duty on khandasari, the producers of gur and khandasari are in a position to offer much higher prices for sugarcane, particularly when the prices of gur and khandasari are high. The working results of other factories such as vanaspathi, soap, paints, lanterns, distillery, torches and gases were satisfactory. The arc-welding electrodes factory went into production during the year, and it is said to be working satisfactorily. Some machinery pertaining to the steel project has already been received and the construction of the factory is progressing well. The factory, it is expected, will go into production before March 1965. Modi Industries has a paid-up capital of Rs. 73.39

lakhs, which is supported by reserves and surplus amounting to Rs. 64.96 lakhs. The gross fixed assets valued at Rs. 1.895 crores have been written down to Rs. 98.58 lakhs.

Partial Redemption of Esso Debentures

THE chairman of the Industrial Credit and Investment Corporation of India, Mr. G. L. Mehta, carried out lots for the partial redemption of the ten-year old Esso Refinery debentures amounting to Rs. 4 crores. One-fifth of these is being redeemed. The draw was made in accordance with the provisions contained in the Trust Deed entered into between the Esso Standard Refining Company of India Ltd and the State Bank of India in July 1953, for securing Rs. 4 crores 5½ percent debentures. This redemption represents the first return to Indian investors of long-term funds lent for the construction of a modern oil refinery in India. The bonds are being redeemed at par after having paid full and prompt interest over the last ten years. The Esso debentures are currently yielding 7 percent a year.

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*You were my husband for just a little while.
Now all the dreams we dreamt together have
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It killed you, and left me with a living death.*

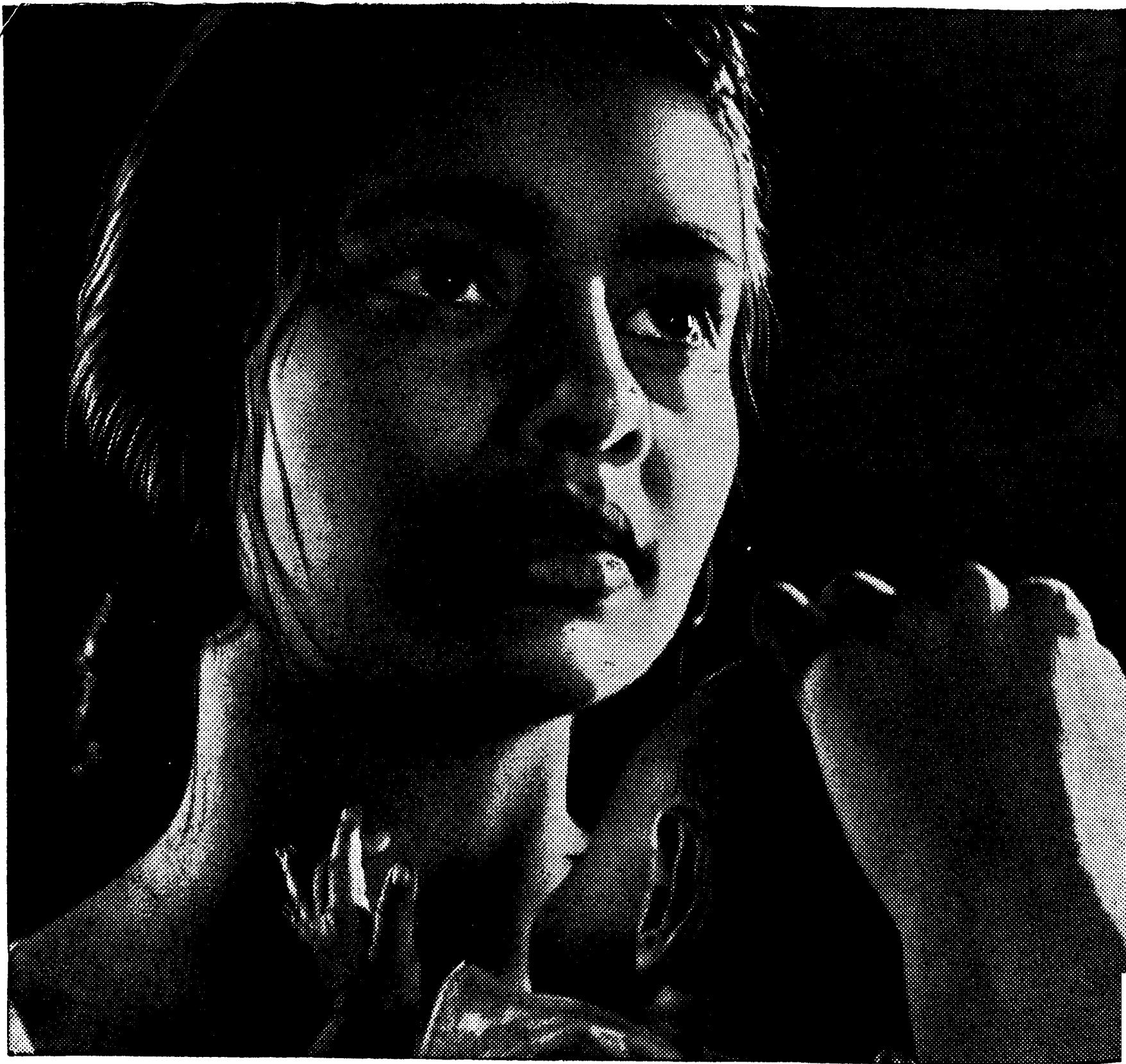
The real tragedy of road accidents is that we can prevent them... but don't. These accidents do not just happen, they are caused. By human error, carelessness and selfishness.

Very little effort is required by each of us—road-users—to minimise this tragedy. Surely it CAN be done, and a great many lives saved—perhaps your own.

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turn of funds to redeeming bondholders on the very same day on which the bonds are due. If redeemable bonds and the necessary receipts are delivered in proper form to the State Bank of India, Bombay, by 30th April, the funds will be despatched to the bondholder that day. Where necessary, because of splitting of certificates, new debentures will also be issued at the time when the refund is made.

Central Bank Earns More

THE Central Bank of India Ltd has produced satisfactory results for the year ended December 1963. The profit has risen from Rs. 1.80 crores for 1962 to Rs. 1.89 crores for 1963. Interest paid on deposits and borrowings amounted to Rs. 6.67 crores, against Rs. 5.99 crores, while interest and discount earned rose from Rs. 11.35 crores to 12.48 crores. A taxable final dividend of Rs. 2.60 a share has been declared, making a total dividend of 20 percent, taxable, for the year. Reserve fund is allocated Rs. 40 lakhs, special reserve Rs. 34 lakhs, staff gratuity fund Rs. 10 lakhs and bonus to staff Rs. 75 lakhs. The carry-forward is Rs. 91,510, against Rs. 93,249 brought in. Deposits rose from Rs. 236.06 crores to Rs. 250.79 crores. Investments stood at Rs. 57.06 crores, against Rs. 55.96 crores and advances rose from Rs. 175.45 crores to 187.72 crores.

Binny Maintains Dividend

THE directors of Binny and Co. Ltd have maintained a dividend of 21 percent for the year ended December 1963, against 21 percent. In spite of an increase in the turnover, the net profit on trading is lower than that of the previous year, the shortfall being accounted for by increased costs and a reduction in the agency commission received. The profit before taxation for the year amounts to Rs. 33,34,211, after providing Rs. 24,609 for depreciation and Rs. 2,40,000 for bonus to staff. This compares with the previous year's profit of Rs. 37,93,428, after providing Rs. 22,552 for depreciation and Rs. 2,40,000 for bonus to staff. The provision for taxation for the year amounts to Rs. 13,30,000 (against Rs. 16,00,000). This leaves a net profit of Rs. 20,04,211. Adding to this net profit a sum of Rs. 1,19,850 brought forward, Rs. 13,523 being past provision no longer required and Rs. 200,000 transferred from general reserve, the total available for appropriation comes to Rs. 23,37,584. Out of this, a sum of Rs. 200,000 is transferred to debenture redemption fund. Additional dividend of 25p a share for the year ended December 1958, has absorbed Rs. 25,000. The interim dividend of 8 percent for the year has absorbed Rs. 800,000, against Rs. 800,000. The proposed final dividend of 13 percent will absorb Rs. 13,00,000 (against Rs. 13,00,000). The balance of Rs. 12,584 is carried forward. The total sales for the year amounted to Rs. 179,38,603 (against Rs. 170,19,783).

The directors' report says that the substantial increase in turnover was maintained during the year, particularly in the handloom textiles department. There was an improvement over the previous year in the investment income, but this was more than offset by increased interest charges on the high level of borrowings throughout the year. The Company's engineering subsidiary, Giovanna-Binny Ltd, started manufacturing minor items during the year, and is expected shortly to begin producing penstocks. With the object of reducing the existing level of short-

term bank indebtedness and replacing part of such indebtedness with medium-term secured loan capital, the directors offered during the year for public subscription 7 percent debenture stock at par, to the value of Rs. 30,00,000, redeemable not earlier than 31st December, 1972.

S. F. Products Expanding

S.F. PRODUCTS India Ltd, a Swedish subsidiary Company, has taken steps to expand the workshops situated in Mahestala, near Calcutta. Although production began in April 1963, it is coming close to the licensed target of 1,500 units a year. Necessary action has been taken to double the capacity. On 30th December, 1963, the Company issued 12,000 new shares of Rs. 100 each at par, so the total paid-up share capital has amounted to Rs. 14 lakhs. The funds from the new issue will be used to finance the expansion. The Company has produced satisfactory results for the year ended December 1963.

The sales and contracts executed and invoiced have amounted to Rs. 54.11 lakhs, which show an increase of 13 percent over that for 1962. The net profit has amounted to Rs. 1.18 lakhs, against Rs. 4.18 lakhs, after providing Rs. 4.74 lakhs (against Rs. 2.81 lakhs) for taxation, Rs. 65,867 for

development rebate reserve and Rs. 1.14 lakhs (against Rs. 15,942) for depreciation. The taxable ordinary dividend of 16 percent has been declared to absorb Rs. 1.28 lakhs. General reserve is allocated Rs. 1.70 lakhs, leaving a carry-forward of Rs. 12,507, against Rs. 1.12 lakhs brought in. The Company has received a letter of intent from the Government of India to manufacture electrostatic precipitators. Further details with the Government of India are being discussed.

Soorah Jute Mills Earns Less

THE profit of the Soorah Jute Mills Co. Ltd for the year ended December 1963, has been smaller than that for 1962, due to the rise in the price of raw jute while there was a decline in the prices of jute goods. The mill has worked at full capacity, but there has been a large accumulation of jute goods stocks due to keen competition in foreign markets. Stocks of gunnies rose from 82,800 tons to 112,300 tons. The Indian Jute Mills Association has scrapped the working time agreement, so there is likely to be a further rise in the production of jute goods during the current year. The directors think that the prospect for 1964 may not be as good as that for 1963. They stress the importance of producing a large

jute crop during the 1964-65 season to meet the rising requirements of the industry. They hope that a crop of about 8 million bales may be produced. Meanwhile, the production costs have risen due to the implementation of the wage board award.

The trading profit has amounted to Rs. 11.18 lakhs. Depreciation absorbs Rs. 2.24 lakhs, development rebate reserve Rs. 25,000 and taxation Rs. 4.66 lakhs. The taxable ordinary dividend has been reduced from 25 percent to 20 percent to absorb Rs. 2.80 lakhs. The yield amounts to 13.3 percent at the present price of Rs. 22.50 a share of Rs. 10 each.

Tide Water Oil Pays the Same

TIDE Water Oil Co. India Ltd has maintained the taxable ordinary dividend at 35 percent, including an interim of 7 percent, for the year ended October 1963. The yield amounts to 10.5 percent at the present price of Rs. 33.19 a share of Rs. 10 each. The profit has risen from Rs. 4.47 lakhs for 1961-62 to Rs. 5.47 lakhs for 1962-63, after providing Rs. 23,590 (against Rs. 24,078) for depreciation. Taxation is allocated Rs. 3.50 lakhs (against Rs. 3.17 lakhs) and development rebate reserve Rs. 1,000 (against Rs. 6,000). The carry-forward is Rs. 25,403, against Rs.

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12,113 brought in. Sales rose from Rs. 93.90 lakhs to Rs. 1.06 crores. Although the import licence for the six months ended March 1963, had been cut by 50 percent, licences for the two half-years ending March 1964 have been restored to the level prevailing previously.

Bengal Assam Steamship Repeats

BENGAL Assam Steamship Co. Ltd has made a smaller profit of Rs. 5.76 lakhs for the year ended October 1963, compared with one of Rs. 10.24 lakhs for 1961-62, after increasing depreciation from Rs. 3.74 lakhs to Rs. 4.34 lakhs. The taxable ordinary dividend of 10 percent has been repeated to absorb Rs. 2 lakhs. The yield works out to 7.8 percent at the present price of Rs. 128 a share of Rs. 100 each. Taxation is allocated Rs. 3.58 lakhs (against Rs. 2.85 lakhs), development rebate reserve Rs. 2.02 lakhs (against Rs. 1.57 lakhs). The carry-forward is Rs. 54,558, against Rs. 23,886 brought in.

Freight earnings declined from Rs. 59.48 lakhs to Rs. 55.20 lakhs due to the shortage of lighters and because of the slow start of the jute and tea seasons. Greater competition from the railways has had to be met since bigger quantities of Assam jute and tea have been carried by the railways than before. The competition from the railways and road is likely to increase. But the directors hope that the increase in industrialisation in Assam will provide enough goods traffic for carriage by all forms of transport.

Mim Tea Passes Dividend

THE Mim Tea Co. Ltd has incurred a loss of Rs. 49,706 for the year ended December 1963, after providing Rs. 24,439 (against Rs. 20,885) for depreciation. The dividend has been passed. Bringing in Rs. 17,193, and making other adjustments, a debit balance of Rs. 25,513 has been carried forward. The crop dropped by 32 quintals to 1,056 quintals, compared with that of 1962. The average selling price fell from Rs. 8.99 to Rs. 6.94 a kilogram. The directors mention that trading conditions for Darjeeling teas have not been favourable. The 1964 crop has been estimated at 1,100 quintals.

Ouchterlony Valley Pays More

A SUBSTANTIAL rise in coffee crop and a better price realisation for tea are the encouraging features of the working results of Ouchterlony Valley Estates Ltd for the year ended October 1963. But against the profit earned, the brought-forward loss has to be adjusted. This has made it necessary for the Company to draw on reserves for declaring a dividend of 12½ percent for the year (against 6 percent).

The profit for the year before taxation amounts to Rs. 4,78,581, against a loss of Rs. 5,06,184 in the previous year. After deducting the tax provision of Rs. 88,000 (against Rs. 96,500), there is a net profit of Rs. 3,90,581. After adjusting the brought forward loss of Rs. 3,58,491 against the net profit, there is a balance of Rs. 32,090. With the amount of Rs. 1,75,033 transferred from general reserve and with Rs. 43,241 transferred from dividend equalisation reserve, the total available for appropriation comes to Rs. 2,50,364. Out of this, the directors have transferred Rs. 4,500 to development rebate reserve. The propos-

ed dividend of 12½ percent will absorb Rs. 2,43,248. The balance of Rs. 2,616 is carried forward.

The tea crop for the year amounted to 6,95,418 kilograms, against 655,342 kilograms. The yield from each acre of tea has improved to 472 kilograms, against 445 kilograms. The all-in-cost amounted to Rs. 4.10 a kilogram, against Rs. 3.96 a kilogram. The average price realised amounted to Rs. 4.63 a kilogram, against Rs. 4.48 a kilogram. The coffee crop amounted to 646,146 kilograms, against 211,742 kilograms, and this has resulted in a substantial rise in yield at 219 kilograms, against 72 kilograms an acre. The coffee crop is valued at Rs. 2.25 a point. The tea crop for 1963-64 is estimated at 685,000 kilograms, and the expectations are that it may well exceed the 700,000-kilogram mark. The coffee crop for 1963-64 was originally estimated at 355 tonnes. But according to present indications, the crop will be only about 300 tonnes. The chairman says that it is, therefore, certain that the current year's working will result in a loss.

Bijohnagar Tea Earns More

BIJOYNAGAR Tea Co. Ltd (A Doorga garden) has declared a taxable ordinary dividend of Rs. 5 a share of Rs. 25 each to absorb Rs. 1.74 lakhs for the year ended December 1963. The profit has amounted to Rs. 7.02 lakhs, against Rs. 7.24 lakhs for 1962, after reducing depreciation from Rs. 1.78 lakhs to Rs. 1.49 lakhs. Taxation absorbs Rs. 3.25 lakhs (against Rs. 3.45 lakhs), general reserve Rs. 2.25 lakhs (the same) and employees' benefit reserve Rs. 2,500 (the same). The carry-forward is Rs. 72,737, against Rs. 99,954 brought in. Sales amounted to Rs. 35.59 lakhs. Tea production fell from 847,062 kilograms to 813,704 kilograms, but the average sale price showed an improvement. The 1964 crop has been estimated at 776,700 kilograms.

National Jute Pays the Same

NATIONAL Co. Ltd has made a profit of Rs. 28.37 lakhs for the year ended October 1963, compared with one of Rs. 33.25 lakhs for 1961-62. The taxable ordinary dividend of 10 percent has been maintained to absorb Rs. 3.50 lakhs. At the present price of Rs. 22 a share of Rs. 10 each, the yield amounts to 4.5 percent. Development rebate reserve is allocated Rs. 20 lakhs, taxation Rs. 26,250 (against Rs. 5.30 lakhs) and general reserve Rs. 4.20 lakhs (against Rs. 11.75 lakhs). The carry-forward amounts to Rs. 4,576, against Rs. 9,507 brought in. Sales amounted to Rs. 6.52 crores, against Rs. 6.74 crores. Stocks of jute goods increased from Rs. 22.12 lakhs to Rs. 56.94 lakhs.

Referring to the abolition of the working time agreement by the Indian Jute Mills Association, the directors point out that the Company will be able to increase its production and run more looms. Two hundred and fifty-five broad-looms have been installed in 1962-63 but all of them have not been fully used during the current year in view of the unfavourable trading conditions. A capital expenditure for Rs. 1.59 crores has been incurred, so the financial requirements of the Company have increased.

Shreenivas Cotton Earns Record Profit

SHREENIWAS Cotton Mills has raised the dividend for 1963 from 14 percent to 16 percent. While this

restores only partially the drastic cut from 20 percent made in the previous year, the preliminary report on the Company's working results shows that it has done exceedingly well, with both sales and gross profit setting new records. Whereas the turnover has risen by about 9 percent from Rs. 4.72 crores to Rs. 5.14 crores, the gross profit has shot up by 38 percent from Rs. 63.30 lakhs to Rs. 87.35 lakhs. The ratio of gross profit to turnover has risen impressively from 13.4 percent to 17 percent. This is attributed to increased efficiency brought about by the planned programme of modernisation and renovation over the past few years. In 1963 itself, the Company installed machinery worth Rs. 37 lakhs which includes 11,760 spindles, one hot-air stentering machine and one blow-room line. The sanforising machine on order last year has also been put into operation. Out of the 20,000 additional spindles sanctioned, 15,000 spindles have started working and the remaining 5,000 spindles will be installed before the end of this year. A further 6,700 spindles are on order and will be installed in 1965.

Plans are also being considered for installing more automatic looms. The working of the subsidiaries—Shree Madhusudan Mills and Shree Gopal Industries—has shown further improvement. In the case of Shree Madhusudan Mills, all arrears of preference dividend have been cleared, while Shree Gopal Industries has added Rs. 4 lakhs to reserves out of the current year's profit, after providing full depreciation. Both these subsidiaries are increasing their installed spinning capacity. Appropriations of Shreenivas Cotton's gross profit of Rs. 87.35 lakhs include depreciation Rs. 26.72 lakhs (against Rs. 23.78 lakhs), development rebate Rs. 5.50 lakhs (against Rs. 3.75 lakhs), taxation Rs. 24.34 lakhs (against Rs. 14.26 lakhs), bonus liability for previous years Rs. 6.23 lakhs (against Rs. 7.62 lakhs), general reserve Rs. 3 lakhs (against nil), preference dividend Rs. 25,000 (the same) and equity dividend Rs. 16 lakhs (against Rs. 14 lakhs). In the previous year, the Company had to withdraw Rs. 5.38 lakhs from reserves to meet the shortfall in the dividend distribution amount, while the higher dividend for 1963 is being paid entirely out of the year's profit. The Rs. 100-paid share of Shreenivas Cotton is currently quoted around Rs. 255, offering a gross return of about 6.6 percent.

Swastik Rubber Steps Up Dividend

SWASTIK Rubber Products Ltd has raised the dividend for 1963 from 6 percent to 9 percent, which seems more than justified by the Company's impressive results for the year. Sales have gone up by about 80 percent from Rs. 1.12 crores to Rs. 2.02 crores, and the gross profit has risen by nearly 50 percent from Rs. 15.50 lakhs to Rs. 22.80 lakhs. Appropriations include depreciation Rs. 7.13 lakhs (against Rs. 6.44 lakhs), development rebate Rs. 3.08 lakhs (against Rs. 1.14 lakhs), taxation Rs. 5.92 lakhs (against Rs. 6.44 lakhs) and capital redemption reserve Rs. 1 lakh (against nil). The proposed equity dividend will absorb Rs. 3.15 lakhs (against Rs. 2.13 lakhs) and preference dividend takes up Rs. 37,000 (the same).

The Company made an issue of 9 percent redeemable cumulative preference shares of the total value of Rs. 9.5 lakhs, of which shares worth Rs. 8.46 lakhs were subscribed in 1963 and the balance of Rs. 1.04 lakhs in early 1964. Out of the proceeds, the Company redeemed the 5 percent preference shares worth Rs. 5 lakhs and the balance was used for financing the expansion scheme. The Company has received permission to un-

dertake the manufacture of 3 million pairs of footwears, the production of which is expected to start by about the middle of 1965. The Company has now entered the export market, and it hopes to do a substantial business in this field also.

Coimbatore Cotton Raises Dividend

DESPITE an increase in sales, the net profit of Coimbatore Cotton Mills Ltd for the year ended December 1963, is lower than that of the previous year, as the margin of profit was considerably reduced. But the dividend is stepped up to 15 percent from the previous year's level of 9 percent. The pre-tax profit of the year amounts to Rs. 12,02,784, after providing Rs. 9,04,103 for depreciation, compared with the previous year's profit of Rs. 13,73,210, after providing Rs. 9,64,492 for depreciation. With the amount of Rs. 8,845 being the refund of interest paid in prior years, the total available for appropriation comes to Rs. 12,11,629. Out of this, bonus amounted to Rs. 1,68,922 (against Rs. 1,73,132). Donations amounted to Rs. 3,974 (against Rs. 56,923). A sum of Rs. 76,446 is transferred to development rebate reserve (against Rs. 29,767). A sum of Rs. 25,167 is transferred to gratuity reserve (against Rs. nil). The provision for taxation amounts to Rs. 3,47,000 (against Rs. 7,54,424). The proposed dividend of 15 percent will absorb Rs. 5,39,940 (against Rs. 3,23,964). The balance of Rs. 180 is carried forward.

Sivanandha Mills Sales Up, but Profits down

IN spite of a small increase in the sales from Rs. 96.25 lakhs to Rs. 1.01 crores, the gross profit of Sivanandha Mills of Coimbatore for 1963 is substantially down from Rs. 24.43 lakhs to Rs. 16.83 lakhs. The dividend, however, has been maintained at 26 percent. The Company's working results were adversely affected by the reduction in ceiling prices of cotton yarn of 60s and above from 6th February, 1963. Besides, the Company had to purchase entitlements from exporter mills at high premiums, because of the drastic cut in the quota of foreign cotton. The cost of production also increased as a result of higher electricity charges, power cut and increased insurance liability. Appropriations of the year's profit include depreciation Rs. 4.59 lakhs (against Rs. 4.68 lakhs), development rebate Rs. 35,830 (against Rs. 1.44 lakhs), taxation Rs. 6 lakhs (against Rs. 12.6 lakhs) and dividend Rs. 2.60 lakhs (the same). After making these appropriations, there remains a balance of Rs. 5,805 to be carried forward, against Rs. 22,937 brought in.

Asian Cables Fares Well

ASIAN Cables Corporation Ltd reports fairly satisfactory results for the year ended September 1963—the second year since the Company went into production. Sales during the year amounted to Rs. 64.62 lakhs, against Rs. 9.40 lakhs in 1961-62. After transferring Rs. 1.89 lakhs (against Rs. 1.21 lakhs) to "expenditure during the period of construction" and charging full depreciation amounting to Rs. 6 lakhs (against Rs. 6.61 lakhs), the Company has incurred a small net loss of Rs. 58,962, against Rs. 11.52 lakhs in the preceding year. No provision is made for taxation or development rebate. After making an adjustment of Rs. 28,769 (against nil) being excess value of opening stock and bringing

in the loss of Rs. 11.89 lakhs, the total deficit of Rs. 12.77 lakhs is being carried forward.

The directors state in their report that although production during the year was steady and satisfactory, sales could not catch up to expectations due to various reasons such as panicky conditions consequent on the Chinese aggression, shrinking of demand due to the retardation of power generation progress in the third plan, scarcity of cement for building new houses and difficult monetary conditions restricting purchasers' inventory to the minimum and severe competition.

In view of all these adverse factors, the company's sales during 1962-63 are considered to be quite encouraging, and the directors are hopeful of pushing sales in the current year. The Company is working

at present only one shift. Production would be more economical on a two-shift basis. But so far two important factors have been preventing the directors from starting the second shift. Firstly, there is no certainty of continuous steady supply of imported raw materials so vital for production, and secondly, depressed condition in the market and restricted off-take require careful thinking before increasing the output. The situation is said to be gradually improving and the management is, therefore, considering the starting of the second shift in the current year. The P.V.C. cable plant was commissioned towards the close of the last financial year. The P.V.C. insulated cables have been well received in the market. The Company's foreign collaborators subscribed last year their full share of the new equity shares capital in (U.S.

\$1,130,000 (equivalent to Rs. 53.64 lakhs). This amount is being used for the import of machinery for Project 11. The buildings of Project 11 for H.T. power cables are under progress and the machinery has started arriving. The Company has been issued the necessary import licence for machinery worth Rs. 1.05 crores for Project 11. The erection is expected to be completed before the end of this year and the plant is expected to be commissioned early in 1965. The Rs. 100 paid share of Asian Cables is available around Rs. 79.

Singareni Collieries Earns More

THE Singareni Collieries Co. Ltd. has done well for the 15 months

ended March 1963. The accounts cover a period of 15 months because the Company's accounting year has been changed to the Government financial year. The profit has amounted to Rs. 1.11 crores, against one of Rs. 82.62 lakhs for the year ended December 1961, after transferring Rs. 90.25 lakhs (against Rs. 58 lakhs) to depreciation. A taxable ordinary dividend of 7½ percent has been declared, absorbing Rs. 22.50 lakhs. Development rebate is allocated Rs. 19.73 lakhs (against Rs. 26.26 lakhs), taxation Rs. 50.50 lakhs (against Rs. 32.50 lakhs) and general reserve Rs. 19 lakhs (against nil). The carry-forward is Rs. 18,633, against Rs. 47,033 brought in.

The output for 1962-63 amounted to 3.2 million tons, so the production target has been exceeded. Sales amounted to Rs. 10.50 crores, against Rs. 7.44 crores. The directors say that the wagon supply position has on the whole been satisfactory. It has been decided to increase the output in 1963-64. The Controller of Capital authorised capital to Rs. 9 crores during 1963-64. The Company has permitted the Company to issue equity capital for Rs. 1 crore. The expansion programme has made good progress. The Company is expected to reach the output target of 6.10 million tons by the end of 1966, provided adequate foreign exchange is allowed for importing equipment. Some mines have been equipped with the latest machinery and more is being obtained to mechanise the mines further.

New Capital Issues

FOUR companies have been authorised to raise capital totalling Rs. 5.37 crores. Of these, one is offering bonus shares to existing shareholders, another is floating equities and two are issuing equities plus preference shares. One company is offering part of its equities and preference shares to the public. Foreign collaboration is involved in one of the issues. The consent of the Controller of Capital Issues is valid for 12 months in all cases. The following are the details:

Associated Cement Companies Ltd, Bombay, will be issuing further capital of Rs. 119,21,800 in 119,218 equity shares of Rs. 100 each, to be issued as bonus shares to existing equity shareholders of the Company on capitalisation of the share premium account to a like extent.

The Indian Tube Company (1953) Ltd, Calcutta, an existing Company, is to issue capital of Rs. 1,05,00,000 divided into 87,500 equity shares of Rs. 100 each for cash at a premium of Rs. 20 a share to be subscribed as to 40 percent by Stewarts and Lloyds Ltd, U.K. and 60 percent by the Tata Iron and Steel Company Ltd and their nominees. The capital will be used for financing the expansion of the seamless tube plant.

Bist Industrial Corporation Ltd is to issue capital of Rs. 68,64,500 divided into 486,450 equity shares of Rs. 10 each and 20,000 cumulative redeemable preference shares of Rs. 100 each, carrying dividend at 9.27 percent free of company's tax, but subject to deduction of taxes at source at the prescribed rates. This supersedes an earlier consent granted in 1960 for the issue of preference shares of Rs. 40 lakhs. The capital is required for the establishment of a sugar mill in Nainital at an estimated cost of Rs. 2.60 crores. The Company has already raised a capital of Rs. 51,35,500.

Central Pulp Mills Ltd, Poona, is to issue Rs. 2.45 crores capital—Rs. 1.70 crores equity and Rs. 75 lakhs preference—to be issued for cash at par. The money will be used in establishing a pulp mill.

The Stock Markets

TURNOVER FALLS DESPITE GOOD CORPORATE NEWS

Wednesday Evening.

POLITICAL developments have dominated events in the stock market during the past week. The inconclusive talks in New Delhi between the Indian and Pakistani Home Ministers, combined with the growing uncertainties relating to Kashmir, have called for caution. The earlier steadiness following good corporate news has not been maintained towards the close. The payment of higher dividends by Indian Aluminium, Union Carbide and Philips India has had virtually no effect. The excellent profit made by Guest, Keen, Williams has been overlooked since the Company has paid a smaller dividend on the increased capital.

Turnover has declined appreciably and is largely confined to clearing scrip. In view of the poor outlook for equities, investors have held off. But selling pressure has also been light since holders seem to think that almost all the adverse factors have been discounted. Considering that bulls have incurred substantial losses since the last Budget, they have little courage to extend their commitments. Bears have also become cautious in the belief that Mr. T. T. Krishnamachari, Central Finance Minister, may modify some of his harsh Budget proposals. It is generally thought that the dividend tax and the inclusion of bonus shares in capital gains may be modified. The situation will become clear only when the Finance Bill, 1964, is passed.

Indian Iron have drifted downwards after an earlier rise. Although the Joint Plant Committee has raised the prices of some decontrolled items of steel for the second time in about two months, investors have not been impressed. Among engineering shares, Texmaco have fluctuated both ways on influential buying. Guest, Keen, Williams, Burn and Jessop have been quiet towards the close. Binani Metals have been steady on interested support.

Business has largely been confined to clearing shares in the miscellaneous section, and their prices have reacted towards the close. Indian Copper have not responded to the rise in the international price of copper due to the general depression. India Steamship and National Insulated Cable have dropped on pressure. Hindustan Aluminium have declined in spite of the prospect for expansion. Isaac Holdens have been about steady on paying a maiden taxable ordinary dividend of 5 percent. Among managing agency shares, Jardine Henderson and Balmer Lawrie have weakened. Calcutta Trams have not responded to the prospect of an increase in fares.

Electric company shares have been dull and small business has passed in Calcutta Electric. Scattered business in United Commercial and United Bank has been transacted in the banking section. Paper shares have been quiet and Orient have declined. Seshasayee and Titagur have lost on balance. Sugar shares have been difficult to transact due to the absence of buyers. Investors have been disturbed by the decision of the Government to set up a Sugar Marketing Board. It is thought that the setting up of this body implies that controls on sugar will be perpetuated.

Turnover in jute shares has been small. Investors have been discour-

aged by the growing competition in jute goods. So the sound statistical position of the industry has been overlooked. Birla, Champdany, Kinnison, Ganges and Barnagore have lost. Coal shares have been sluggish and buyers have been difficult to attract even by discounting prices. Bengal have been neglected on reducing the dividend. Pench Valley, Amalgamated and Central India have declined on a predominance of sellers. The growing accumulation of pithead stocks of coal due to the decline in demand for inferior grades has caused a great deal of concern.

Although cotton mills have done pretty well for 1963, the outlook for 1964 has been assessed cautiously. Although the export of cloth has improved during the first quarter of 1964, competition in foreign markets has been intensified. Production costs of Indian mills have, meanwhile, risen considerably. Bharat Commerce and Jay Shree Textiles have been steady due to good reports, but J. K. Cotton has reacted on profit-taking. Scattered business has been done in tea shares. Interest in these shares has been at a low ebb following the decline in the average price of teas sold during the 1963-64 season. Attention has largely centred on selected Assam and Doars gardens.

Government securities have been steady in spite of small turnover. It looks as though official support has been forthcoming since subscriptions to the new conversion loans have already begun. Scattered business in

selected State Government loans has been transacted.

Bombay

ANOTHER DULL WEEK IN DALAL STREET

GOOD COMPANY NEWS IGNORED

Wednesday Evening.

THE Bombay stock market has been dull during the past week. Turnover in clearing and cash shares has been small. Although selling pressure has not been pronounced, any small offer has tended to reduce prices disproportionately since there have been few buyers. Operators have been inclined to await the passing of the Finance Bill. There was an earlier recovery in the belief that the Central Finance Minister, Mr. T. T. Krishnamachari, might modify his Budget proposals.

Prices of cash scrip have declined, and some of them have been difficult to transact due to the absence of support. So the payment of higher dividends by some leading companies has failed to stimulate interest. Although reports of cotton mills for 1963 have shown satisfactory results, investors have preferred to wait. The export of cloth during the first quarter of 1964 has been higher than in the corresponding period of 1963, but investors have been discouraged by

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the absence of a rise in the internal prices of cloth. Share prices have lost on balance due to small selling. The closing undertone has been quiet.

Tata Steel ordinary have closed at Rs. 147. Holders have refrained from selling due to the higher output of the Company for the year ended March 1964. Scattered business in selected engineering shares has been transacted, but their prices have declined. Tata Engineering, Premier Construction, Alcock Ashdown and Mukund Iron have been sold at lower

prices. In motor-vehicle shares, Hindustan Motors and Premier Automobiles have reacted on pressure.

Century have fluctuated both ways in the cotton mill section. Bombay Dyeing, Kohinoor, Svadeshi and Simplex have declined. Standard have, nevertheless, been slightly steady due to short-covering. Shree Niwas have not responded to the increase in the dividend. India United ordinary and Gokak have been quiet.

Turnover in miscellaneous shares has been small. In the sugar section, Belapur and Walchandnagar In-

dustries have been barely steady. Among cement shares, Associated Cement have been maintained on the prospect of a bonus issue. Among steamship company shares, Scindia Steam have declined on profit-taking. Mining shares have been subdued. Shivrajpur Syndicate have been offered freely without attracting interest.

Chemical shares have been quiet. Tata Chemical and Indian Dyestuff have been sold at lower prices. Rayon shares have dropped in sympathy with the general trend. National

CAPITAL, 16th April, 1964.

Rayon have quoted lower. Voltas have been about steady on investment buying. Among new shares, Synthetics and Chemicals, Permanent Magnets and S.L.M.-Maneklal have declined.

Madras

TURNOVER SHRINKS APPRECIABLY BUSINESS CENTRES ON PLANTINGS

Tuesday Evening.
THE Madras stock market has been fairly steady during the past week, although turnover has shrunk considerably. Enquiries from outside centres have been negligible. Selected clearing shares have recovered slightly due to short-covering. Interest in cash shares has been at a low ebb due to fears of power cuts in the coming dry months. Business has largely centred on selected planting shares. Good tea and coffee shares have been fancied on satisfactory crop reports. Interest has been shown in high-yielding preference shares and debentures, but they have been in short supply.

Government securities have been quiet, and prices of State loans have tended to decline. In the banking section, Canara Banking Syndicate have been steady at Rs. 68.80 and Indian Overseas have changed hands at Rs. 135.30. Syndicate Bank have been taken at Rs. 143.50 on paying a taxable dividend of 20 percent. Electric company shares have generally been neglected since their yields have become unattractive due to the rise in interest rates. Negapatam have been sold at Rs. 11 and West Coast at Rs. 13.50. Sugar shares have been quiet, and Deccan have been available at Rs. 11.85. Business in E.I.D. has passed around Rs. 35.65, but K.C.P. have been steady at Rs. 24. Travancore have weakened to Rs. 7.45 and Andhra to Rs. 14.75.

Among planting shares, Blue Mountain have been transacted at Rs. 2.41 and Cochin Malabar at Rs. 5.45. Consolidated Coffee have been steady at Rs. 21.50 and Ouchterlony at Rs. 4. Periakaramalai have changed hands at Rs. 3.44, Teekoy at Rs. 6.60. Rajagiri at Rs. 21.25 and Midland at Rs. 11.20. Norwuch have been bought at Rs. 23. Parkside at Rs. 26.33 and Peermade at Rs. 20.62. Interest has been taken in Nilgiri at Rs. 9.12 and in Chemba at Rs. 4.65. Coffee Lands have been steady at Rs. 16.62 and Osoor at Rs. 2.60.

In textile mills, South India Viscose have recovered to Rs. 135.50, but Travancore Rayon have weakened to Rs. 22.87. Lakshmi have been done at Rs. 134.50 and Madura at Rs. 34.45. Bangalore Woollen have quoted Rs. 273 and Buckingham Rs. 285. Vasantha have changed hands at Rs. 255 on repeating the taxable ordinary dividend of 20 percent. Vijayakumar have weakened to Rs. 115 since the decision of the Company to issue new preference shares and redeem the existing ones has disturbed some shareholders. The Company proposes to redeem 8,000 redeemable cumulative participating preference shares of Rs. 100 each. It also proposes to issue 8,000 9 percent tax-free redeemable cumulative preference shares of Rs. 100 each to the existing ordinary shareholders in the ratio of two new shares for every three held. Vijayalakshmi have been taken at Rs. 111.50 on declaring a taxable ordinary dividend of 10 percent.

Among miscellaneous shares, Aluminium Industries have been maintained at Rs. 21.37 and Ashok Leyland have recovered to Rs. 6.97. In cement shares, Dalmia Cement have been

CAPITAL, 26th March, 1964.

weak at Rs. 13 and India Cement at Rs. 5.68. Metturr Chemical have been bought up to Rs. 13.35. Seshasayee Paper have improved to Rs. 7.70 and Tube Investment to Rs. 210. Standard Motors have been transacted at Rs. 10.12 and Parry's Confectionery at Rs. 3.14. Spencer have met with support up to Rs. 22.37 and Textool have been wanted at Rs. 142.50. Kirloskar Electric have quoted Rs. 18.40. The Company proposes to increase the authorised capital from Rs. 1 crore to Rs. 2.50 crores by creating 1 million ordinary shares of Rs. 10 each and 50,000 preference shares of Rs. 100 each. Tubes and Malleables have changed hands at Rs. 9.48 on declaring an interim taxable ordinary dividend of 10 percent.

THE WEEK'S TRANSACTIONS

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

CLEARED SECURITIES

Birla Jute—Rs. 31/94—32/12—31/25—31/50—(27/75).
Dunlop Rubber—Rs. 36/37—36/50—35/87—36/12—(35/25).
Guest, Keen, Williams—Rs. 25/12—25/31—24/25—24/50—(32/75).
Hindustan Motor—Rs. 18/44—18/50—18/16—18/22—(17/25).
Indian Aluminium—Rs. 32/12—32/25—31/69—31/75—(33/50).
Indian Copper—Rs. 3/45—3/47—3/40—3/46—(4/37).
Indian Iron—Rs. 24/84—24/88—24/52—24/62—(21/60).
J. K. Cotton—Rs. 11/75—11/75—11/50—11/56—(13/06).
Jaipur Udyog—Rs. 11/44—11/50—11/25—11/25—(11/37).
Kesoram Industries—Rs. 26/25—26/34—25/62—26/00—(22/25).
Orient Paper—Rs. 37/45—37/50—36/95—37/05—(34/00).
Orissa Cement—Rs. 13/69—13/75—13/50—13/50—(15/19).
Rohtas Industries—Rs. 11/81—11/87—11/56—11/78—(11/69).
Shree Gopal—Rs. 25/12—25/12—24/94—25/00—(24/50).
Textile Machinery—Rs. 28/05—28/05—27/50—27/70—(22/70).

GOVERNMENT SECURITIES

3 % Loan (1986)—Rs. 63/35—63/40—63/25—63/30.
3 % " (1966-68)—Rs. 97/85—97/85—97/85—97/85.
3 1/2 % " (1965)—Rs. 99/60—99/65—99/60—99/65.
3 1/2 % " (1966)—Rs. 99/65—99/65—99/65—99/65.
3 1/2 % " (1969)—Rs. 97/00—97/00—96/97—96/97.
3 1/2 % " (1968)—Rs. 99/40—99/40—99/40—99/40.
3 1/2 % " (1967)—Rs. 99/55—99/55—99/55—99/55.
4 % " (1972)—Rs. 99/00—99/00—99/00—99/00.
4 1/2 % Andhra (1972)—Rs. 97/53—97/53—97/53—97/53.
2 1/2 % U.P. Zemindary (Collected up to 30/6/63)—Rs. 44/85—44/85—44/85—44/85.

RAILWAY

Dehri Rohtas—Rs. 11/69—11/69—11/69—11/69.

BANKS

Punjab National—Rs. 18/75—18/81—18/75—18/81.
United Commercial—Rs. 67/00 x.d.—67/00 x.d.—67/00 x.d.—67/00 x.d.
United Bank of India (Rs. 10/- paid)—Rs. 7/65—7/75—7/62—7/69—(7/62).
Do. (Conty) (Rs. 20/- (Rs. 10/- paid)—Rs. 7/25—7/31—7/25—7/31.

COTTONS

Bowreah—Rs. 23/00—23/00—22/94—22/94—(23/50).
Cawnpore—Rs. 6/50—6/50—6/50—6/50—(6/25).
Elgin—Rs. 18/50—18/50—18/50—18/50—(20/69).

Jaya Shree—Rs. 15/12—15/12—15/12—15/12.
New Victoria—Rs. 1/25—1/37—1/25—1/37—(1/62).
Do. (Pref.)—Rs. 2/00—2/06—2/00—2/06—(7/00).
Swadeshi (P.O.)—Rs. 6/37—6/41—6/37—6/37—(7/00).

COALS

Bengal—Rs. 249/00—249/00—249/00—249/00—(262/00).
Bhalgora—Rs. 3/94—4/00—3/87—3/87—(5/00).
Bharat—Rs. 3/37—3/37—3/37—3/37—(3/53).
Karanpura Collieries—Rs. 14/00—14/00—12/44—12/44—(16/00).
Do. (Pref.)—Rs. 46/00—46/00—46/00—46/00—(46/00).
Lakurka—Rs. 10/50—10/50—10/25—10/25.
New Beerboom—Rs. 15/81—15/81—15/81—15/81—(17/62).
South Karanpura—Rs. 7/06—7/12—7/06—7/12.

JUTES

Agarpara (Pref.)—Rs. 95/00—95/50—95/00—95/50.
Auckland (2nd Pref.)—Rs. 59/00—59/50—59/00—59/50.
Barnagore—Rs. 215/00—215/00—215/00—215/00.
Empire—Rs. 14/44—14/44—14/44—14/44.
Ganges—Rs. 13/19—13/19—13/19—13/19—(13/25).
Do. (Pref.)—Rs. 104/00—105/00—104/00—105/00.
Gourepore—Rs. 22/87—22/87—22/75—22/75.
Hukumchand—Rs. 19/50—19/50—19/50—19/50.
Kelvin (Pref.)—Rs. 95/00—96/00—95/00—96/00.
Lansdowne—Rs. 96/50—97/00—96/50—97/00—(85/00).
Megna—Rs. 11/84—11/84—11/75—11/75—(13/25).
Northbrook—Rs. 25/19—25/25—25/00—25/00—(29/00).
Do. (Pref.)—Rs. 72/75—72/75—72/00—72/00.
Nellimarla—Rs. 10/00—10/00—10/00—10/00—(10/50).
New Central—Rs. 11/81—11/81—11/56—11/56—(12/81).
Do. (Pref.)—Rs. 89/75—90/50—89/75—90/50.
Nuddea—Rs. 58/00—58/00—57/75—57/75—(49/50).
Presidency—Rs. 4/37—4/37—4/37—4/37—(4/81).

MININGS

Assam Sillimanite—Rs. 7/00—7/06—6/94—7/06.
Karanpura Development—Rs. 10/19—10/19—10/12—10/19—(11/00).
Metal Corporation—Rs. 7/31—7/31—7/12—7/12—(8/75).

CEMENTS

Ashoka—Rs. 7/00—7/00—7/00—7/00—(7/50).
Dalmia (Bharat)—Rs. 13/44—13/50—13/37—13/50—(12/87).
Do. (Pref.)—Rs. 8/00—8/00—8/00—8/00—(8/00).
Sone Valley—Rs. 4/19—4/25—4/12—4/12—(4/53).

CHEMICAL

Kanoria—Rs. 8/31—8/62—8/31—8/58.

ELECTRICS

Agra—Rs. 123/00—124/00—123/00—124/00—(120/00).
Calcutta—Rs. 14/06—14/12—14/00—14/12—(14/12).
Do. (Pref.)—Rs. 7/75—7/81—7/75—7/81—(7/81).
Sijua Jheriah—Rs. 8/58 c.t.—8/58—8/58—8/58—(8/25).

ENGINEERINGS

Bharat Ball Bearing—Rs. 12/12—12/19—12/03—12/03.
Britannia Eng.—Rs. 9/87—10/12—9/87—10/06—(10/37).
Binani Metal—Rs. 12/75—12/75—12/62—12/62.
Calcutta Steel—Rs. 14/12—14/25—14/12—14/25—(13/37).
Hindustan Wire—Rs. 9/62—9/62—9/44—9/44.
Indian Iron (Pref.)—Rs. 80/50—81/00—80/50—80/75.
Jessop & Co.—Rs. 22/94—23/00—22/87—23/00—(23/31).
Marshalls—Rs. 2/75—3/06—2/69—2/94—(2/97).
National Screw & Wire—Rs. 9/37—9/62—9/37—9/62.
National Iron & Steel—Rs. 5/81—5/81—5/81—5/81—(4/12).

Sen-Raleigh—Rs. 15/00—15/00—14/69—14/69—(14/00).

MISCELLANEOUS

Aluminium Corp.—Rs. 12/00—12/12—12/00—12/12—(14/00).
Asiatic Oxygen—Rs. 11/00—11/25—10/75—10/75.
Angelo Brothers—Rs. 23/50—23/56—23/37—23/50—(22/37).
Associated Battery—Rs. 23/62—23/62—23/31—23/44—(25/87).
Balmer Lawrie—Rs. 257/00—257/00—254/00—254/00—(257/00).
Bararee Coke—Rs. 20/56—20/56—20/56—20/56—(24/37).
B. I. Corp.—Rs. 9/31—9/50—9/19—9/50—(9/12).
British Paints—Rs. 21/00—21/00—20/75—20/81—(20/50).
Bikaner Gypsum—Rs. 12/00—12/00—12/00—12/00—(12/00).
Chemical & Fibre—Rs. 12/31—12/62—12/31—12/37.
Clive Row Investment—Rs. 8/31—8/44—8/31—8/44—(8/25).
Dyer Meakin—Rs. 26/00—26/00—25/87—25/87—(25/75).
Duncan Brothers—Rs. 135/50—135/50—135/00—135/00—(125/00).
East Anglia Plastics—Rs. 6/25—6/81—6/70—6/70—(6/70).
Electric Construction—Rs. 12/62—12/75—12/50—12/50—(12/75).
English Electric—Rs. 13/69—13/69—13/62—13/62.
General Tyres—Rs. 7/97—8/15—7/97—8/15.
Goodyear India—Rs. 26/37—26/37—26/37—26/37—(14/62).
Gillanders—Rs. 14/69—14/75—14/62—14/62—(13/81).
Hindustan Aluminium—Rs. 12/56—13/06—12/75—12/87—(14/25).
Do. (Pref.)—Rs. 112/00—112/00—112/00—112/00—(112/00).
Hindustan Development—Rs. 3/94—3/94—3/94—3/94—(3/84).
Hindustan Tywofords—Rs. 12/50—12/50—12/50—12/50—(14/69).
Hindustan-Pilkington Glass—Rs. 14/00—14/00—14/00—14/00—(17/87).
Imperial Tobacco—Rs. 9/62—9/75—9/62—9/75—(10/87).
Indian Oxygen—Rs. 25/50—25/62—25/12—25/50—(26/75).
Indian Tack & Nail—Rs. 9/94—10/06—9/94—10/06.
Isaac Holdens—Rs. 13/00—13/00—13/00—13/00—(15/12).
India Carbon—Rs. 14/75—14/75—14/75—14/75—(14/75).
Indian Rubber Mfg.—Rs. 20/12—20/12—20/12—20/12—(21/06).
Jayashree Tea Industries—Rs. 14/87—14/87—14/81—14/81—(14/75).
J. K. Synthetics—Rs. 11/81—11/81—11/75—11/81—(11/62).
John Oakley Mohan—Rs. 3/37—3/37—3/37—3/37—(3/37).
Jardine—Rs. 74/50—74/50—74/00—74/25—(74/00).

Kesoram Industries (2nd Pref.)—Rs. 95/50—96/00—95/50—96/00—(96/00).
Martin Burn—Rs. 25/81—26/25—25/69—26/25—(25/50).
McLeod & Co. (2nd Pref.)—Rs. 59/50—59/75—59/50—59/75.
Do. (Ord.)—Rs. 206/00—206/00—206/00—206/00—(215/00).
Do. (1st Pref.)—Rs. 43/50—43/50—43/50—43/50—(43/50).
Metal Distributors—Rs. 3/75—3/87—3/75—3/87.
Metal Box—Rs. 29/25—29/25—29/25—29/25—(42/75).
National Insulated Cable—Rs. 22/37—22/56—22/37—22/56—(24/37).
National Rubber Manfg.—Rs. 12/56—12/56—12/56—12/56—(10/75).
National Tobacco (2nd Pref.)—Rs. 56/00—56/00—56/00—56/00—(56/00).
Philips India—Rs. 26/87—26/87—26/87—26/87—(25/25).
Rohtas Industries (B' Pref.)—Rs. 56/50—56/50—56/00—56/00—(56/00).
Sirsilk—Rs. 7/87—7/87—7/84—7/84—(8/25).
Shaw Wallace (Pref.)—Rs. 55/00—55/00—55/00—55/00—(55/00).
Union Carbide—Rs. 30/25—30/75—30/75—30/75—(41/25).
Universal Cables—Rs. 11/37—11/44—11/31—11/31.
Universal Electric—Rs. 7/62—7/62—7/56—7/56.
Usha Martin Black—Rs. 14/87—14/87—14/81—14/81.
Walford Transport—Rs. 3/37—3/37—3/25—3/25—(3/25).

PAPERS

Bengal—Rs. 27/00—27/06—26/94—27/06—(29/50).
India Paper Pulp—Rs. 18/75—18/81—18/75—18/81—(18/69).
Sirpur—Rs. 12/12—12/12—11/87—12/00—(10/12).
Star—Rs. 8/62—9/00—8/56—9/00—(10/06).
Seshasayee—Rs. 7/62—7/62—7/44—7/44.

Titaghur—Rs. 14/75—14/94—14/62—14/62—(16/25).

PRESSING

Hooghly Ganges Hydraulic—Rs. 4/56—4/62—4/56—4/62.

REAL PROPERTY

Midnapore Zemindary—Rs. 18/00—18/25—17/50—18/25—(9/25).

SAW MILL

Assam Saws—Rs. 2/50—2/50—2/44—2/44—(2/50).

INSURANCES

Concord of India—Rs. 10/00—10/00—10/00—10/00—(10/25).
Ruby General—Rs. 10/37—10/44—10/31—10/31—(9/06).

SHIPPINGS

Bengal Assam Steamship (Pref.)—Rs. 57/50—57/50—57/50—57/50—(57/50).
India Steamship—Rs. 6/75—6/87—6/62—6/87—(5/94).

SUGARS

Bharat—Rs. 12/50—12/56—12/50—12/56—(13/00).
Carew & Co.—Rs. 12/12—12/19—12/12—12/19—(12/50).
Champaran—Rs. 10/56—10/62—10/56—10/62—(15/87).
Darbhanga—Rs. 7/50—7/50—7/50—7/50—(7/12).
Raza Buland—Rs. 9/62—9/62—9/56—9/56—(10/25).

TEAS

Bhatkawa—Rs. 16/31—16/44—16/19—16/31—(15/50).
Bishnauth—Rs. 17/00—17/12—16/87—17/12—(15/87).
Dessai & Purbuttia—Rs. 182/00—182/00—182/00—182/00—(140/00).
Dejoo Valley—Rs. 50/00—50/00—50/00—50/00—(49/25).
Dehra Dun—Rs. 82/00—83/50—81/50—81/50—(81/50).

East India—Rs. 13/00—13/00—12/69—12/69—(13/00).
Grob—Rs. 6/44—6/50—6/37—6/37—(7/12).
Gopalpur—Rs. 19/50—19/50—19/50—19/50—(19/50).
Hasimara—Rs. 12/50—12/56—12/44—12/44—(13/00).
Kadambari—Rs. 14/00 c.t.—14/00—14/00—14/00—(14/00).
Methoni—Rs. 14/06—14/06—14/00—14/00—(14/00).
Rajabhat—Rs. 10/00—10/25—9/00—9/12—(12/12).
Rungamtee—Rs. 48/50—50/00—48/50—49/25—(50/00).

Rydak—Rs. 24/94—25/06—24/94—25/06—(27/31).
Seeyok—Rs. 8/50—8/50—8/50—8/50—(8/50).

DEBENTURE

4 % Northbrook Jute—Rs. 85/25—85/25—85/25—85/25.

London

ELECTION DECISION BOOSTS SHARES INSTITUTIONAL BUYING RESUMED

London, 15th April.

ELECTION uncertainties were a major influence on sentiment in the stock market during the early part of the past week, but when it became apparent that there would be no spring election there was a general upward surge in prices. With another six months to improve their image and secure voters' confidence, it was felt that the Government might win an autumn election and on this assumption, buyers returned to the market in force. The institutions and unit trusts who were waiting for more favourable conditions were active and with stock none-too-plentiful, prices moved up fairly sharply. Company news was again a sustaining influence, and leading companies like Dunlops, G.E.C., Bowaters and Rank Organisation responded well. Stores were favoured with Marks and Spencer wanted in front of the results which are due next month. Textiles found support and even tobaccos were bought. Dollar stocks moved in sympathy with Wall Street.

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I. B. A. CHAIRMAN SURVEYS BANKING PROGRESS

(BY A SPECIAL CORRESPONDENT)

Whether banks should raise their deposit rates in order to attract more savings has been a matter of controversy for some time. As the Reserve Bank is said to disfavour any increase in advance rates, the deposit rate issue remains undecided. The chairman of the Indian Banks Association supports the case for increasing interest rates on deposits, but he does so on condition that banks are allowed to step up their advance rates correspondingly.

THE Indian Banks Association, at its annual general meeting held recently, re-elected Mr. Tulsidas Kilachand as the chairman. Mr. B. K. Dutt of the United Bank of India was elected vice-chairman. The general managers of the Bank of Maharashtra and Rajasthan too find a place on the committee, which shows that small banks are being given proper recognition.

As is customary, Mr. Kilachand surveyed the major issues facing the Indian banking system. This year, they included the nationalisation threat, the impact of the Budget, and a review of banking and monetary conditions. He welcomed the repeated declarations by Central Ministers that the Government was not con-

templating the nationalisation of banks. The Reserve Bank, he said, should use its newly acquired powers without causing unnecessary hardship to financially sound and efficiently managed companies. The Indian Banks Association has launched a campaign to inform the public about the working of the banking system. A series of publications have been brought out by the Association and arrangements are being made to publish advertisements in newspapers showing the rôle and achievements of banks in India.

Interlocking Directorships

The interlocking of directorships between banks and joint-stock enter-

prises was defended by Mr. Kilachand on the ground that they represented a mutually beneficial relationship. Interlocking of directorships was not uncommon in the public sector, particularly in such institutions as the Life Insurance Corporation and the State Bank this is just the case. Mr. Kilachand was of the view that the Government possesses adequate powers to prevent the misuse of the trust reposed by the public in bank directors.

The net result of the imposts in the 1964-65 Budget would be an additional burden of Rs. 11 crores on the corporate sector. Since the capital base of the banks was narrow and the long-term borrowings were mainly

CAPITAL, 16th April, 1964.

from the Refinance Corporation, they would not be able to take advantage of the exemption limit prescribed under the surtax.

The major cause of the increase in money supply during the past year was a big rise in the net bank credit to the Government. The net credit given to the Government went up by Rs. 304 crores in 1963, compared with Rs. 292 crores in 1962. In contrast, credit given to the private sector went up by a much smaller amount—Rs. 145 crores in 1963, compared with Rs. 64 crores in 1962. The inflationary impact of the increase in credit was offset by the net reduction of Rs. 19 crores in 1963 and of Rs. 76 crores in 1962 in the foreign exchange assets.

The rate of growth of deposits in 1963 at 14 percent was about the same as in 1962. It was 11 percent in 1961. The share of demand deposits in the increase was much greater in 1963 than in the two preceding years—Rs. 174 crores in 1963, Rs. 84 crores in 1962 and Rs. 47 crores in 1961. Such a shift in resources worked to the advantage of the banking system because it saved on interest charges paid on deposits.

Larger Profits

The profits of the banking system turned out to be larger in 1963 than in 1962. The total net profits, after taxation, of the 15 largest Indian banks, excluding the State Bank, were Rs. 7.49 crores (9 percent higher) in 1963, compared with Rs. 6.9 crores in each of the two preceding years. The percentage rise in dividends was much smaller than the rise in bonus. Dividend payments absorbed Rs. 3.12 crores in 1963, whereas in 1962 and 1961, they were Rs. 2.85 crores and Rs. 2.54 crores, respectively. The rise in dividends was of the order of 12 percent in 1962 and a further 9 percent in 1963. The increase in dividends was mostly due to a sizable rise in the paid-up capital of several banks, undertaken at the instance of the Reserve Bank, to strengthen the capital base rather than to any increase in the rate of dividend itself.

On the other hand, payment on account of bonus to employees rose from Rs. 1.82 crores in 1961 to Rs. 2.16 crores in 1962, and further to Rs. 2.40 crores in 1963. The increase in bonus in the last two years was 19 percent and 11 percent. Transfer to reserves suffered as a result. They amounted to Rs. 1.89 crores in 1963, compared with Rs. 2.13 crores in 1961. The banks would not be able to step up their dividends in the immediate future.

Deposit Rates

Although the interest rate controversy has been going on for some time, nothing definite has emerged so far. It is known that a powerful section of bankers are against a rise in deposit rates in spite of a hint from the Reserve Bank that commercial banks should raise the interest rate on deposits. Mr. Kilachand favours a higher rate of interest on deposits even if such a rise leads to a corresponding increase in the rate on advances. The Reserve Bank, however, does not seem to favour any further rise in the latter rate. That means that commercial banks have to absorb the increase in costs which will result from higher interest rates on deposits.

The banking system seems to have been paying greater attention to small industries. The outstanding amount for these concerns between June 1960 and December 1962 went up by 85 percent. The finance extended by banks for the movement and marketing of agricultural produce doubled during the decade ended

CAPITAL, 16th April, 1964.

1962. The banking system would willingly finance agriculture but for the fact that farming in India is largely of a subsistence nature, the chairman pointed out.

THE CALCUTTA MONEY MARKET

MODERATE INCREASE IN ADVANCES

Wednesday, 15th April.

THERE has been a moderate increase in the general level of advances in the Calcutta money market during the past week. The requirements of the cotton and jute mills are unchanged. Those of the sugar mills, and of the iron, steel and engineering industries, are slightly higher. But miscellaneous advances show a fair increase. In the inter-bank market, conditions have been easier and the call rate has come down to 5½ percent.

The exchange market has been moderately active, with an irregular supply of both tea and gunny bills. The demand for remittances is keen. In the London market, sterling has fluctuated narrowly.

SILVER WAS STEADY IN CALCUTTA during the past week due to the increased seasonal demand. The price advanced from the previous week's level of Rs. 259 to Rs. 259.75, quoted today. The London and New York prices stood at 111½d and 129.3 cents.

In sympathy with the rise in silver, gold ruled steady and the price of 14-carat rose from Rs. 66 to Rs. 67.25.

DURING THE WEEK ENDED 10TH APRIL, Government of India Treasury bills for Rs. 1,70,66,50,000 were sold in favour of the Reserve Bank.

TENDERS FOR RS. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 13th April. The total amount offered was Rs. 2 crores. Tenders at Rs. 99.250 percent were accepted in full. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 3 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at Bangalore, Bombay, Calcutta, Madras and Nagpur up to the close of business on 20th April, and at Kanpur and New Delhi up to 11 a.m. on 21st April.

IT IS STATED THAT 91-DAY INTERMEDIATE Treasury bills will be sold from 14th April to the 18th April at Rs. 99.266 percent subject to the conditions previously announced that sales can be stopped at any time without notice, if the Government thinks it necessary. There were no sales of these bills during the period 8th April to 11th April.

RISES OF RS. 44.10 CRORES TO RS. 2,547.05 crores in active notes and of Rs. 43.01 crores to Rs. 2,564.36 crores in the total note issue were notable features of the return of the Reserve Bank of India during the week ended 10th April, 1964. The currency expansion was covered by increasing rupee securities of the paper currency reserve by Rs. 44.72 crores to Rs. 2,229.09 crores. Deposits of the Government of India rose by Rs. 22.09 crores to Rs. 74.25 crores while those of State Governments dropped by Rs. 3.28 crores to Rs. 12.68

crores. Balances of scheduled banks at Rs. 83.42 crores showed a rise of Rs. 6.54 crores. Their loans from the Bank declined from Rs. 74.94 crores to Rs. 68.92 crores of which advances against usance bills amounted to Rs. 29.10 crores (Rs. 42.77 crores). Balances held abroad dropped by Rs. 92 lakhs to Rs. 12.25 crores and investments by Rs. 144.31 crores to Rs. 103.69 crores. Ways and means advances stood at Rs. 84.35 crores, against Rs. 64.47 crores.

THE RETURN OF THE STATE BANK OF India for the week ended 3rd April, 1964, shows a rise of Rs. 9.83 crores to Rs. 629.76 crores in total deposits. Investments in Government securities are down by Rs. 2.95 crores to Rs. 238.22 crores, while other authorised investments remain unchanged at Rs. 9.44 crores. Advances, including loans, cash credits, overdrafts, and bills discounted and purchased have risen by Rs. 9.78 crores to Rs. 374.28 crores. Cash and balances are, in consequence, shown at Rs. 19.34 crores or Rs. 1.69 crores higher.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 3rd April, 1964, shows Demand and Time liabilities at Rs. 1,238.55 crores (Rs. 30.86 crores on account of borrowings from banks) and Rs. 1,269.36 crores (Rs. 12.81 crores), compared with Rs. 1,226.30 crores (Rs. 31.00 crores) and Rs. 1,260.71 crores (Rs. 12.26 crores), respectively, in the previous week. Cash has improved by Rs. 2.93 crores to Rs. 61.16 crores, while balances with the Reserve Bank have declined by Rs. 4.05 crores to Rs. 85.26 crores. There is a drop of Rs. 7.23 crores to Rs. 632.53 crores in investments. Advances and bills discounted at Rs. 1,857.82 crores show a rise of Rs. 26.02 crores. The ratios to total liabilities of cash and balances, of advances and discounts are in consequence shown at 5.8 percent and 74.1 percent, against 5.9 percent and 73.7 percent.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 17-4-64.

Issue Date	Maturity Date	Amount (000's Rs.)	Average Acceptance Rate
17-4-64	20-7-64	2,00.00	Rs. 3.000%
10-4-64	13-7-64	2,00.00	Rs. 3.000%
3-4-64	6-7-64	2,00.00	Rs. 3.000%
28-3-64	29-6-64	2,00.00	Rs. 2.750%
20-3-64	23-6-64	2,00.00	Rs. 2.500%
13-3-64	16-6-64	2,00.00	Rs. 2.360%
6-3-64	9-6-64	2,00.00	Rs. 2.360%
28-2-64	31-5-64	2,00.00	Rs. 2.360%
21-2-64	24-5-64	2,00.00	Rs. 2.340%
14-2-64	17-5-64	2,00.00	Rs. 2.340%
7-2-64	10-5-64	2,00.00	Rs. 2.325%
31-1-64	3-5-64	2,00.00	Rs. 2.325%
24-1-64	27-4-64	2,00.00	Rs. 2.325%

Month	Amount (000's Rs.)
April, 1964	2,00.00
May, 1964	10,00.00
June, 1964	8,00.00
July, 1964	6,00.00
Total	26,00.00

CLEARING HOUSE RETURNS

Week	Calcutta	Bombay
	Rs. (Lakhs)	Rs. (Lakhs)
10-4-64	1,04.55	1,26.79
3-4-64	1,47.13	1,51.23
26-3-64	1,09.61	1,31.37
20-3-64	1,02.66	1,26.47

RESERVE BANK

Liabilities—	ISSUE DEPARTMENT (In 000's of Rupees)	Week Ended		
		10-4-64	3-4-64	12-4-63
Notes & Banking Dept.	...	17,30.47	18,39.75	8,20.60
Notes in Circulation	...	25,47,05.27	25,02,95.49	23,28,22.56
Total Notes issued	...	25,64,35.74	25,21,35.21	23,36,43.16
Assets—				
A. Gold Coin and Bullion	...	1,17,76.10	1,17,76.10	1,17,76.10
Foreign Securities	...	1,12,45.69	1,12,45.69	1,05,08.43
Total of A	...	2,30,21.79	2,30,21.79	2,22,84.53
B. Rupee Coin	...	1,05,05.24	1,06,76.08	1,17,16.48
Rupee Securities	...	22,29,08.71	21,84,36.76	19,96,42.15
Total	...	25,64,35.74	25,21,35.21	23,36,43.16

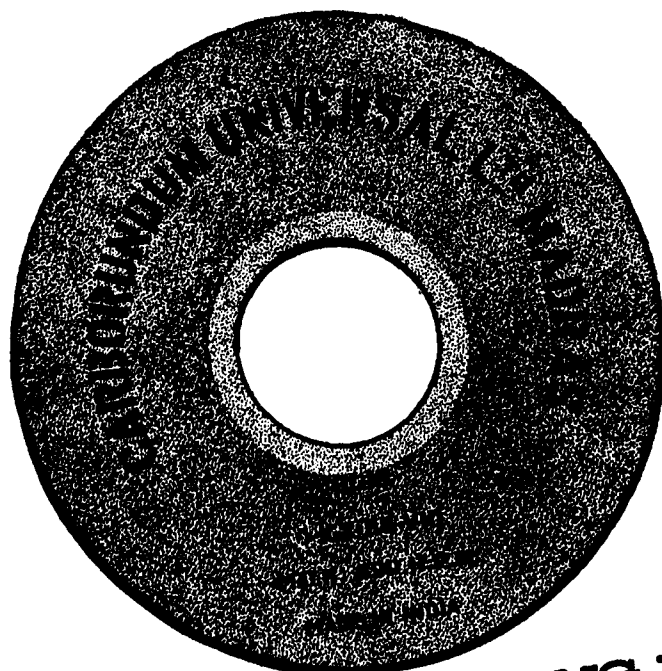
BANKING DEPARTMENT

Liabilities—	ISSUE DEPARTMENT (In 000's of Rupees)	Week Ended		
		10-4-64	3-4-64	12-4-63
Capital Paid-up	...	5,00.00	5,00.00	5,00.00
Reserve Fund	...	80,00.00	80,00.00	80,00.00
National Agricultural Credit (Long Term Operations) Fund	...	73,00.00	73,00.00	61,00.00
National Agricultural Credit (Stabilisation) Fund	...	8,00.00	8,00.00	7,00.00
Deposits—				
(a) I. Central Govt.	...	74,24.72	52,18.26	94,02.09
2. State Govts.	...	12,67.56	15,96.00	4,73.61
(b) Banks—				
(i) Scheduled Banks	...	83,42.04	76,98.46	85,90.08
(ii) State Co-operative Banks	...	2,90.43	2,77.18	2,73.68
(iii) Other Banks	...	3.41	1.55	2.37
(c) Others	...	1,59,54.45	2,30,70.87	1,68,72.25
Bills Payable	...	31,50.29	45,78.43	28,37.17
Other Liabilities	...	68,94.56	67,39.44	66,40.43
Total	...	5,99,17.46	7,17,70.19	6,03,91.68
Assets—				
Notes	...	17,30.47	18,39.75	8,20.60
Rupee Coin	...	3.03	3.52	2.50
Small Coin	...	4.74	4.30	2.75
National Agricultural Credit (Long Term Operations) Fund	...	...	...	...
(a) Loans and Advances to—				
(i) State Govts	...	28,31.63	28,31.66	27,14.51
(ii) State Co-operative Banks	...	8,62.26	8,72.33	8,93.99
(iii) Central Land Mortgage Banks	...	...	...	...
(b) Investment in Central Land Mortgage Bank	...	3,59.36	3,59.36	2,84.88
National Agricultural Credit (Stabilisation) Fund	...	...	...	...
Loans and Advances to State Co-operative Banks	...	...	...	...
Bills Purchased and Discounted—				
(a) Internal	...	...	...	...
(b) External	...	...	...	...
(c) Govt. Treasury Bills	...	1,22,28.49	1,03,99.84	94,05.89
Balances Held abroad	...	12,25.22	13,16.51	9,05.93
Loans and Advances to Govt.	...	84,34.82	64,47.46	52,90.88
Loans and Advances to—				
(i) Scheduled Banks	...	68,91.70	74,94.15	47,80.70
(ii) State Co-operative Banks	...	1,17,21.08	1,22,19.77	1,14,76.65
(iii) Others	...	1,71.20	1,52.65	2,00.40
Investments	...	1,03,68.81	2,47,50.26	2,00,16.87
Other Assets	...	30,84.65	30,78.63	35,95.63
Total	...	5,99,17.46	7,17,70.19	6,03,91.68

SCHEDULED BANKS

(In 000's of Rupees)	Week Ended		
	3-4-64	27-3-64	5-4-63
(I) Demand Liabilities—			
(a) Demand Deposits:			
(1) From Banks	68,13.49	63,71.40	55,49.35
(2) From others	10,76,88.98	10,05,04.02	8,94,67.00
(b) Borrowing from Banks	30,86.35	30,99.92	29,01.40
(c) Other	62,68.27	66,54.91	60,78.41
(II) Time Liabilities—			
(a) Time Deposits:			
(1) From Banks	25,28.48	20,95.35	22,83.15
(2) From others	12,18,54.38	12,16,14.74	11,72,27.16
(b) Borrowing from Banks	12,61.06	12,26.19	15,84.40
(c) Other	12,72.25	11,34.27	10,92.47
(III) Borrowing from State Bank—			
(a) Demand Liabilities	15,08.66	14,98.54	10,08.11
(b) Time Liabilities	11,45.00	11,55.00	10,57.50
(iv) Borrowing from Reserve Bank	79,87.15	82,58.26	48,51.22
(v) Cash	61,15.96	58,22.84	52,25.80
(vi) Balances with the Reserve Bank	85,26.10	89,30.81	75,67.14
(vii) Balances with other banks to current account	24,85.36	23,58.45	21,90.89
(viii) Money at call and short notice	37,13.40	36,97.50	46,42.42
(ix) Investments in Central and State Govt. Securities	6,32,53.43	6,39,76.31	6,00,33.39
(x) Loans, Cash Credits and Overdrafts	15,32,81.91	15,18,70.46	13,11,67.56
(xi) Due from Banks	19,90.67	17,22.78	9,10.07
(xii) Inland Bills purchased and discounted	2,37,70.77	2,31,08.58	2,26,50.06
(xiii) Foreign Bills purchased and discounted	67,38.24	64,77.80	55,57.23
(xiv) Total of X, XI and XII	18,57,81.59	18,31,79.63	16,02,84.92

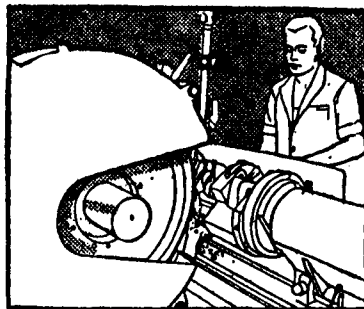
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NATIONAL RUBBER MANUFACTURERS LIMITED

COMMENDABLE WORKING RESULTS: MR. K. N. MOOKHERJEE OUTLINES EXPANSION PROGRAMMES AND ANNOUNCES NEW RIGHTS ISSUE

Presiding over the 18th Annual General Meeting of the Company held in Calcutta on the 11th April, 1964, Mr. K. N. Mookherjee, the Chairman, said:

Gentlemen,

It gives me much pleasure in extending to you all a hearty welcome to the Eighteenth Annual General Meeting of your Company. The Directors' Report and audited Accounts for the year ended 31st December, 1963 have been in your hands for some time now and with your permission I shall take them as read.

Increased Dividend

You will have noticed from the Directors' Report that your Company's working during the year under review was indeed satisfactory. There was

continued increase in the production of all important items. The turnover of Rs. 457 lakhs achieved in 1963 was the highest in the history of the Company being 30% more than that of the previous year. Against this substantial increase in sales the value of stock and borrowings were maintained almost at the same levels as in the previous year. The net profit for the year 1963 registered an increase of 97% over 1962. Evidently your Company was able to record an all round improvement in its operational efficiency during the year under review. Consequently upon the better working results it was possible for your Directors to raise the quantum of dividend distribution on Ordinary Shares for the second year in succession being 10% for 1963 as against 8% for 1962. Your

Directors were also able to appropriate larger sums to reserve funds.

Record of Progress

The sales figure of Rs. 457 lakhs attained in 1963 was more than 50% higher than the target of Rs. 300 lakhs envisaged by the expansion schemes taken in hand by the Company in 1957. In fact the progress in sales recorded by the Company during the successive plan periods has been commendable having registered a rise of almost ten times since 1951. The performance of the Company over the past three years has been particularly significant. Since 1960, the Company's net earnings increased about ten times and the margin of net profit on sales as well as the rate of dividend on Ordinary Shares maintained a steadily increasing trend.

Technical Agreement

The agreement with Goodyear India Ltd. expired in December, 1963 and a new agreement has been concluded with them. Another agreement with Messrs. Goodyear Tire & Rubber Company, U.S.A. under which they will extend to your Company technical assistance has also been executed and it will be submitted to the Government for their approval.

Managed Company

Both production and sales of the managed company, General Tyres Limited, have been gradually and steadily increasing. The Industrial Finance Corporation of India has agreed in principle to sanction an additional loan of Rs. 40 lakhs for the purpose of rationalisation and expansion of production.

Expansion Programmes

You will have noticed from the Directors' Report details of schemes taken in hand by your Company for expansion of production of major items like cycle tyres, industrial V-belts and fan belts and also for manufacture of PVC conveyor belting. These schemes would constitute the second series of substantial expansion to be implemented by your Company since 1957, with a view to enable the Company to take its due

share in the progressively rising demand for the products. Production of 1200 tons of reclaimed rubber by the Company itself will substantially reduce the cost of this essential raw material required for the manufacture of a variety of finished articles. With the completion of these schemes the profitability of the Company is expected to rise substantially above the present level.

Rights Issue

You will have noted from the Directors' Report outlines of the proposed rights issue of 5,00,000 Ordinary Shares of Rs. 10/- each at par to be made to the existing shareholders in the ratio of one new share for every existing Ordinary Share held in the Company. Arrangements for making this issue have since been finalised and the Letters of Right containing detailed terms and conditions of the issue will be posted by the end of this month to

those Ordinary Shareholders whose names would stand in the Registers of the Company on 13th April, 1964. The right of acceptance and/or renunciation of the new shares as well as the opportunity to apply for additional shares will remain open upto 30th May, 1964. Your Directors are confident of the full support of the shareholders of the Company as in the past.

An application has been made to the Industrial Finance Corporation of India for a fresh loan of Rs. 30 lakhs to provide funds for meeting part of the capital cost of the expansion schemes to be implemented by the Company and the application is now at an advanced stage of consideration by the Corporation.

Raw Materials

I am glad to be able to tell you that the Central Government's budget proposals for 1964-65 have not imposed any substantial burden so as to increase

the cost of raw materials appreciably barring a few items consumed by your Company, i.e. high carbon steel wire, cotton and rayon cord, steel sheets and plates, etc. But the rubber manufacturing industry is seriously perturbed at the recent decision of the Government of India linking the grant of import licences for natural rubber with the use of indigenous synthetic rubber which, coupled with the abolition of the maximum controlled prices of Indian natural rubber (while the minimum prices are retained) is sure to raise largely the cost of the basic raw materials for the industry i.e. natural and synthetic rubber. Besides, such a decision has been enforced at a stage when the units of the industry by and large are not equipped to make full use of synthetic rubber due to varied nature of their product lines or due to lack of technical facilities and standardisation. I do hope the Government of India will

give due consideration to this important matter and evolve a method by which the mutual interests of both the producers and consumers of natural and synthetic rubber in India may be safeguarded.

Appreciation

Before concluding, I should like to offer our sincere thanks to all dealers, customers and suppliers of the Company for their ready co-operation and valuable support during the year under review. On behalf of the Board of Directors and on my own I also express my warm appreciation of the happy relations maintained between the Management and labour and the loyalty and devotion of the officers and staff of the Company throughout the year 1963.

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

THE CENTRAL BANK OF INDIA LIMITED—Cont'd.

STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st DECEMBER, 1963.

EXPENDITURE	Rs. nP	Rs. nP	INCOME (less Provision made during the year for bad and doubtful debts and other usual or necessary provisions)	Rs. nP
1. Interest paid on Deposits, Borrowings, etc. ...		6,66,52,871 87	1. Interest and Discount ...	12,47,72,439 33
2. Salaries and Allowances at Head Office and Local Branches ...	1,05,24,039 34		2. Commission, Exchange and Brokerage ...	2,53,51,557 32
Salaries and Allowances at Upcountry Branches ...	3,87,70,513 01		3. Rent on Bank's Premises (excluding Rent on Premises used by the Bank) ...	9,13,650 30
Contributions to Provident Fund ...	25,10,072 47	5,18,04,624 82	4. Net Profit on Sale of Investments, Gold & Silver, Land, Premises and other Assets (not credited to Reserves or any particular Fund or Account) ...	.....
3. Directors' Fees and Allowances ...	88,731 37		5. Net Profit on Revaluation of Investments, Gold & Silver, Land, Premises and other Assets (not credited to Reserves or any particular Fund or Account) ...	.....
Committee Members' Fees and Allowances ...	10,700 00	99,431 37	6. Income from non-Banking Assets, and Profit from sale of or dealing with such Assets ...	2,98,523 82
4. Rent, Taxes, Insurance, Lighting, etc. ...		66,43,883 14	7. Transfer Fees ...	7,641 96
5. Law Charges ...		1,07,261 45		
6. Postage Telegrams and Stamps ...		17,05,841 35		
7. Auditors' Fees (including Branch Audit fees paid to Statutory Auditors) ...		2,19,100 00		
8. Depreciation on Banking Company's Property ...	1,94,561 61			
Repairs to Banking Company's Property ...	1,70,505 52			
Other charges on Banking Company's Property ...	4,04,471 20			
Depreciation on Furniture, etc. ...	10,03,655 81			
Amount transferred to Development Rebate Reserve ...	75,000 00	18,48,214 14		
9. Stationery, Printing and Advertisements, etc. ...		29,29,037 25		
10. Loss from sale of or dealing with non-Banking Assets ...		4,07,320 46		
11. Other Expenditure ...		1,89,26,420 88		
12. Balance being Net Profit subject to Provision for Bonus				
Note:—Particulars of remuneration paid to Managing Director (1-1-63 to 29-10-63) and General Manager (30-10-63 to 31-12-63):				
Cont. to				
Salaries Allow-ances	Rs. Rs.	Prov. Fund Rs.		
*Managing Director ...	71,500 4,550	5,056 15,180		
(Previous year) ...	(66,000) (4,200)	(5,500) (16,500)		
General Manager ...	10,000 800	833		
*Includes Rs. 18,925 paid in lieu of leave which had become due but was not granted.				
Rupees		15,13,43,812 73	Rupees	15,13,43,812 73
H. P. MODY Chairman.	D. M. KHATAU CHIMANLAL B. PARIKH JAMSETJEE JEJEEBHAY S. KHAMBATA N. M. WAGLE MUKARRAM JAH N. K. KARANJIA	Directors.	F. C. COOPER General Manager.	V. C. PATEL Dy. General Manager.
C. H. BHABHA Vice-Chairman.			B. R. PATEL Chief Accountant.	

AUDITORS' REPORT TO THE SHAREHOLDERS.

We have audited the foregoing Balance Sheet of The Central Bank of India, Ltd., as at 31st December, 1963, and also the foregoing Profit and Loss Account of the Bank for the year ended on that date in which are incorporated the returns of the 171 branches audited by us, 47 branches audited by other auditors and the unaudited returns from 148 other branches not visited by us. In respect of which the Central Government has made an order granting exemption from audit pursuant to section 228 of the Companies Act, 1956.

We report that—

- We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory;
- The transactions of the Bank which have come to our notice, have been within the powers of the Bank;
- In our opinion, proper books of account as required by law have been kept by the Bank so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the branches of the Bank not visited by us;
- The Bank's Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account and the returns;
- The reports on the accounts of the branches audited by other auditors have been forwarded to us and the same have been considered in preparing our report;
- In our opinion, and to the best of our information and, according to the explanations given to us, the said accounts read along with the notes appearing thereon give the information required by the Companies Act, 1956, in the manner so required for banking companies, and on such basis the said Balance Sheet gives a true and fair view of the state of the affairs of the Bank as at 31st December, 1963 and the Profit and Loss Account gives a true and fair view of the Profit, for the year ended upon that date.

Bombay, 23rd March 1964.

A. F. FERGUSON & CO.
Chartered Accountants.

S. B. BILLIMORIA & CO.
Chartered Accountants.

Unique, enduring protection for metal

Shalimar Lustrol Quick-drying, durable and weatherproof, Shalimar Lustrol aluminium paint offers a high covering capacity and a protective, glittering finish. It provides an impervious moisture barrier that repels corrosive agents, withstands high temperatures without blistering, scaling or turning black. Ideal for painting and protecting storage tanks, machinery, bridges, railings, roofs, pipes, etc., Lustrol, like every Shalimar paint offers you the sum of four decisive elements—resources, research, know-how, quality-control—which combine to give you unsurpassed quality and performance.

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A MEMBER OF THE COURTAULDS GROUP

as implemented been such as would subvert the end of increasing production? The year 1963 started off with a rise in the Bank Rate to 4½ per cent—a necessary adjustment in order that the primary lending rate might be brought into alignment with other interest rates ruling at the time. It can hardly be maintained that the unusually large credit contraction during the 1963 slack season as due to the Reserve Bank's raising of Bank Rate early in the year; a more tenable explanation would be that the slackness in production reduced the rate of growth of bank credit to industry. Nevertheless, at the end of the year, it seemed as if, for the financing of the 1963-64 busy season, banks would stand in need of considerable assistance from the Reserve Bank;

and the Central Banking Institution did act promptly, in sanctioning liberal credit limits, by modifying somewhat the multiple-tier Bank Rate system and reducing the penal rate of interest on borrowing from 6½ to 6 per cent. Banks were encouraged to feel, through the fact of such relaxation, that they could, in counting upon assistance from the Reserve Bank, extend themselves fully in the provision of credit for productive endeavours.

Disillusionment was in store for the banks. Precisely during the week when the Reserve Bank's advances to Scheduled Banks touched their peak, a communique was issued tightening credit once again. Whereas banks had, on the eve of the busy season, been allowed to borrow upto 75 per cent of their Statutory Reserves at 4½ per cent

and another 75 per cent of such reserves at 6 per cent, the penal rate of interest on borrowing in excess of these limits with the special sanction of the Reserve Bank of India having been lowered to 6 per cent, the directive issued early in March was to the effect that the two tranches were each cut to 50 per cent and that, besides, any borrowings beyond that limit (permitted only under special circumstances) would bear a penal interest rate of 6½ per cent. One implication is that banks which had planned ahead to provide finance to industry on the basis of securing assistance from the Reserve Bank as and when necessary may now be compelled to cancel limits. Industry would not be unduly worried as much by dear money as by tight money, i.e., scarcity of credit. For its smooth

CAPITAL, 16th April, 1964.

working and increasing tempo of production industry must be assured of availability of money at all times.

The other, more basic implication, concerns the impact of a multiple-tier Bank Rate upon the whole structure of interest rates. It would be pertinent to quote here from my statement last year: "Orderly interest rates obviously require that the anomaly of the three-tier Bank Rate be set right. I am afraid that all the devices we have woven in and around the Bank Rate, possibly with a view to avoiding straight increase in it, have served merely to add to the complexity of our interest rates".

If banks, even though for short periods, are required to pay 6½ per cent for their borrowings, at what minimum rate are they to fix their own lending rates? Furthermore, would the rates of interest on Deposits as they exist to-day be found a sufficient inducement for mobilisation of resources? Yet again, can banks at all be expected to invest in Government Securities that could at best yield 3½ to 4 per cent, when on borrowings against the same securities they might have to pay interest at 6½ per cent? I once again plead for rationalisation of the interest rate structure and a prerequisite in this respect certainly is that we have just one, single Bank Rate. What is important for banks is the minimum spread between the lending rate and the "borrowing" rate, that is, the interest payable on Deposits. It would follow, then, that the various banking interest rates would need to be linked with Bank Rate itself; but this cannot be done, I repeat, unless the multiple-tier Bank Rate goes.

In the face of uncertainty about the Reserve Bank's lendings it obviously becomes essential for banks to plan on lending only on the strength of their deposit resources. Thus, the mobilisation of deposits assumes more importance than ever before. I should like to quote again from the "Economic Survey" which, in its paragraphs on monetary trends, asserts that "the accent of monetary policy will also necessarily have to be on realistic interest rates which reflect adequately the real cost of capital to the economy". One aspect of mopping up of funds in areas now unbanked is of course a branch expansion programme; another is the inducement that can or should be held out to the owner of money, to make a deposit with banks. If, consequently, there are no emerging signs of interest rate rationalisation, I feel apprehensive that the banks will be compelled to revise upward the rates of interest they pay on Deposits and those charged on advances.

I have not sought to be critical, but I have this year striven to emphasise that while every official pronouncement has unequivocally acknowledged both the need for production and the incentives that have to be provided for that purpose, we are still far away from the existence of such favourable economic conditions for an automatic and sustained effort for industrial growth. If, as is possible, the effect of the last Budget is to make the capital market shy, I am sure that the banking system, to the best of its ability and to the full extent of its capacity will provide every kind of financial assistance for the furtherance of production, though a limiting factor in this regard will be the higher liquidity requirements that become effective from next autumn under the Banking Companies Act as amended in September, 1962. In conclusion, may I be permitted to express my hope that the Government will increasingly create a climate of incentives, so that we can go ahead speedily with the industrialisation of our country?

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

CAPITAL, 16th April, 1964.

THE NEED TO LIMIT THE NUMBER OF HOLIDAYS IN INDIA

By M. S. Bala

The number of holidays granted to workmen annually in India is excessive. Moreover, it varies from State to State. If output is to be raised, especially in factories which are governed by rules prescribing minimum leave for workmen, it is necessary that holidays should not only be reduced but also be made uniform throughout the country.

THE Republic Day in 1964 fell on a Sunday. So the Government of West Bengal and of other States decided to grant 27th January as a holiday for Government offices. Subsequently, the Government declared 27th January as a holiday under the Negotiable Instruments Act. This practice of making up for a holiday that falls on a Sunday is unknown in advanced countries of the world.

A few weeks earlier the Government of West Bengal had declared a holiday on the occasion of the birth centenary celebration of Swami Vivekananda, but this privilege was open only to Government employees. The words "leave" and "holidays", although used at times as if they are interchangeable, have two distinct meanings. Holidays mean a total closure of work whereas leave is absence with permission from work.

Immediately after the Chinese invasion, there was a sudden outburst of enthusiasm to produce more, and workmen offered to work overtime and contribute their overtime earnings to the National Defence Fund. The Government closed its eyes to the

rules which prescribe the number of hours for overtime work. In fact, it went to such absurd lengths that in a particular factory, the workmen said the management was anti-national because it did not call upon them to do overtime work so that they could contribute to the National Defence Fund. While no one can deny that the first and foremost need in this country is both hard work and improving the quality of work, nothing has been done either to have a uniform policy of leave and holidays for the whole nation or to ensure that during working hours, every one does an honest day's work.

Leave is intended for a number of purposes: (1) rest, recuperation of health, fulfilling social obligations, (2) sickness and convalescence, (3) unforeseen circumstances and (4) maternity. A holiday is either for a festival or a day of national importance on which absence from work, excepting essential services, is permitted for large sections of the people. It is not usually recognised that there are and there will be some who will have to work on what is a holiday for the more fortunate ones.

A holiday for the whole nation is an impossible proposition, unless some section of the population pay for it.

Lack of Uniformity

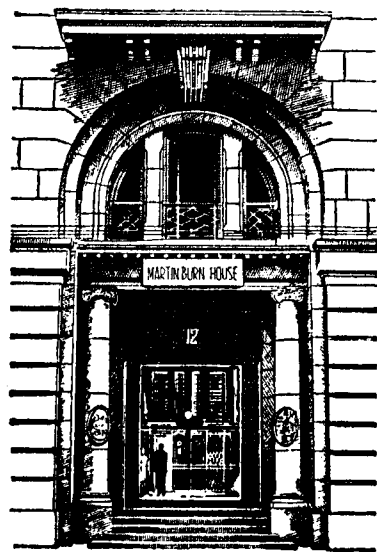
Even though the question of leave in India was considered as early as 1929 by the Royal Commission on Labour, and has been further considered by other committees appointed from time to time, in some cases by the Central Government and in others by State Governments, a lack of uniformity is the only common factor. It is true in some countries the annual leave is fixed by law, and in others, it is fixed by collective agreements, but holidays are uniform. In the statement on this page, appears the number of working days granted as paid annual leave in different countries.

It is not possible to state in India what is the annual leave so granted. The annual leave in this country is governed principally by the Factories Act, 1948, the Mines Act, 1952, the Shops and Establishments Act (which varies from State to State). The Factories Act has laid down that every worker who has worked at least

a period of 240 days during a calendar year will be allowed during the subsequent year, leave with wages at the rate of one day for every 20 days of work performed if an adult and one day for every 15 days of work performed if a child. This leave is exclusive of all holidays whether occurring during or at either end of the period of leave and can be availed of in not more than three instalments in a year. The Mines Act, 1952, has laid down that every person employed in a mine who has completed a period of 12 months' continuous service will be allowed during the subsequent period of 12 months, leave with full pay or wages at the rate of 14 days for a period of 12 months if he is a monthly paid employee and seven days if he is paid by the week. There is a difference

Country	Duration of annual holidays with pay (general minimum)
Belgium, Mexico, Portugal, Switzerland	six days
The United Kingdom	six days or two weeks
The United States	one week
Chile, Ireland, Turkey, Venezuela	seven days
Egypt	seven to 15 days
Greece, Luxembourg	eight days
Argentina, Guatemala, Italy	ten days
Australia, Austria, Czechoslovakia, West Germany, the Netherlands, Poland, the U.S.S.R., Uruguay, Yugoslavia	12 days
Canada, Costa Rica, Indonesia, New Zealand, South Africa	two weeks
Brazil, Colombia, Peru	15 days
Denmark, Finland, France, Norway, Sweden	three weeks
Cuba, Nicaragua	30 days

MARTIN BURN LOOK BACK TO OVER 180 YEARS OF SERVICE TO INDIA



...to be able to compute this service by decades, not by years alone...to recall that our creed has consistently been the development of our country's resources through engineering and allied enterprises...to take pride in planning that makes the many units in our organization fall into a rational and complementary group and each one a leader in its particular field, a position which some of them, early pioneers in India, held even in the last century. For us looking back is a worthwhile proposition—an incentive to move forward.

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THE INDIAN IRON & STEEL CO. LTD.: With a million ton integrated steel plant at Burnpur, the largest foundry in the Commonwealth at Kulti and its own collieries and iron ore mines, IISCO has an enviable record in production efficiency.

BURN & CO. LTD., HOWRAH WORKS: Pioneers in foundry practice in India, in structural steelwork fabrication and the manufacture of rolling stock—the origins of the Company go back to the year 1781.

BURN & CO. LTD., REFRACTORY & CERAMIC GROUP: Apart from stoneware pipes and chemical stoneware, the works of this group—eight in number and located in four states—manufacture nearly all types of refractories to meet the requirements of India's steel industry, power undertakings, railways, ordnance factories—in fact, any industry requiring refractory material for the maintenance of furnaces.

THE INDIAN STANDARD WAGON CO. LTD., SANTA: The oldest Indian unit started for the specific purpose of manufacturing railway rolling stock—has been mainly responsible for building up the wagon building industry. Also manufactures springs, forgings, pressings and stampings for heavy industry as well as automotive components.

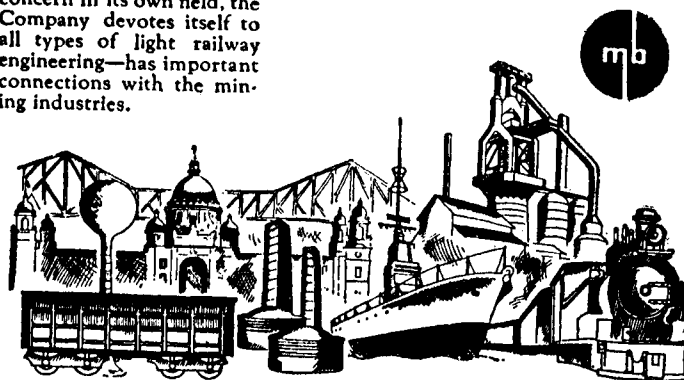
THE HOOGHLY DOCKING & ENGINEERING CO. LTD.: Established in 1819, the Company has a shipbuilding yard, a dry dock and extensive workshops at Salkia.

ROBERT HUDSON (INDIA) LTD.: A premier concern in its own field, the Company devotes itself to all types of light railway engineering—has important connections with the mining industries.

RAILWAY COMPANIES: Some of the first feeder railways in India, with six systems in four states.

ELECTRIC SUPPLY COMPANIES: Pioneers again in the generation and distribution of domestic power in India—serve 45 towns in Uttar Pradesh and Madhya Pradesh.

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THE INDIAN BANK LIMITED, MADRAS

(Established in 1907)

Registered Office: "Indian Chamber Buildings", Esplanade, Madras 1.

ALANCE SHEET (ABRIDGED) AS AT 31st DECEMBER, 1963.

As at 31st Decem-ber, 1962		CAPITAL AND LIABILITIES		As at 31st Decem-ber, 1963		PROPERTY AND ASSETS		As at 31st Decem-ber, 1963	
Rs.	nP.			Rs.	nP.	Rs.	nP.	Rs.	nP.
1,00,00,000.00		AUTHORISED CAPITAL	...	1,00,00,000.00		4,58,99,981.47	Cash	...	4,61,91,765.64
88,39,795.00		Paid up Capital	...	88,46,215.00		59,11,104.58	Balances with other Banks	...	88,89,319.41
90,01,883.78		Reserve Fund and other Reserves	...	92,91,883.78		34,22,369.86	Money at Call and short notice	...	1,28,18,493.15
44,03,94,578.62		Deposits and other Accounts	...	49,88,26,272.04		14,61,07,879.85	Investments (At cost or Book Value)	...	14,40,41,646.11
3,53,56,998.77		Borrowings from other Banking Companies, Agents, etc.	...	2,92,12,000.00		30,38,38,026.08	Advances	...	34,79,12,796.85
1,17,34,974.52		Bills Payable	...	1,33,08,772.92		3,17,15,182.44	Bills Receivable being Bills for Collection Per Contra	...	6,08,57,483.37
3,17,15,182.44		Bills for collection being Bills receivable Per Contra	...	6,06,57,483.37		4,00,95,526.68	Constituents' Liabilities for Acceptances, Endorsements and Other Obligations PER CONTRA	...	4,19,26,677.42
1,26,47,378.39		Other Liabilities	...	1,56,21,716.31		18,46,618.99	Premises	...	18,96,833.71
4,00,95,526.68		Acceptances, Endorsements and other Obligations PER CONTRA	...	4,19,26,677.42		13,49,492.68	Safety Furniture, Fixtures, etc.	...	14,71,860.06
8,29,787.37		PROFIT AND LOSS	...	10,41,942.43		1,02,79,642.65	Other Assets, Including Silver	...	1,27,71,649.02
59,06,16,105.57		Total	...	67,87,32,963.27		1,60,280.29	Non-Banking Assets acquired in satisfaction of claims	...	1,54,438.53
						59,06,16,105.57	Total	...	67,87,32,963.27

G. S. SUNDARAM
Secretary.

between an underground worker and one working on the surface.

There are 13 different Shops and Commercial Establishments Acts in different States and the amount of leave which they have prescribed, called the privilege leave, is given in the statement on this page.

Most laws have laid down that what is mentioned in that statute is the minimum that should be granted and would not affect adversely a workman who had been enjoying greater privileges before this Act came into force. The Supreme Court has gone further and said that what the law gives is only the minimum and it is open to the labour tribunals to grant more if they consider fit. In the case of Rai Bahadur Diwan Badri Das vs. Industrial Tribunal, reported in *L.L.J.* 1962, Vol. II, page 373, it is stated as follows: "Earned leave provided by Section 79 of the Factories Act is the minimum statutory leave." Unless a study is made of all the awards of labour tribunals, it will not be possible to give the different periods of leave that have been given by different tribunals in different cases.

The Omnibus Mercantile Tribunal Award disposed of privilege leave with the following sentence: "All holidays under the Negotiable Instruments Act shall be observed as holidays." The one and only reference in the Negotiable Instruments Act, 1881, is in Section 25, and states as follows: "When the day on which a Promissory Note or Bill of Exchange is at maturity is a public holiday, the Instrument shall be deemed to be due on the next preceding business day. Explanation: The expression 'public holiday' includes Sundays and any other day declared by notification in the official Gazette to be a public holiday."

The Hon'ble Mr. Justice Gajendra-gadkar (now Chief Justice of India) observed in the case of Pfizer Ltd vs. its workman reported in *L.L.J.* 1963 Vol. I, page 554, as follows: "In dealing with the question of paid

State

Privilege leave

(1) Andhra (Hyderabad area)	12 days (can be accumulated up to 24 days)
(2) Assam	16 days (cannot be accumulated).
(3) Bihar	one day for every 20 days' work if an adult and one day for every 15 days' work if a child. The maximum number of days of leave which can be carried forward are 20 an adult and 15 for children.
(4) Bombay	14 days (can be accumulated up to 28 days).
(5) Madhya Pradesh	14 days (the maximum of 14 days can be carried forward).
(6) Madhya Bharat	one month (can be accumulated up to three months).
(7) Madras	12 days (can be accumulated up to 24 days).
(8) Mysore	ten days (can be accumulated up to 20 days) for adults. 12 days (can be accumulated up to 24 days) for young persons.
(9) Orissa	one day for every 20 days' work (can be accumulated up to 30 days).
(10) Punjab	14 days after one year's continuous service, seven days after six months' continuous service.
(11) Uttar Pradesh	15 days (watchmen and caretakers 30 days).
(12) West Bengal	14 days (can be accumulated up to 28 days).
(13) Delhi	15 days (can be accumulated up to 30 days).

holidays it may be relevant to remember that the holidays declared under the Negotiable Instruments Act are usually applicable to Government institutions only and they have certain official and statutory implications envisaged by the Act itself. The commercial establishments and factories do not usually adopt these holidays and so it would not be reasonable to insist that the appellant is bound to grant holidays as sanctioned by the Negotiable Instruments Act. Besides, it is not generally accepted that there are too many public holidays in India and that when the need for industrial produc-

tion is urgent and paramount it may be advisable to reduce the number of such holidays in industrial concerns. It is true that the Maharashtra Government seems to have adopted a very liberal policy in the matter of public holidays. In 1961 the Maharashtra Government had declared 28 public holidays out of which three happened to fall on Sundays. It may be noticed that other State Governments have shown a tendency to reduce these holidays. U.P. had 18, Andhra Pradesh had 17, Mysore had 15 and Madras had 14 in 1961.

"According to the Government of India, the number of public holidays

CAPITAL, 16th April, 1964.

is generally limited to 16. Having considered all the relevant facts in the present case, we are disposed to think that the number of public holidays which are granted by the appellant to the respondents should be reduced from those sanctioned under the Negotiable Instruments Act to 16 every year."

It is not clear what his Lordship had in mind when he referred to "certain official and statutory implications."

Besides the privilege or earned or annual leave referred to above, the other forms of leave which are usually granted are casual leave and sick leave. Casual leave which is intended to meet unforeseen circumstances is essentially derived from the Government. It has now spread to commercial offices in principal cities and varies from State to State. Seven days is common in Bombay, while ten days is accepted in West Bengal. In Government services, casual leave lapses at the end of the year. As a result, in the last month of the financial year, grandmothers died more than once and business which had otherwise remained unattended to became urgent. In Bombay such casual leave as had not been availed of during the year was allowed to be encashed.

Sick Leave

Sick leave is perhaps the subject of the greatest controversy. None of the three Acts referred to, which make provision for other leave, has provided for sick leave. The Employees State Insurance Scheme, which has been introduced in some parts of India, provides for payment of sick benefits during the period of the insured person's sickness. There is a period of waiting before a person becomes eligible for this benefit. In view of this, particularly in the State of Bombay, seven days' sick leave is common in establishments which are governed by the Employees State Insurance Scheme. It may be mentioned that this Act requires that an employer and employee should contribute some amount to the Employees State Insurance Corporation which pays sick benefit and arranges for treatment both indoor and outdoor to insured persons.

While the Industrial Disputes Act has laid down that a workman's services may be terminated for prolonged illness without payment of compensation, it is nowhere laid down as to what is the maximum amount of sick leave to which a workman is entitled. In Government service where sick leave can be accumulated, this is done to the point of absurdity. A person can go on a period of sick leave and return to duty and work for a day and again proceed on a further period of sick leave, because according to the rules, he cannot get all sick leave at a stretch.

From what is said above, the conclusion is inescapable that it is necessary to codify the number of holidays and the leave to which a workman, whether in Government service or in private employment, will be entitled. This country is not only a leader in population but also a leader in unemployment and underemployment, namely, the number of days a person works in a year. If the output a man is to increase, if national income is to rise, the remedy lies not in working overtime, but stopping this farce of working for 54 days in office, and, in theory, eight hours a day in a factory. One such law will take away at least 10 percent of the industrial disputes which are before the industrial tribunals in different parts of the country. This question came up before the Indian Labour Conference, but was not taken up. Is this not urgent?

CAPITAL, 16th April, 1964.

New Delhi

EXPERT BODY FORECASTS RISING DEMAND FOR TRACTORS

(FROM OUR NEW DELHI CORRESPONDENT)

THE Government of India recently appointed a sub-committee to compile the demand estimates for tractors, earth-moving equipment and road rollers for the fourth five year plan, and to suggest methods to meet the gap between the demand and indigenous production. The sub-committee's study on agricultural tractors has just been finalised. In 1956, an expert committee estimated the demand for tractors at 5,000 a year broken into the following categories:

	Numbers
12-18 D.B.H.P.	1,500
20-30 D.B.H.P.	3,000
35-45 D.B.H.P.	500

The study group, which reported in March 1958, assessed the demand for tractors at about 8,000 by 1960-61. It classified the demand as follows:

	Numbers
12-18 D.B.H.P.	2,500
20-30 D.B.H.P.	4,500
35 and above	500

The Perspective Planning Division of the Planning Commission has estimated the demand for tractors at about 12,000 a year by 1965-66. It also estimated that by the end of the fourth plan, the figure would increase to 30,000 tractors a year.

The sub-committee has explained in its report that "the demand for tractors will depend on the emphasis placed by the Government on the importance of mechanisation, in addition to using other techniques like irrigation, improved seeds, fertilisers, pricing systems and support prices, etcetera."

Pattern of Land Holdings

"The pattern of land holdings directly affects mechanisation. On a rough analysis, the present tractive power installed on the farms is estimated at only 0.1 horse-power a cultivated acre. From the experience of other countries, there is room to step this up at least 20 times. The National Sample Survey indicated that there were more than 2.5 million holdings in 25 acres and above. Such holdings cultivate a little over 35 per cent of the total cultivated area.

"While there is no doubt that for acreages of 25 and above, power farming lends to higher and economic cultivation, there are many methods through which tractors can be made available to smaller acreages. The estimated number of tractors in 1956 was about 21,000, while in 1964 it is estimated to be 40,000. This is an indication of the ample measure of faith in the utility of a tractor, and the rise in the population of tractors has taken place in spite of foreign exchange difficulties which have severely curbed the availability of tractors to the farmers.

"If the revised targets of the Planning Commission of 90 million tons of foodgrains are to be achieved by the end of the third plan and thereafter, production is to be raised to 115 million to 120 million tons of foodgrains by the end of the fourth plan. So it will be necessary to see to it that every method employed can achieve this rate of growth.

"Mechanised power can effectively overcome the problem of 'under-employment' of labour on the farms and provide 'labour' at the fields at the peak periods. Contrary to popular

belief, it was estimated as early 1951 that 'draft-power' was barely sufficient for farming on those scales.

"In an economy where bovines compete with human population for food, increase in 'workstock' force needs to be prevented and gradually replaced by mechanical power. The simplification of *taccavi* loan procedures, adequate funds and easy credit facilities need to be provided to enable an agriculturist to invest in capital equipment. In making a passing reference to these issues, the sub-committee is aware of over-simplification, but any demand figures estimated depend a great deal on the policies adopted by the Government and its views on mechanisation."

Taking the above factors into consideration, the sub-committee has drawn up an estimate of requirements of agricultural tractors which is reproduced below:

Equipment : Agricultural tractors	1966-67	1967-68	1968-69	1969-70	1970-71	Installed capacity	Gap in capacity
10-18 D.B.H.P.	4,000	5,000	7,000	9,000	10,000	1,000	9,000
20-35 D.B.H.P.	9,000	10,000	12,000	13,500	15,000	12,000	3,000
35-50 D.B.H.P.	1,200	1,500	1,700	1,900	2,000	1,500	500
Total	14,200	16,500	20,700	24,400	27,000	14,500	12,500

The sub-committee has analysed the estimates of investment requirements as indicated by the Perspective Planning Division. The committee is of the opinion that in order that the demand targets may be met by indigenous production, the foreign exchange expenditure on capital plant and tooling will be in the neighbourhood of Rs. 5 crores.

Anticipated Demand

The anticipated demand for tractors during the fourth plan is 102,800. It is the estimate of the sub-committee that about Rs. 31 crores needs to be earmarked during the fourth plan period as the foreign exchange requirement. In addition to the import of components required, additional foreign exchange to the extent of Rs. 5 crores needs to be provided for the import of spare parts. The above figure does not include foreign exchange requirements for the import of steel and other basic raw materials, the details of which have been presented above.

The sub-committee has not taken into account the demand for power tillers, but has pointed out that any steps towards the extensive use of power tillers should be taken with caution. It is not yet clear, it says, how successful these power tillers have been in agricultural economies abroad.

TRADE UNIONS

Views of Mr. Subramaniam

The Central Minister for Steel, Mines and Heavy Engineering, Mr. C. Subramaniam, delivered a hard-hitting speech during the recent debate in the Lok Sabha on the demand for grants for his Ministry. Claiming that he grew up as a labour leader, the Minister propounded the theme that the trade union movement should be free of politics and politicians. In other words, he seemed to claim that the trade union movement was mature enough to manage its own

affairs without aid and interference from outsiders.

While agreeing that there should be a human and civilised approach to labour, Mr. Subramaniam said that "it should be a two-way traffic. If you go out and lock up your managers or assault your supervisors, or boo the managers as they go round the project, will it be a humane and civilised treatment on the part of labour? After all, managers also are human beings, and they also react in a human way. Is it considered that this will be permitted particularly in a country for which my honourable friend opposite have so much of admiration?"

"Any such indiscipline there would not have merely ended with putting the men inside the lock-up, but they would have been completely liquidated. Therefore, while I have all the sympathies for labour, at the same

time we have got to see that labour also behaves properly. If labour does not behave properly, I may say that I am not blaming labour also for that. We have created conditions in such a way that there is bound to be conflict.

"The 'original sin', if I may say so, was the starting of these trade unions based on political Parties. Of course, immediately, my honourable friends from the Communist Party will say 'No, no, the A.I.T.U.C. has nothing to do with the Communist Party'. Even though the same person is the chairman of the Communist Party and the General Secretary of the A.I.T.U.C., yet he works in compartments, and he is such a detached yogi that once he goes into the A.I.T.U.C., he functions purely as a trade unionist and once he goes into the Communist Party, he becomes a Party member or a Party chairman! Sir, that is impossible.

The Socialist Party

"In the same way, the Socialist Party has got the H.M.S. As far as the Congress Party is concerned, even though we also say that we have nothing to do with the I.N.T.U.C. still it is under the influence of the Indian National Congress. I may tell the House that is where the trouble is. Now, the D.M.K. is coming into politics in the south, and so they may also have a trade union under their wing, so much so that now a trade union instead of being a mere trade union, is becoming a power and status symbol of political Parties.

"Now what is to happen tomorrow? Suppose there are two communist Parties, one of the Peking variety and the other of the non-Peking variety. Suppose tomorrow the P.S.P. and the Socialist Party of Dr. Lohia merge. There may be two wings of the H.M.S., one with the Congress and another with the new Party.

"In the same way, the I.N.T.U.C. Whenever there is no strong leadership in the I.N.T.U.C. and whenever there is a faction within the Con-

gress Party, that gets itself reflected in the I.N.T.U.C. also; there are two factions in the I.N.T.U.C. We see it everywhere.

"Therefore, what I say is unless we take away this political attachment of trade unions, it will not be possible for us to make any progress whatsoever because this trade union activity is political activity in the guise of trade unionism. It is going on now. When it is in the interest of various political Parties to bring down the Government, one way of doing it is to see to it that on the economic front we become a failure.

"Even though they might protest that they are interested in building up the public-sector projects, unconsciously the working of their mind is to see to it that they should not be a success; otherwise, the prestige and power of the Congress goes up.

"Unfortunately, I find another thing. An individual is entitled to start any labour union, so much so that it is not one labour union or two labour unions but a multiplicity of labour unions that we see today. No doubt, we have got codes of conduct at the highest level. I am sure when the labour leaders enter into them, they do so sincerely and genuinely and they also try to implement them. But what about the lower level? They are not interested in the national leadership entering into these codes of conduct. They want to be the dominating factor in each individual plant. Therefore, there is a continuous tussle going on.

Multiplicity of Labour Unions

"Therefore, in the present structure of trade unionism, in the present structure of our labour policy, for which I take the blame as a Congress man and as a Congress Minister, in the present structure of labour policy where we allow a multiplicity of labour unions based on and attached to political Parties, there is a built-in position of conflict.

"Unless industries grow, unless production improves, there is no question of improving the lot of the common people. From that viewpoint, we have to evolve a labour policy which will take away these political influences and political conflicts. After all, we are all human beings. We want to succeed for ourselves. Therefore, we have to evolve a policy which will not have built-in conditions of conflict and, if I may say so, confusion. This is one aspect which will have to be kept in mind.

"The industrial programme cannot succeed unless we have the co-operation of the entire labour, unless labour becomes more efficient, unless we create conditions in which labour and management can co-operate fully."

IRON ORE

Bulk Shipments to Japan

In terms of the agreement concluded with Japan, the supply of iron ore from the Kiriburu mines was to commence in 1964. Full facilities for handling and mechanical loading of the ore are, however, yet to be established at the Visakhapatnam port, and the railway line, which has suffered damage during the rains, will be restored for carrying traffic only by about November 1963. The possibility of finding a market for the ore so that the plant could be operated at least on a single shift basis from the date the railway is restored until the Visakhapatnam port is ready for bulk shipments is being explored.

DIAMOND MINES

Report of Consultant

In terms of the provisions of the consultancy agreement, which the Government of India entered into



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with the consultant for the project, namely, Messrs John Taylor and Sons, the consultants deputed Dr. Grantham, consulting geologist, to make a general study of the geology of the diamondiferous deposits in the Panna area and make recommendations on the further prospecting work to be done in the area. The report of Dr. Grantham has been received recently and is being studied. Meanwhile, as recommended by him, a detailed survey is being made to locate alluvial deposits in the Panna area.

BAILADILA PROJECT

Report of Expert Body

A Japanese survey mission for the Bailadila project, sent out by the Japanese steel mills, visited India in May-June 1963. Simultaneously, a Japanese iron mine survey team also visited Bailadila. In the light of the discussions held by the survey mission and the iron mine survey team, two technical officers were sent to Japan towards the end of June 1963, for a period of two weeks to study some of the mining methods advocated by the survey team for the development of the Bailadila project. The intention was that before the project report for the exploitation of iron ore from Bailadila was finalised, the feasibility as well as economies of the alternative methods advocated by Japan for the development of the mine should be fully studied.

A project report for the establishment of an iron ore mine designed to produce 4 million tons of sized iron ore, conforming to the specifications stipulated in the agreement with Japan, has been prepared and is being submitted to the Government for consideration.

MOTOR-CARS

Demand Estimated

The Development Council for the motor-car industry recently set up a committee with Mr. T. S. Krishna as its chairman to make an assessment of the demand for the products of the motor-car industry during the fourth plan. The committee has generally accepted the estimates made by the transport working group of the Planning Commission as far as commercial vehicles and jeeps are concerned. They are as follows:

	Numbers
Commercial vehicles with payloads from 3 to 7 tons	90,000
Commercial vehicles with payloads exceeding 7 tons	20,000
Commercial vehicles with payloads less than 3 tons	45,000
	155,000

The committee considered that the demand for cars would reach a figure of 75,000 a year; and motor-cycles and three wheelers, etcetera, 150,000 a year. In calculating the foreign exchange requirements, the committee assumed that new capital representing 40 percent of the increased turnover would be required by motor-car manufacturers in addition to 12 percent by ancillary manufacturers. Of the total capital, it is assumed that 70 percent would be required for plant and equipment.

FARMING

Agro-economic Survey

The Planning Forum of the National College of Tiruchirappalli conducted an agro-economic survey spread over several villages in the district in 1963-64. This was carried out on a sample survey model. About 45

students took part in the survey under the guidance of a professor. The object was to find out the salient features of rural life in the villages in Tiruchirappalli district.

The observations made in the report bring out that (i) ownership of land is generally dispersed; (ii) cultivators do not get any special help from the Government; (iii) irrigation facilities are far short of requirements; (iv) fertilisers of good quality are difficult to obtain; (v) agricultural incomes are meagre; (vi) the burden of indebtedness is universal and heavy; (vii) prices realised by agriculturists at harvest times are very low and unremunerative; (viii) land reforms have not been beneficial in their effects; (ix) information about the plan is meagre; (x) little investment is taking place in land improvement measures, presumably because of the prevailing uncertainty about the Government's land policy, and (xi) co-operative credit is very difficult to obtain.

U.S.A.

Loans for Indian Firms

The U.S. Government has authorised credits totalling Rs. 6.5 crores to 13 Indian firms. The loan recipients are Everest Refrigerants Ltd (Rs. 60 lakhs), Elpro International Ltd (Rs. 40 lakhs), Frick India Ltd and Bharat Steel Tubes Ltd (Rs. 25 lakhs each), The Cochin Co. Private Ltd (Rs. 23.7 lakhs), I.A. and I.C. Private Ltd (Rs. 5 lakhs), Synbiotics Ltd (Rs. 1.3 crores), Hindustan Aluminium Corporation Ltd (Rs. 1 crore), Borosil Glass Works Ltd (Rs. 71 lakhs), Graphite India Ltd (Rs. 69 lakhs), Madras Rubber Factory Ltd (Rs. 50 lakhs), Chemicals and Plastics India Ltd (Rs. 33 lakhs), and Gabriel India Ltd (Rs. 14 lakhs). These rupee loans are being extended to the firms under the Cooley amendment to the U.S. Public Law 480.

Elpro International is owned equally by General Electric (G.E.) of the U.S.A. and by the Indian shareholders, who include Indian employees of the International General Electric India Ltd, G.E.'s wholly-owned distributor in India. The loan to Elpro will help finance the establishment of a plant in Poona, Maharashtra, to manufacture lightning rods, X-ray equipment, alnico magnets, and calrod heating units. Alnico magnets are made of an alloy of aluminium, nickel, and cobalt which Elpro will manufacture for application in loudspeakers and telephones. Calrod heating units are used in electric stoves, hot-water heaters, hotplates, and electric irons.

Frick India Ltd is constructing a plant in Gurgaon district, Punjab, to manufacture refrigerating, ice-making, and air-conditioning equipment. It is partly owned by the Frick Company of Waynesboro, Pennsylvania, U.S.A., an established manufacturer of such equipment which will provide the technical know-how to the Indian Company.

Everest Refrigerants is setting up a plant in Bombay to manufacture refrigerant gases and aerosol ("push button") dispensers. The plant will be designed to produce 1,200 tons of fluorochloride methane (F.C.M.) gases, which are used in refrigeration and air-conditioning units as well as in aerosol dispensers. The plant will be equipped to manufacture 4 million aerosol dispensers a year, and also designed to produce carbon tetrachloride, hydrofluoric acid, and aluminium fluoride. Carbon tetrachloride and hydrofluoric acid are used in the production of F.C.M.

Hydrofluoric acid is also used in the production of aluminium fluoride, which, in turn, is used in the production of aluminium. The plant will provide India with its first domestic

source of F.C.M. aerosol dispensers, and aluminium fluoride. Everest Refrigerants is jointly owned by the engineering firm of Technical Enterprises Inc., New York, and by Indian shareholders.

Making Steel Tubes

Bharat Steel Tubes is constructing a plant in Ganaur, Punjab, to manufacture welded black and galvanised iron and steel tubes and pipes for the flow of gas, water, steam, and petroleum. The plant is expected to use its full annual capacity of 36,000 tons on a single-shift basis within the first six months of operation and will reach the two-shift capacity in 1965 and the three-shift capacity in 1966. Abbey Etna Machine Company, of Perrysburg, Ohio, U.S.A., the Punjab Government, and several Indian shareholders have invested in Bharat Steel Tubes.

The Cochin Company, of Ernakulam, Kerala has been engaged in catching, quick-freezing, and exporting shrimp since 1953. Atalanta Trading Corporation, a New York importer and distributor of food products, has been providing technical and financial assistance and acting as its sole U.S. distributor. The two firms have established a joint venture called Cochin Co. Private Ltd to process, largely for export, shrimp, rock lobsters, and other fish, as well as frog legs. The loan will finance the expansion of the Company's fish-processing facilities. It is estimated that these exports will ultimately earn \$800,000 in foreign exchange a year.

I.A. and I.C. Private Ltd is establishing a sulphur-grinding plant near Bombay, to process raw sulphur for industrial and agricultural uses in India. The plant will be the first of its kind in the country. I.A. and I.C. is jointly owned by the U.S. firm of Lapi Inc. and by two Indian business men.

These rupee loans are being extended under the Cooley amendment to the U.S. Public Law 480. India is the largest beneficiary of P.L. 480 under which a great number of developing nations receive U.S. agricultural products, and pay for them in their own currencies.

Production of Antibiotics

Synbiotics Ltd is a joint venture of Olin Mathieson Chemical Corporation, New York, and the Indian firm of Karamchand Premchand Private Ltd. The credit will help expand Synbiotics' manufacture of antibiotics (such as tetracycline and streptomycin) and fine chemicals. Indian technologists have undergone comprehensive training in a number of Olin's Pharmaceutical installations in the United States, Argentina, and Brazil. Olin is also providing a four-man engineering "task force" for an extended stay in Baroda, Gujarat, where a new factory for the manufacture of streptomycin is being constructed.

Hindustan Aluminium Corporation will use the loan for constructing an aluminium fabrication plant in Renukoot, Uttar Pradesh (near the Rihand dam). The new plant will be integrated with the Company's existing aluminium reduction plant. This is the second Cooley loan to the Company, which is jointly owned by Indian shareholders and by Kaiser Aluminium and Chemical Corporation of the U.S.A. The fabrication plant will produce annually, 15,000 metric tons of aluminium re-draw rods, extrusions, and flat and coiled products. The Company plans to operate the plant at full capacity by the end of this year.

Borosil Glass Works Ltd was incorporated in December 1962 to succeed Industrial and Engineering Apparatus Co. Private Ltd, an Indian Company which had been manufacturing scientific apparatus and labora-

tory glassware since 1940. Corning Glass Works, a major U.S. manufacturer of such products, is a partner in Borosil and is also providing technical assistance. Borosil is expanding the capacity of its plant in Andheri, Maharashtra (near Bombay), to manufacture glassware for medical laboratories, hospitals, and pharmaceutical companies.

Graphite India Ltd is setting up a completely integrated plant in Durgapur, West Bengal, to manufacture various types and sizes of graphite electrodes, anodes, and carbon products. At present, the country's entire need for these materials is met by imports. The indigenous production of commercial graphite and carbon products will contribute to India's economic development by supplying all her present requirements of such products and substantially relieving her future dependence on imports. Bangur Bros. Ltd, a leading Calcutta firm and Great Lakes Carbon Corporation, New York, one of the world's foremost firms in the manufacture of commercial graphite, are the principal owners of Graphite India Ltd.

Making Motor-car Tyres and Tubes

Madras Rubber Factory Ltd, which is owned jointly by the Mansfield Tire and Rubber Company of Ohio, U.S.A., and Indian shareholders, is expanding the capacity of its Madras city plant to manufacture motor-car tyres and tubes. The Indian market for tyres and tubes is expected to grow substantially over the next few years. Some 10 percent of production is expected to be exported. The loan now announced is the second to be extended to Madras Rubber from the Cooley fund.

The loan to Chemicals and Plastics India Ltd will help the Company to manufacture polyvinyl chloride (P.V.C.), plastics, resins, and compounds in its factory in Mettur (Madras State). It is expected that indigenous production will eliminate the need for importing P.V.C. resins. The firm is owned by India Cements Ltd and by B. F. Goodrich Chemical Company, of Cleveland, Ohio, U.S.A. Chemicals and Plastics India has also entered into an agreement with B. F. Goodrich for extensive technical services.

Gabriel India Ltd, owned equally by the Gabriel Company also of Cleveland, Ohio—and by Indian shareholders, is expanding the capacity of its Bombay plant to manufacture telescopic, hydraulic-type shock absorbers for motor-cars, lorries, and other vehicles. Gabriel India plans to step up the capacity from 120,000 to 600,000 units a year. The firm received an earlier loan from the Cooley fund.

Team of Investors Arrives

Thirty top U.S. business executives headed by the U.S. Under-Secretary for Commerce, Mr. Franklin D. Roosevelt, and representing a cross-section of U.S. industries—in particular, petrochemicals, fertilisers, cement, agricultural equipment, heavy machine tools, mining machinery and steel mill equipment—commenced their six-day meetings with the Government of India. The party includes the representatives of Koppers, Kaiser Industries Corporation, International General Electric Corporation, Bechtel Corporation, Beloit Corporation, Dow Chemicals, Firestone Tyre, Goodrich Gulf Chemicals, Mobil Chemicals, Standard Oil of California, Standard Oil of New Jersey, Union Carbide and Westinghouse. The party met the Central Finance Minister, Mr. T. T. Krishnamachari, and was briefed by his Secretary, Mr. S. Bhoothalingam. It will hold general discussions with the Planning Commission and thereafter will split into five working groups for fertiliser, petrochemical processing industries, electrical and electronic industries, steel, heavy

engineering and machine tool industries.

It held discussions with the Central Ministries of Steel and Heavy Engineering on 15th April and will have talks with the Ministry of Petroleum and Chemicals in the forenoon of 16th April. It will meet the Governor of the Reserve Bank, the chairmen of the State Bank, of the Industrial Credit and Investment Corporation of India and of the Industrial Finance Corporation in the afternoon of 16th April. The party will meet the Central Minister of Commerce and Industry on 17th April and will hold a closing session on 18th April when reports of the various panels will be discussed. The main purpose of the visit is to assess the climate for investment in India. Planning objectives, industrial policies vis-à-vis heavy engineering, petroleum and chemicals, sources of capital, financial policies, taxation, import and export policies and production facilities are some of the topics put down for discussion. The main purpose of the visit is to explore jointly the steps which should be taken to facilitate the flow of U.S. investment to India.

TEXTILES

Price Control Scheme

The working of the voluntary price control scheme in the textile industry is at present being reviewed by a committee set up with the Textile

Commissioner as chairman and including representatives of the industry, trade, labour and consumers and economists. Its report is expected shortly.

It is claimed that the overall supply and price position of various counts of yarn and different categories of fabrics since the introduction of the voluntary price control scheme has been fairly satisfactory. "By and large, cloth is generally available to the consumers at the marked prices and the prices for yarn are also fairly in keeping with the schedule of ex-mill prices prescribed under the scheme. With a view to holding the price line for cotton textiles under the emergency, direct supplies of cloth at ex-mill prices to consumer co-operatives and fair price shops have been arranged and a number of State Governments have already availed themselves of this assistance."

One complaint, however, is that millowners, by making minor changes in either the composition of yarn or in design have often succeeded in getting their prices revised to the detriment of consumers. The enquiry committee, among other things, is enquiring into this complaint.

CEMENT

Licences Granted

The cement factory schemes for which licences have been granted during 1961, 1962 or 1963 and which

are likely to be completed during the next two years are as follows:

Name of licensee	Location
Birla Jute Manufacturing Co. Ltd	Chitorgarh (Rajasthan)
A. K. Cements Ltd, Hyderabad	Bhongir (Andhra Pradesh)
Associated Cement Companies Ltd	Jamul (Madhya Pradesh)
Industrial Development Corporation of Orissa Ltd	Bargarh (Orissa)
Saurashtra Cement and Chemical Industries Ltd (substantial expansion)	Ranavav (Gujarat)
Chettinad Cement Corporation Ltd	Karur (Madras)
Kalyanpur Lime and Cement Works Ltd (substantial expansion)	Banjari (Bihar)
India Cements Ltd (substantial expansion)	Sankaridrug (Madras)

The cement factory schemes for which licences were granted during the past three years and which have been completed are as follows:

Name of licensee	Location
Associated Cement Companies Ltd	Shahabad (Mysore)
India Cements Ltd	Sankaridrug (Madras)

N.C.D.C.

Team to Visit Poland

A high-powered delegation of the National Coal Development Corporation consisting of the Director of Planning, the Chief Engineer (Civil) and the Chief Engineer (Electrical and Mechanical) will visit Poland in connection with the development of deep shaft mines in India with Polish collaboration. The delegation is expected to leave India either this month or early in May.

CAPITAL, 16th April, 1964.

next two years are as follows:

Name of licensee	Location
Associated Cement Companies Ltd	Shahabad (Mysore)
India Cements Ltd	Sankaridrug (Madras)

pected to leave India either this month or early in May.

The Government of Poland, it will be recalled, has agreed to assist India in the development of nine deep coal mines, establishment of a washery and the setting up of a plant for the manufacture of coal mining machinery. The National Coal Development Corporation has already entered into agreements with the Polish organisation, and work is in progress for the development of two deep coal mines in Gudamdih and Monidih in central Jharia and the erection of a washery in Gidi. The Polish Government has also agreed to extend assistance for scientific and technical co-operation between the two countries, grant of scholarships for higher studies, creation of a chair in mining in the Indian School of Mines, Dhanbad, exchange of professors to deliver lectures on scientific research in selected fields, and the training of Indian instructors in mining techniques in Poland.

NEYVELI PROJECT

Equipment from Russia

The terms for the supply of machinery and equipment by Russia for the expansion of the Neyveli thermal project from 250 MW to 400 MW have been approved. Equipment for the first unit (50 MW) is expected by the third quarter of 1964. Based on this schedule of delivery, the unit is likely to be commissioned by March 1965.

Equipment for the second unit (100 MW) is expected to be delivered by the last quarter of 1965. Based on this schedule of delivery, the unit is likely to be commissioned by March 1966. The installed capacity of the project is to be raised further from 400 MW to 600 MW.

CHIT FUNDS

No Modification of Law

Chit funds are popular only in certain States or Union Territories, like Madras, Kerala and Delhi. As the existing enactments in Madras and Kerala are considered adequate and satisfactory, it is not necessary to introduce Central legislation or to provide for any modification of the existing laws in the interests of uniformity.

The Madras Chit Funds Act, 1961, when it is brought into force in the Union Territory of Delhi, will provide for the registration of chit funds, the definition of the duties and obligations of the foremen in charge of such funds, the maintenance of proper accounts and the timely and orderly disbursement of the amounts due to subscribers.

CAPITAL, 16th April, 1964.

London

BACKGROUND TO U.K. BUDGET: THE NEED FOR STABILITY

(FROM OUR LONDON CORRESPONDENT)

THERE was little scope for vote-winning concessions in the Budget which Mr. Maudling presented to Parliament on 14th April. At least, that was the unmistakable message of the background papers put out by the Treasury in the previous week. The point that emerged most strongly was that the present rate of expansion in the economy is a good deal faster than can be sustained in the long run without endangering the stability of costs and prices and of the balance of payments.

The *Economic Report 1963* summed up the position at the end of the year in this way: "In terms of real income, production and employment, the economy was showing the beneficial effects of the strong expansion of demand that had taken place since the end of 1962. On the other side must be set the limited progress towards securing acceptance of an incomes policy, and the determination in the balance of payments. Prosperity was at present a fact; but the need for collective action to avoid inflation and strengthen our competitive position had emerged more clearly than ever before as the essential condition for the continued achievement of satisfactory economic growth."

On incomes and prices, the Treasury said the underlying trend of prices of goods and services in 1963 was upwards at the rate of about 2 percent a year. Settlements of wage and salary rates were on a scale equivalent to 4½ percent a year, against the 3 to 3½ percent which the Chancellor had indicated a year ago was the maximum consistent with price stability. The balance of payments White Paper showed that in 1963 as a whole, there was a current account surplus of £121 million, a slight improvement over 1962. But the balance became less favourable during the year as the economy expanded and imports rose rapidly and in the fourth quarter, the surplus (seasonally adjusted) was only £6 million, against £71 million in the first quarter.

Long-term Capital Outflow

After the middle of the year, the surplus on current account was no longer sufficient to cover the average rate of long-term capital outflow over the year. As a result of the fiscal and monetary measures taken early last year, the economy expanded very rapidly in 1963. Industrial production in the fourth quarter was 5½ percent above the level of the second quarter, and, during the year, personal incomes rose by about 5 percent. But the Treasury says it is clear this growth was achieved to a considerable extent by calling into use previously unemployed or underemployed resources. Over the period, the total amount of overtime worked in manufacturing industry rose by over 10 percent and short-time working fell. By December 1963, registered job vacancies were nearly 600,000 more than a year earlier: The number wholly unemployed (excluding school leavers) was 70,000 lower; and both were still rising rapidly.

Much of the rise in output was thus due to taking up slack, the Treasury states. The growth of productive potential—the increase in the

quantity and efficiency of the productive resources of labour and capital—must have been very considerably less than the 5 percent rate of growth of actual output. The Treasury says that analysis of the long-term rate of growth over the years 1952 to 1962, suggests that productive capacity grew at a rate between 2½ and 3 percent a year and may have reached a little over 3 percent by the beginning of 1963.

Although no similar calculations are possible for 1963, yet it seems unlikely that the underlying rate of growth can have reached the 4 percent target set by the N.E.D.C. Productivity in manufacturing industry rose by about 7 percent between the last quarter of 1962 and the last quarter of 1963, but this is no greater than the rise in the similar period of recovery in 1959.

A more direct pointer to the shape of the Budget was provided by the White Paper on Government expenditure "below the line." This showed that the "below the line" deficit in 1964-65 is estimated at £858 million, £307 million more than in the current year. The Government's new policy under which local authorities will have resort to the Exchequer rather than the market for part of their borrowing accounts for some of the rise.

The estimated £130 million the Government will have to find for this purpose has important implications for the gilt-edged market, but should not otherwise add to the burden on the economy. However, an extra £141 million will be needed for the nationalised industries. The bulk of this steep increase (about 33 percent over 1963-64) will go to meet a very much higher rate of investment in the electricity industry, and also a substantial increase by the Post Office. A sharp increase in loans to private industry (mainly for the shipbuilding credit scheme) is also forecast for the coming year. At a time when the economic signals are calling for restraint, these burdens added formidably to the Chancellor's Budget task.

A more detailed picture of the economy in 1963 emerges from the national income White Paper. The gross national product for the year is put at £26,358 million—£1,306 million or over 5 percent higher than in 1962. Measured by constant prices, the gross national product rose by 3½ percent between 1962 and 1963, compared with the increase of just under 1 percent in the previous year.

Consumer's expenditure rose by just over 5 percent and reached £19,400 million. The largest percentage increases, at current prices, were in housing, fuel and light, and durable goods—notably, cars and motor-cycles where, after the tax-reduction in November 1962, spending rose by nearly 14 percent.

At current prices		At 1958 prices	
Total increase in consumers' expenditure of which:	Percentage increase	Percentage increase	Percentage increase
Food	5	4	4
Drink and tobacco	2½	1	1
Housing	4½	3	3
Fuel and light	7	2	2
Durable goods	11	8	8
Clothing	8	14	14
	5	4	4

Public authorities' current expenditure rose by 6 percent, but expenditure on investment (including stockbuilding) rose rather less, by just over 4 percent, partly because of the effect on building of the bad weather in the early part of the year. Exports and income from abroad increased by 6 percent, but this was largely offset by the rise in imports and income paid abroad.

Income from employment and profit incomes (including rent) both increased by about 5 percent. Company profits, which had fallen in 1961 and remained at about the same level in 1962, rose by nearly 7 percent last year. But the Treasury points out that company profits are subject to large cyclical swings and since 1954, as also since 1960, they have risen much more slowly than income from employment. Savings recovered last year, after being depressed in 1962, but the Treasury says the proportion of income saved appears to have remained lower than it had been in 1961.

Commonwealth Meeting

It is now virtually certain that the next Commonwealth Prime Ministers conference will take place in London in July, with Southern Rhodesia and "trade not aid" as the two main points on the agenda. There is no confirmation available from 10 Downing Street, nor was Sir Alec Douglas-Home very illuminating in his written reply to a question from the Labour Party spokesman on Commonwealth affairs. But from what might tactfully be described as Commonwealth diplomatic sources in London, it was clear that the first informal round of consultations as to timing and agenda has been concluded and the way cleared for the formal letters of invitation to be sent out.

In particular, it seems that Canada, Nigeria, Pakistan, India, Australia, Malaysia, New Zealand, and Trinidad are all agreeable to a date in July, as being practical as well as convenient. There is a strong possibility that Mr. Nehru's health may prevent him coming himself, but if he chose to be represented by Mr. Lal Bahadur Shastri, then there would be no doubt as to the authority of India's spokesman at the conference table. What are the motives of the British Prime Minister in calling a conference at this time? There are at least three:

Southern Rhodesia: There is a strong possibility of a unilateral declaration of independence by the white settlers in the next few months. The knowledge that this conference had been firmly fixed on 18 prime ministerial diaries might just possibly act as an effective brake on those settlers who are urging a "Boston Tea Party."

The British election: Because of school and industrial holidays July is virtually ruled out as a time for holding the general election. If it had come in June and the Tories

were victorious, Sir Alec would have had the splendour of a London summer conference—not forgetting the Queen's reception at Buckingham Palace—to give the new regime a magnificent send-off. More importantly, now that it is decided that an autumn election date is more prudent, then Sir Alec's rôle as chairman of the global gathering at Marlborough House would help establish the "statesman image," and would not exactly harm Tory chances at the polls.

The "Diefenbaker Rule": The Douglas-Home administration can honestly plead that there is a real obligation on Britain to initiate another Commonwealth conference now; it is, in fact, overdue. At the 1960 conference the then Canadian Prime Minister, Mr. Diefenbaker, suggested that the Commonwealth leaders ought to adopt a "rule of thumb" whereby these gatherings should be held at intervals of approximately 18 months. The last one was in September 1962.

The crisis of leadership in the Tory Party meant that Mr. Macmillan had been unwilling or unable during 1963 to take the necessary soundings about the next Commonwealth meeting. This was one of the major unresolved decisions inherited by Sir Alec when he arrived at No. 10. Informal soundings were begun in January, and followed up in person with Mr. Pearson when Sir Alec was in Ottawa.

By the time Sir Alec arrived in Lagos recently, it was apparent that two topics would dominate the next Commonwealth gathering. The Nigerian Prime Minister, Sir Abubakar Tafawa Balewa, made it clear that the African and Asian members of the Commonwealth, in particular, were anxious about the unresolved problem of a (white) minority government in Rhodesia. Equally, the tropical countries of the Commonwealth, as well as New Zealand, are obsessed by the continuing inaction of the industrial nations of the world against the worsening terms of trade for primary producers.

Although there are now only 18 full members of the club—from Australia to Zanzibar—it is predictable that a nineteenth Prime Minister may also receive one of Sir Alec's formal letters of invitation. He is Dr. Hastings Banda, whose little territory of Nyasaland is scheduled to rename itself and emerge as the sovereign State of Malawi on 6th July this year. It would be felicitous if he were to come to London on a date chosen to fall soon after the independence ceremonies, so that he could be welcomed personally into the full club when Malawi's application for full membership would be formally approved.

HUNGARIAN TESTING INSTRUMENT EXHIBITION

The exhibition, organised by Kay-bee and Company, of Hungarian testing instruments, exported by Metrimex, Hungary, at Spences Hotel, Calcutta, opened last week. In his inaugural address Mr. L. Regos, Hungarian Trade Commissioner in Calcutta, said that the trade relations between India and Hungary have been placed on a firm foundation through the Indo-Hungarian trade and payment agreement in 1957. An important feature of this agreement is that payment will be made in non-convertible Indian rupees. Mr. Regos also said that according to the new long-term trade and payments agreement of 22nd November, 1963, the turnover of trade would be doubled. The major items imported are testing instruments of high precision.

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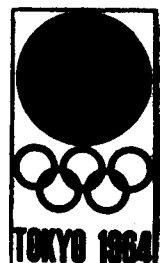


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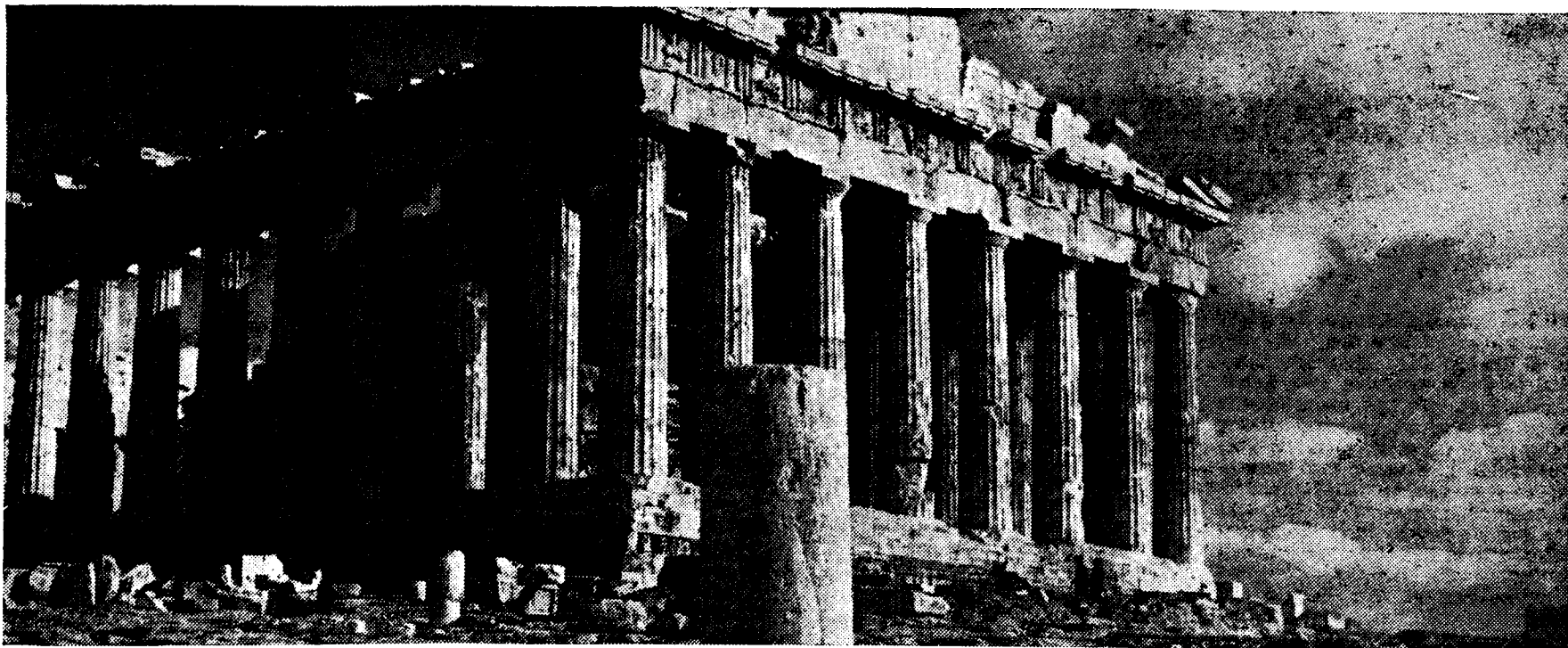
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KLC-77/10

Jute

FIBRE PURCHASE QUOTA REDUCED FURTHER

THE Jute Commissioner has issued a purchase quota of 200,000 bales for the four-week period ending 9th May, against 430,000 bales for the previous six weeks ended 11th April. The I.J.M.A. mills will have to lift 180,000 bales, against 400,000 bales, and the rest 20,000 bales, against 30,000 bales. With this allocation, the total purchase quotas issued so far amount to 6.89 million bales—6,225 million bales for I.J.M.A. members, 515,000 bales for the rest and 150,000 bales for the J.B.A.—absorbing 91.86 percent of the officially estimated raw jute and mesta output of 7.5 million bales for the season.

Announcing the quota at a Press conference last Monday, Mr. G. C. L. Joneja, Jute Commissioner, said that the price-support operations achieved a much larger measure of success during the current season than in the previous one. Prices were satisfactory almost throughout the year, ensuring the grower a fair return for his produce. Only for a short spell during the year did the market price fall to Rs. 29. But the drift was halted soon. The minimum prices were well-maintained and prices tended to be firm in the secondary markets, indirectly helping the trend in Calcutta. The present quota is considered adequate to mop up the smaller arrivals in the upcountry markets.

With the completion of this quota, there may remain a small surplus of about 500,000 bales. The Jute Commissioner proposes to review the position after a month and issue a fresh quota, if necessary. Asked about the stocks which are likely to remain with mills at the end of the season in June 1964, he thought they would be around 3.1 million bales, against 2.9 million bales at the end of the previous season. This figure does not include the J.B.S.A. stocks of 775,000 bales. So at the opening of the new jute year the industry may have an inventory of about 3.88 million bales, which will help it to work at the maximum level for more than six months.

Bigger Crop Expected

Weather conditions proving favourable, Mr. Joneja hoped that the next season's crop would be bigger at around 8 million bales. The increase would be achieved not by extending the acreage, but by using better farming techniques—improved seeds, more fertilisers, scientific interculture and advanced retting practices. If the present tempo of progress was maintained, he was sure that India could achieve the target of 10 million bales by the end of the fourth plan period. Mr. Joneja said that the farmer seemed to have gradually regained confidence in the fibre because of his higher earnings during the past two years. The high prices of better-grade jute and official assistance in improving farming techniques offered good inducements to the farmer. The Government's farm aid machinery has been improved. The package programme has been introduced in a number of districts helping growers to get more liberal assistance. These, Mr. Joneja hoped, would be helpful in inducing the farmer to devote more care and attention to jute. During the 1964-65 season, there was likely to be no shrinkage in the area under jute since foodgrains offered smaller returns.

Mr. Joneja said that the Government was aware of the advantages

enjoyed by the Pakistani industry. It not only gets better fibre at a cheaper price, it is also not required to spend much on transport since the mills are located in jute-growing districts. In India, mills have to pay for transporting the fibre from various parts of the country to Calcutta over long road-cum-rail-cum-steamer routes. As Indian goods have to compete with Pakistani gunnies, the Government of India would not raise the floor price of the fibre any further. He admitted that on the basis of Rs. 30 a maund, f.o.r. Calcutta, ready, for Assam Bottoms, Calcutta mills were incurring some losses on the sacking side and were just avoiding losses in hessian.

Competition in Carpet-backing

Asked about the slackness in the offtake of carpet-backing cloth, Mr. Joneja said that with the expansion of world wide-loom capacity and the emergence of Pakistan as a supplier in recent months, consumers in the U.S.A. and on the Continent had become more and more selective. For all practical purposes there is now a buyers' market in this fabric.

Answering another question, the Jute Commissioner said that he was not very worried about the large gunny stocks with mills, which represented about five weeks' output at the current maximum level of operation. The lean offtake during the first two months of 1964 was due to shipping difficulties in the port. The authorities were alive to these difficulties and were removing them to the best of their ability. Despite the continuance of draft restrictions in the Hooghly and the lighterage problem during the summer months, the clearance of jute goods would improve due to the slackness in tea shipments. Overseas consumers are aware that they will get an adequate supply of gunnies since the maximum has been operating at the maximum level. So they may wait and see before entering the market. As for sales to Russia, Mr. Joneja said that she had already entered into firm commitments for lifting 75 percent of her quota.

Gunny Output and Stocks Rise

Mills reporting to the I.J.M.A. have shown a sharp increase in gunny production and stocks during March, as deduced from the corresponding figures for February. A longer working month and the abolition of the I.J.M.A. Working Time Agreement may be among the factors responsible for the bigger output in March.

Working at the maximum level for 208 hours in March, against 184 hours in the previous month, the I.J.M.A. mills produced 112,600 tonnes (against 99,200 tonnes) of jute goods. The output of hessian rose by 5,900 tonnes to 47,800 tonnes, of sacking by 4,000 tonnes to 42,400 tonnes, of miscellaneous goods by 3,100 tonnes to 14,400 tonnes and of carpet-backing cloth by 400 tonnes to 8,000 tonnes. In March 1963, the mills worked for the same 208 hours at the maximum level, producing 104,500 tonnes—44,400 tonnes of hessian, 42,700 tonnes of sacking, 11,100 tonnes of other goods and 6,300 tonnes of carpet-backing cloth.

The smaller increase in stocks during March from 120,800 tonnes to 125,200 tonnes show that offtake also rose despite the shipping difficulties in Calcutta port. It was reported that shippers were successful in clearing the previous two months' held-over cargo. But still, at the end of

March, there remained considerable lots of March-shipment cargo for clearance. It is reported that the position may not improve much in spite of a slackness in tea shipments during the summer months.

Although the output during March increased by 13,400 tonnes, stocks rose by only 4,400 tonnes, indicating that at least 9,000 tonnes of the extra production during the month was absorbed in March. Stocks of hessian rose by 1,100 tonnes to 43,300 tonnes, of sacking by 800 tonnes to 47,200 tonnes, of carpet-backing cloth by 200 tonnes to 18,500 tonnes and of other goods by 2,300 tonnes to 16,200 tonnes. At the end of March 1963, the closing stocks were 91,000 tonnes—29,700 tonnes of hessian, 44,800 tonnes of sacking, 4,100 tonnes of carpet-backing cloth and 12,400 tonnes of other goods.

Export of Raw Jute

Since India is not self-sufficient in raw jute, experts in the Central Ministry of International Trade have advised the Government of India that no long-term commitment should be made for the export of the fibre. After studying various agricultural commodities, they have said that there is no need to export raw jute. They have, however, suggested that commitments made under various bilateral trade agreements with Russia, Czechoslovakia, Poland, Yugoslavia, and West Germany for the export of raw jute should be honoured. A small percentage of the annual output may be allocated for shipment to these countries. Exports of the fibre started from the 1962-63 season when 66,000 bales were shipped out of the total production of 5.367 mil-

lion bales. Exports so far during 1963-64 total 115,000 bales.

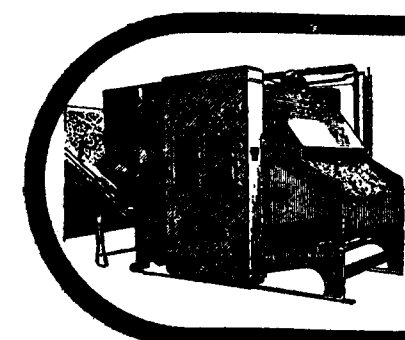
The experts have suggested that the fourth plan production target for jute, including mesta, should be fixed at 10 million bales—an increase of 2.5 million bales from the third plan target. They have suggested that the Central Food and Agriculture Ministry should be persuaded to intensify the programme for stepping up production of cash crops like jute. Growers' difficulties in procuring improved seeds and fertilisers should be removed and the present procedures suitably streamlined.

As for fibre exports, they have suggested an ad hoc procedure from year to year. The situation should be kept under close watch, and depending on the surplus available, small quantities should be allowed to be exported. Priority should be given to completing the commitments already made to the East European countries against barter agreements. Instead of fixing any specific export target, the Government has been asked to peg such offtake around the 1962-63 level of 66,000 bales, valued at about Rs. 1.27 crores.

THE JUTE MARKETS

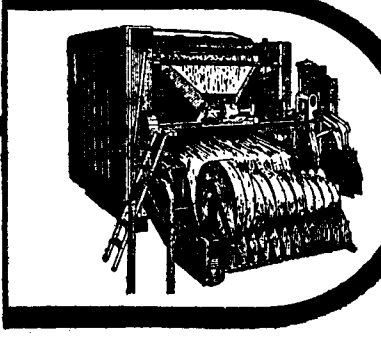
Manufactured Goods: Dull conditions prevailed in the Calcutta gunny market during the past week. Trading was interrupted by holidays. Barring small covering against forthcoming shipments, some Indian Government tenders for about 5,000 bales of B Twills for April delivery and an Egyptian contract for 3,000 bales of heavy goods for April-May positions, there was no report of any substantial business. Earlier in the week, sentiment was depressed on the publication of the I.J.M.A. gunny stock figures for March, which showed an increase of 4,400 tonnes to an all-time peak of 125,200 tonnes. Mills emerged as keen sellers for all positions, but the fall in prices made them reserved. Hessian suffered more than sacking due to the higher

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stocks. But reports of the Indian Government tenders and the Egyptian business, combined with indications of a bigger offtake during March, helped a gradual recovery. The hedge market also moved in sympathy with the general trend after wider price movements. Sacking closed with a smaller loss than hessian after a moderate turnover. The undertone was cautious but steady at the close.

Wednesday's quotations were as follows:

	April	May	June	July-Sept.	Oct.-Dec.
40in. 7/oz.	33.70	33.85	33.95	34.25	34.15
40in. 8oz.	35.30	—	—	—	—
40in. 10oz.	45.50	45.95	46.05	46.15	46.05
B Twills	112.75	113.55	113.80	114.35	114.75
Cornsacks	115.25	115.75	116.00	116.50	116.75

Raw Jute: Sluggish conditions prevailed in the raw jute market during the past week. The hardening price trend during the previous week was revised when the Jute Commissioner extended the period of the previous purchase quota by a week to 11th April. In view of the comfortable stock position, mills showed lack of interest. The offers of off-grade jute and mesta also worsened sentiment. Arrivals in the agencies declined appreciably. On Monday, the Jute Commissioner issued a fresh purchase quota of 200,000 bales for the four-week period ending 8th May. Towards the close, holders became reserved and prices firmed up somewhat recouping a portion of the earlier losses. In the futures market, Upper Assam White Bottoms for June moved in line with the spot market after wide fluctuations. Earlier in the week, tired long liquidation and some amount of short-selling had depressed prices. The lower levels, however, attracted moderate bear support, helping the price to close with a minor loss compared with the previous week's level. Turnover was small in the spot market and moderate in the futures section. At the close, the undertone was steadier in both.

Wednesday's quotations were as follows:

	Landed at Mills (Basic Bottoms)		T.S.D. Minimum Prices	
	Rs. A Qtl.	Rs. A Md.	Rs. A Qtl.	Rs. A Md.
Assam-Agartala Jute	83.05	31.00	80.38	30.00
Northern Jute	80.38	30.00	79.04	29.50
Western Desai Jute	76.36	28.50	73.68	27.50
Selected Daissee	91.09	34.00	85.74	32.00
Assam-Agartala Tossa	85.74	32.00	83.05	31.00
Mesta - Assam - Northern	68.32	25.50	72.34	27.00
Local Daissee	68.32	25.50	72.34	27.00
Bihar Dist.	64.30	24.00	68.32	25.50

I.J.M.A. PRODUCTION FIGURES FOR MARCH

The Indian Jute Mills Association reports the total production of jute goods for March as follows:

Description	Quantity
1. Gunny bags	
(a) Hessian	7,226 tonnes (7,112 tons)
1,82,40 thousand metres (1,99.5 lakh yds.)	
1,37.9 lakh nos.	
(b) Sacking	41,156 tonnes (40,506 tons)
9,10.13 thousand metres (9,95.3 lakh yds.)	
4,49.5 lakh nos.	
2. Gunny cloth	
(a) Hessian	40,554 tonnes (39,913 tons)
13,89.45 thousand metres (15,19.5 lakh yds.)	
(b) Sacking	1,281 tonnes (1,261 tons)
24.52 thousand metres (26.8 lakh yds.)	
3. Carpet-backing	
8,009 tonnes (7,883 tons)	
62.35 thousand metres (68.2 lakh yds.)	
4. Other manufactures	
14,431 tonnes (14,203 tons)	
5. Total production	
(all kinds)	1,12,657 tonnes (1,10,878 tons)

	Summary		
	(000 metres and 00,000 yds.)	March '64	Feb. '64
Hessian	15,71.85	13,91.05	14,97.46
(17.19)	(15.21)	(16.27)	
Sacking	9,34.65	8,51.55	9,32.39
(10.22)	(9.31)	(10.29)	
Carpet	62.35	58.91	49.64
Backing	(68)	(64)	(54)
Hessian	47.8	41.9	44.4
(47.0)	(41.2)	(43.7)	
Sacking	42.4	38.4	42.7
(41.8)	(37.8)	(42.1)	
Carpet	8.0	7.6	6.3
Backing	(7.9)	(7.5)	(6.2)
Others	14.4	11.3	11.1
(14.2)	(11.1)	(10.9)	
Grand Total	1,12.6	99.2	1,04.5
(1,10.9)	(97.6)	(1,02.9)	
Hours worked	208.0	184.0	208.0

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

THE U.K. JUTE MARKETS

FIBRE WEAKER

(FROM OUR DUNDEE CORRESPONDENT)
THE raw jute market was quiet in Pakistan, and there were instances here where some sellers were prepared to accept less than previously for the lower grades of both white and Tossa jute. Demand from most consuming countries has fallen away and at the same time, the new crop in Pakistan is making satisfactory progress. This was having a weakening tendency here, especially where spot parcels were concerned. Registered sales of raw jute to the U.K. during March were approximately 62,000 bales, which is greatly in excess of the quantity which ap-

peared to have been purchased. This could mean that a substantial portion of the above amount is still unsold to spinners. Spinners will welcome unsold jute in Dundee as they can inspect the quality of the fibre before buying.

Reports concerning the new crop in Pakistan are satisfactory. A few offers are now being made here for groups of Mill Hearts at £95 15s and at £82 15s for Grade Hearts, c.i.f. U.K. The quantities available are not large, but at the same time, buyers are difficult to interest at the above prices.

Old crop offers are lowest at £143 for Mill Firsts, at £110 10s for Mill Lightnings, at £96 10s for Mill Hearts and at £81 10s for Grade Hearts, c.i.f. U.K. for April-May shipment. Grade Tossa-4 is named at £125 and Grade Tossa-4 at £106. There are now sellers of Output Tossa-4 at £94 5s and of Output Tossa-4 at £84, April-May.

Cuttings are also quieter at £60 for S.N.C. and at £51 10s for N.C. Mesta is quiet and unchanged at £85 10s for A, at £75 for B, at £69 10s for C and at £50 for cuttings, c.i.f. U.K., April-May.

Prices of Siam jute were steady, and little buying interest was shown by European countries. Burma was in the market for supplies and further business was expected to take place. Offers were being made in Dundee at £75 for grade A, at £69 for grade B and at £65 for grade C, delivered mill Dundee for April-May shipment.

The Calcutta goods market became easier at the beginning of the week. Quotations were at 69s 4d for 40in. 10oz. and at 51s 8d for 74oz. a 100 yards f.o.b. Calcutta for April shipment, at 70s and 51s 10d May and at 70s 2d and 52s June. B Twills were at 172s, 173s 2d and 173s 6d for the respective shipment periods.

Dundee jute spinners were busy and orders continued to be received. It is not easy to obtain supplies of certain descriptions of yarns for reasonably early delivery. More sellers were now asking higher rates for J.C.H. and C.H.W. qualities, but there were still spinners willing to accept unchanged rates.

Cloth was rather quiet as far as new business is concerned, but manufacturers have orders in hand for forward delivery. There is still some short-time working in the heavy end of the trade, but there has been a little more buying interest shown in sackings of late.

THE PAKISTANI JUTE MARKETS MORE OVERSEAS BUYING

(FROM OUR Dacca CORRESPONDENT)
THE position of loose jute arrivals has remained unchanged during the past week. Buying interest was

CAPITAL, 16th April, 1964.

slightly less due to the fall in quality. In pucca bales both long jute and cuttings remained unchanged, but overseas buyers concluded the purchase of 212,189 bales during the second half of March. This makes the total E.P.C. registrations more than 300,000 bales above those of the last season.

Overseas newspapers report that since Dundee buyers have not bought seriously for over a month, the large registrations over the last six weeks can only mean that afloat and spot stocks are once again building up. This may be true, but it is also likely that buyers are trying to buy as quietly as possible and are accumulating stocks. It seems foolish in the extreme for shippers to build up unsold goods after the lesson learnt during the last two seasons, when buyers took advantage of the heavy stocks in warehouses in Europe to offer very low prices, which shippers were obliged to accept.

The largest buyer in the second half of March was Poland with 30,793 bales. Belgium bought 24,625 bales, France 19,210 bales and Spain 16,996 bales. Burma and the U.S.A., buying mainly cuttings, bought 16,800 bales and 15,240 bales, respectively. Portugal bought 10,104 bales and Dundee, after several weeks of heavy purchases, bought only 9,615 bales, which indicates that for earlier purchases there were buyers, and not simply registrations for unsold goods. Egypt bought 8,400 bales and Yugoslavia 7,960 bales. India, once again in the market, bought 3,925 bales.

There was no change in E.P.C. minimum prices except that mesta C was reduced by £1. This reflects lack of stocks in Pakistan rather than a weaker market and in fact, it was reported that mesta buyers were finding it difficult to get offers either from Pakistan or Siam.

The new vice-chairman of the Jute Board has taken up his post, but has not discussed the new policy as yet. In fact, the authorities have approached the Pakistan Jute Association members for their comments and suggestions, before the jute policy is finalised, and published on 1st July. There are indications that there will be some reorganisation of the Export Minimum Price, but this is by no means certain.

Reports about crop are very poor at present, as is normal at this time of the year. The general undertone appears to be that sowings will be slightly less than last year, or at least that there is no indication that the growers are interested in increasing the acreage under white jute. What little progress there has been so far in the way of preparation of the land and sowings, is somewhat behind the position of last year. Assuming the weather is no worse than last year, the size of the crop should be about the same, or if anything, slightly less.

BOOKS RECEIVED

A Guide to Company Law Procedures. (By M. C. Bhandari, 134/1 Mahatma Gandhi Road, Calcutta 7. Price Rs. 15, pages 236.)

Handbook of Commercial Information, Vol. 1. (Published by the Department of Commercial Intelligence and Statistics, 1 Council House Street, Calcutta. Price Rs. 11, pages 466.)

Indian Engineering Association: Directory of Members. (Published by the Indian Engineering Association, 6 Netaji Subhas Road, Calcutta 1.

Paintindia Buyer's Guide, 1964. (Published by R. V. Raghavan on behalf of Colour Publications Private Ltd at Vindhya Press, 126-A Dhurwad, Off Dr. Nariman Road, Bombay 28. Pages 152.)

CAPITAL, 16th April, 1964.

Commodity Markets

WORLD COFFEE BOOM LIKELY TO CONTINUE

(FROM OUR SOUTH INDIAN CORRESPONDENT)

REPORTS from abroad say that the recent revolt in Brazil has given a further fillip to the world coffee market, which has been on an upward trend for some time now. Brazil is the largest coffee producer of the world. It has already been hit by natural calamities like fire and frost which have produced lasting adverse effects on the coffee plants. The country's next two crops are not expected to be more than half the normal on account of this.

It is said that the International Coffee Council's recent decision to raise the export quota from 99 percent to 102.5 percent has produced no effect on the market. The reason given is that South America commanding 60 percent of the quotas, had very little coffee to offer. The Brazilian Santos and Columbian milds having heavily contracted up to 1965, the futures marketing seasons are foreshadowed by a tight supply position in spite of the fact that U.S. stocks are at their peak since the war. Coffee thus continues to enjoy a boom in the world market and the long-term outlook is considered highly favourable.

Although on a smaller scale, coffee price is going up in the Indian market too. The Central Government has sanctioned a Coffee Board proposal to enhance the minimum release price of coffee from Rs. 2.20 to Rs. 2.39 a point. According to the coffee dealers, the price has been going up at pool sales conducted by the Board, and consequently, they are no more in a position to supply the consumer his requirements at the old prices. The coffee dealers of central Kerala have recently decided to raise the minimum price of coffee powder to Rs. 6.50 a kilogram. It is said that the wholesale price of robusta coffee seeds which was around Rs. 125 a 50 kilogram has gone up to Rs. 195 to 210 and this is the powder dealers' explanation for raising the retail price.

India Losing Market

It appears that Indian coffee is losing its traditional hold on central Europe. India was a prominent supplier to these countries until about five years ago. Export figures for last year show that India is being muscled out by other producers like Brazil, Columbia and Costa Rica. While total coffee imports of central European countries have been increasing steadily, their imports from India have been falling. This is attributed to the powerful sales campaign of the other suppliers and the comparative neglect of these markets by India.

SYNTHETIC RUBBER

Demand Over-estimated

Official estimate places the demand for synthetic rubber in this country at 50,000 tonnes by 1965-66. This appears to be very much on the high side.

Consumption of synthetic by the rubber goods manufacturers in India was only 10,395 tonnes in 1962 and 11,538 tonnes in 1963, and this included even special purposes synthetics. The Indian Rubber Industries Association estimates the 1964 consumption at not more than 19,000 tonnes. The Synthetics and Chemicals Ltd which firm is the only producer of synthetic rubber in India at present, says that 30,000 tons could be absorbed by the rubber goods

manufacturing industry. The installed capacity of its plant is 30,000 tons a year. It started production only last year. It could sell only 2,500 tonnes, out of the 8,500 tonnes produced in 1963. The rubber goods manufacturers have a very strong complaint that the synthetic rubber produced here is very costly. High cost is acting as an impediment in the consumption of indigenous synthetic. The producers who made a cut in the price some time ago say that it can't be sold cheaper due to the fact that the raw materials are costlier here than elsewhere in the world. This may be true, but the consumers do not appear to be in a mood to pay a high price. The rubber goods manufacturers have reacted strongly to the proposal of the Government to link the import of natural rubber with the import of the consumption of indigenous synthetic. No final decision seems to have been taken on this question. The Government faces a dilemma as to how to make the best use of the huge capital invested in the synthetic rubber project.

Statistics relating to world consumption of rubber disclose that last year, the consumption of synthetic rubber exceeded that of natural rubber and this was for the first time in history. Synthetic consumption is put at 2.3 million tonnes, as against 2.2 million tonnes of natural. While the consumption of natural rubber has been only by one-third in the past decade, that of synthetic has increased by no less than 165 percent. Estimates for the current year place the consumption of synthetic rubber at 2.45 million tonnes and that of natural rubber at an unchanged 2.2 million tonnes. The U.S.A., which is the largest producer of synthetic rubber is the largest consumer also. Synthetic is used on a larger scale in the manufacture of rubber goods than the total consumption of rubber in that country, has already reached 75 percent.

Natural rubber growers are viewing this increasing popularity of synthetic with alarm. They are taking active measures to counteract the challenge. Their attempt is to defeat synthetic in the matter of price. Trees with a potential yield of 3,000 lbs an acre have been planted experimentally, and it is estimated that by the end of the present decade, the average annual yield an acre in Malaya will be 1,000 lbs an acre. With such a yield, production costs would be very substantially reduced. Growers hope to increase productivity to the point where it will be possible to produce natural rubber for only half the present cost of synthetic. This is a development which could radically alter the competitive position of the two rubbers, as there appears to be only a limited scope for producers of synthetic to lower their prices and still to make a profit.

Natural rubber production in India is making good progress. In 1963, the Indian production came to 37,000 tonnes, nearly 6,000 tonnes more than the previous year's crop. She imported 24,989 tonnes of natural rubber last year to bridge the gap between indigenous production and the manufacturers' requirements. The manufacturers consumed 60,209 tonnes of natural rubber in 1963, compared with 51,776 tonnes in the previous year. Besides, they con-

sumed 11,624 tonnes of synthetic rubber and 7,577 tonnes of reclaimed rubber. The latest available figures disclose that the new year has started with a comfortable stock position. The natural rubber in stock at the end of January 1964 was 18,381 tonnes, as against 15,940 tonnes at the same date last year. Indigenous production of natural rubber during January was 3,735 tonnes, compared with 3,142 tonnes in January 1963.

PEPPER

Rising Spiral Halts

The upward spiral in pepper prices seems to have stopped, at least for the time being. In the course of last week, spot delivery garbled stuff has fallen from its peak of Rs. 389 to Rs. 369, May delivery from Rs. 409 to Rs. 387 and July delivery from Rs. 423 to Rs. 401 a quintal. These rates are still higher than the rates obtaining a couple of weeks ago. The recession noticed towards the end of last week might have been in the nature of a technical correction. There were also reports that New York was refusing to follow the advances in Indian rates and there was selling pressure from the stockists in India.

Mr. Vallabhdas Mariwala, president of the Pepper and Ginger Merchants Association of Bombay, said in Bombay on Friday that India could export only 19,400 tonnes of pepper during 1963 against the highest recorded export of 23,600 tonnes of the previous year, due to serve competition from Indonesia and Singapore. But he was hopeful of better exports this year. The U.S. which had stayed away so far from the Indian market was now showing interest at around 40 cents a lb and in response to this, there has been a spurt in the Indian market.

During the past five months of the current season, India exported about 10,000 tonnes, mainly as a result of buying interest shown by east European countries. Mr. Mariwala did not favour the idea of having a minimum price fixed for pepper because internal consumption was not exerting much pressure on its price. The fixation of a floor price might weaken India's position in the highly competitive world market. If at all such a step was taken it should be with the co-operation of other major producers of this commodity.

TEA

Fall in Exports

(BY A SPECIAL CORRESPONDENT)

THE Calcutta tea auctions have been completed for the season 1963-64. Total sales compare as follows: in 1963-64 2,025,191 packages containing 95,503,976 kilograms at Rs. 5.16 a kilogram; and in 1962-63, 2,082,719 packages containing 98,957,476 kilograms at Rs. 5.26 a kilogram. Dust teas have sold at an average price of Rs. 4.81 a kilogram in 1963-64, compared with Rs. 4.91 a kilogram for 1962-63.

Details of district sales and averages are approximately as follows:

	1963-64		1962-63	
	Kilo-grams	Price Rs.	Kilo-grams	Price Rs.
Assam	48,000,000	5.29	47,800,000	5.57
Cachar	9,500,000	4.53	9,500,000	4.32
Darjeeling	7,800,000	7.12	7,934,000	7.44
Dooars	24,195,000	4.67	26,730,000	4.62
Teral	4,850,000	4.73	5,451,000	4.58
Tripura	1,372,000	4.34	1,432,000	4.64

The season's exports are given as 331,039,704 lbs, against 341,511,378 lbs in 1962-63. The U.K. was the best customer taking 204,983,567 lbs, compared with 218,015,048 lbs in the last

season. Good gains were recorded to the U.A.R. and eastern Europe.

The price difference between the north and the south is narrowing. It has been noted this year that whereas prices at Calcutta auctions have shown a fairly steady downtrend for some months, offerings from south India have actually recorded a small improvement in price. Travancore is said to have sold its product at nearly 5d a lb higher than a year ago. This must surely indicate general improvement in efficiency following the introduction of new manufacturing methods. With prices up and production higher, Travancore gardens should show useful results.

Of the major producing countries, Indonesia was reported well down and Africa (fortunately) marked no increase. It is not known what China will produce, but recent reference to the Argentine suggest these new areas have financial difficulties. News from China remains something of a mystery, but weather was unfavourable for general agriculture, and there is no expectation of a sudden surplus from that area.

Increased freight charges have already hit India's tea exports. Present costs make it cheaper to book to Rotterdam, tranship there and forward to U.S. ports. It is reckoned that shipment direct to the U.S.A. costs \$40.49, but via Rotterdam \$38.62; while Coochin-U.S.A. via Rotterdam is only \$34.80. East African exports also save about \$2.50 by transhipments.

RAW COTTON

Record World Supplies

IN the current season the world's supply of cotton—new production plus carry-overs from last season—is estimated at 73 million bales. This is 4.5 million bales more than in 1962-63, and establishes a new high record. In reporting this increase in its latest monthly review the International Cotton Advisory Committee points out that the main contributor is the United States where both crop and carryover are larger than last season's.

Total stocks at the beginning of the season are estimated at 22.8 million bales, against 19.6 million bales a year previously, and new production is put at 50 million bales, against 48.8 million bales. Of this increase of 1.2 million bales in the world's total stocks, the United States accounts for one-half. The total for the other non-communist countries is estimated as slightly less than last season's, but for Russia, eastern Europe, and communist China together an increase of 1 million bales is shown. Russia's crop is estimated at 7.5 million bales, against 6.85 million bales, and China's at 5.5 million bales, against 5.2 million bales.

In recent seasons, a great many calculations and forecasts of the world statistical position have been upset by crop failures of varying degrees of severity in Russia and China. The question now arises whether, with substantial recoveries in production, emergency imports will be necessary on the same scale as in the previous few seasons. In particular, there is some uncertainty in trade quarters whether the communist countries will continue to take the lion's share of the Egyptian crop or whether Western countries will have opportunities of buying larger quantities of Menoufi and similar types. On this point the I.C.A.C. review records that Egypt had exported 869,000 bales of cotton by mid-December this season, or 58 percent more than in the corresponding period of 1962-63. Of the total for the period about 58 percent went to the communist countries this season, compared with 66 percent last season.

COMPANY AND PUBLIC NOTICES

THE BENGAL FLOUR MILLS CO. LTD.

THE Board of Directors of the Company has decided to recommend to the forthcoming Annual General Meeting, the payment of a Final Dividend of 15 per cent for the year ended 31st December, 1963.

BALMER LAWRIE & CO. LTD.,

D. MANSON,

Managing Director,

Managing Agents.

21, Netaji Subhas Road,

Calcutta, 10th April, 1964.

'Phone: 22-3279 'Gram: KRISHISAKHA

THE BANK OF BANKURA LTD.

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THE DHUNSERI TEA COMPANY, LIMITED

NOTICE is hereby given that the Forty-eighth Annual General Meeting of THE DHUNSERI TEA COMPANY, LIMITED will be held on Thursday the 14th May, 1964 at 2-30 P.M. at the Registered Office of the Company, No. 5, Mission Row, Calcutta-1, to transact the following business:—

1. To receive and adopt the Directors' Report and Audited Accounts for the year ended 31st December 1963.
2. To declare Dividends.
3. To re-appoint a Director who retires by rotation.
4. To appoint Auditors and fix their remuneration.

The Register of Members and Share Transfer Books of the Company will be closed from 7th May to 14th May, 1964.

By Order of the Board,

S. L. DHANUKA,
Managing Director.

Calcutta, 8th April, 1964.

N.B.:—(1) A member entitled to attend and vote may appoint a proxy who need not be a member.

(2) Dividends as recommended by the Directors, if approved at the Annual General Meeting, will be paid to those members whose names will appear on the Company's Register on the 14th May, 1964.

THE SOORAH JUTE MILLS COMPANY LIMITED

NOTICE is hereby given that the Annual General Meeting of the Shareholders of the Company will be held at the Registered Office of the Company, at 15, India Exchange Place, Calcutta, on Wednesday, the 27th May, 1964, at 2-30 p.m. for the following purposes:—

1. To receive and consider the Report of the Directors and to pass the audited accounts of the Company for the year ended 31st December, 1963.
2. To declare Dividends on Preference and Ordinary Shares.
3. To elect Directors in place of Shri B. Murarka and T. C. Saboo, who retire by rotation, but being eligible, offer themselves for re-election.
4. To appoint Auditors and to fix their remuneration.
5. As special business to consider and, if thought fit, to pass, with or without modification, the following Resolutions:—

(i) As Ordinary Resolution—

"RESOLVED that Shri Murtidhar Loyalka, a Director of the Company who retires under Article 140 of the Company's Articles of Association be and is hereby re-appointed a Director of the Company."

(ii) As Ordinary Resolution—

"RESOLVED that subject to the approval of the Central Gov-

ernment and the terms of such approval, Messrs. Hindusthan Investment Corporation Ltd., be and are hereby re-appointed the Managing Agents of the Company as and from 15th August, 1965, when their present term expires for the period at the remuneration and upon terms and conditions set forth in the draft Agreement placed before the Meeting and initialled for the purpose of identification by the Chairman of the Board and that the Directors of the Company be and are hereby authorised to enter into an Agreement with Messrs. Hindusthan Investment Corporation Ltd., in terms of the said draft subject to any modifications thereof as may be agreed upon between the Directors and Messrs. Hindusthan Investment Corporation Ltd., for the purpose of complying with any modifications required or conditions imposed by the Central Government in granting their consent as aforesaid."

The Register of Members and Share Transfer Books of the Company will remain closed from the 13th May, 1964 to the 27th May, 1964, both days inclusive.

By Order of the Board,

For HINDUSTHAN INVESTMENT CORPORATION LTD.,
R. K. CHHAOCHHARIA,
Managing Director,
Managing Agents.

Regd. Office:

15, India Exchange Place,

Calcutta-1.

Dated, the 6th April, 1964.

N.B. (i) The Directors have recommended the following dividends for the year subject to deduction of tax under the I.T. Act, 1961:

On Preference Share @ 10% per annum; and

On Ordinary Shares @ Rs. 2/- per share.

If dividend on shares as recommended by the Directors are approved at the Meeting, THE DIVIDEND WILL BE PAYABLE TO THE REGISTERED SHAREHOLDERS whose names are on the Company's Register on the 27th May, 1964 or to their order or to their Bankers. No application need be sent for dividends, as relative dividend warrants posted to such shareholders.

(ii) A member entitled to attend and vote at the above Meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.

(iii) An Explanatory Statement in respect of the above items of special business is being forwarded to the Members of the Company along with the convening Notice of the Meeting.

CAPITAL, 16th April, 1964.

THE BRITISH INDIA CORPORATION LIMITED

NOTICE is hereby given that the Share Transfer Books of the Corporation will be closed from the 8th May, 1964 to 6th June, 1964, both days inclusive.

By Order of the Board,

R. P. MATHUR,
Dy. Secretary.

Sutherland House,
Kampur,
9th April, 1964.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	L.S.T. Hours
Dunlop Rubber Co. (India) Ltd.	22-4-64	11 a.m.
Indian Aluminium Co. Ltd.	27-4-64	11-30 a.m.
Jessop and Co. Ltd.	29-4-64	11 a.m.
Bombay Dyeing & Manufacturing Co. Ltd.	29-4-64	4-30 p.m.
Dhunsari Tea Co. Ltd.	14-5-64	2-30 p.m.
Soorah Jute Mills Co. Ltd.	27-5-64	2-30 p.m.

DIVIDENDS DECLARED OR PROPOSED.—Bengal Assam Steamship Co. Ltd.—Rs. 10 per share (o), subject to tax; Ochterlony Valley Estates (1938) Ltd.—12½ p.c. (o), subject to tax; Kohinoor Mills Co. Ltd.—Rs. 14.00 per share (o) (f), subject to tax; Union Carbide India Ltd.—7½ p.c. (o) (f), subject to tax; Bengal Flour Mills Co. Ltd.—15 p.c. (f).

HIDES AND SKINS

The market continued quiet. Stocks were less than in the previous week.

Bazaar Sales

(Between 7th April and 13th April, 1964)

Cowhides: Wet Salted (ord) 12,000 pcs on the basis of Rs. 7.37 to Rs. 9.50; Wet Salted (slughtered) 45,000 pcs. on the basis of Rs. 10.50 to Rs. 16.50 and Rs. 19.50 to Rs. 28.50; Wet salted (ord) on the basis of 75 nP a lb.

Goatskins: Wet Salted (Patna, Daissee, Kustia) 43,500 pcs. on the basis of Rs. 240 to Rs. 270, Rs. 330 to Rs. 350 and Rs. 370 to Rs. 380; Wet Salted (he-killed) on the basis of Rs. 4.00 and (she-killed) on the basis of Rs. 3.75 a piece; Assam-Dinajpur-Maldah 26,200 pcs. on the basis of Rs. 215 to Rs. 230, Rs. 260 to Rs. 285 and Rs. 325; Pakur 3,500 pcs. on the basis of Rs. 325; Purneah 1,000 pcs. on the basis of Rs. 490 to Rs. 520.

SHELLAC STEADY

During the week ended 9th April, the market was steady.

	Rupees a package
Pure Buttonlac	138, 140 value
Lemon One Shellac	140, 144 buyers
Lemon Two Shellac	144, 148 buyers
Standard One Shellac	124, 128 buyers
Pure T.N. Shellac	128, 132 buyers
Golden Kusmi Seedlac	104 to 110 buyers
Kusmi One Seedlac	108 to 114 buyers
Golden Bysack Seedlac	90, 96 buyers
Manbhumi Fine Bysack Seedlac	94, 100 buyers
Fine Bysack Seedlac	200 value
Genuine Bysack Seedlac	120 value
Grade One Class B Seedlac	100, 110 value
Grade Two Class B Seedlac	80, 84 buyers
	84, 88 buyers
	96 value
	60 to 74 buyers
	64 to 78 buyers
	54, 60 value
	76, 80, 84 buyers
	80, 84, 98 buyers
	60, 64, 74 buyers
	64, 68, 78 buyers

"CAPITAL" STOCK AND SHARE LIST

THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

Official quotations of the Calcutta Bombay Madras London Stock Exchange Associations and other sources
Figures given after stroke (/) mean Naye Paise.

Wednesday, 15th April, 1964.

BANKS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		15-4-64	8-4-64	A year ago		1960	1961	1962		15-4-64	8-4-64	A year ago
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		
Allahabad Bank P.	18	18	15—15*	100	250/00	250/00	277/00	Indian Overseas Bank	14	14	..	..	146/00	146/00	148/00
Bank of Baroda	17	17	16	50	91/00	91/00	86/00	National & Grindlays Bank	13½	14	16—14*	sh 15	sh.29/6	sh. 29/6	sh. 31/3
Bank of India	20	20	20—18*	50	102/00	102/00	107/00	Punjab National Bank	20	20	20	10	18/81	18/94	19/12
Central Bank of India	20 2/5	20	20	25	45/00	45/00	56/00	Union Bank of India	11 2/5	11 2/5	11 2/5	5	6/24	6/20	6/48
Chartered Bank	15	15	15—15*	£1	sh.47/6	sh. 47/6	sh.61/-	United Bank of India	4.3	6	6—7½	10	7/69	7/75	7/62
Hindusthan Commercial	Nil	Nil	Nil	50	13/50	13/50	14/00	United Commercial Bank	12	12	12—12*	50	67/00	71/50	71/00
Hindusthan Mercantile	Nil	Nil	Nil	50	10/75	10/75	12/87								
Hong Kong & Shanghai	£3½	£3½	£3 1/5	HK\$25	£20½	£20½	£ 17 ¾								
Iranian Bank	15	15	14	100	157/00	157/00	174/50								

* 1962

JUTE MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until				NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			
	1960	1961	1962		Rs.	Rs.	Rs.	A year ago		Rs.	Rs.	Rs.		A year ago			
Agarpara P.	10	2½	2½-12*	10	9/62	9/62	10/19	Hukumchand P.	28½	28½	26½-26½*	7½	19/50	19/75	18/00		
Alexandra P.	44	15	4½	100	300/00	300/00	305/00	Inda	14	12	8-22½*	12½	15/12	15/12	17/69		
Alliance P.	6	Nil	10-12½*	100	120/00	120/00	110/00	Kamarhatti P.	5	Nil	20	100	179/00	179/00	148/00		
Anglo-India P.	20	7	10-12*	100	180/00	180/00	201/00	Kankannarah P.	Nil	Nil	10	100	137/00	137/00	124/00		
Auckland P.	27	12	Nil-15*	100	132/00	132/00	150/00	Kelvin P.	15	15	5-20*	100	144/50	144/50	170/00		
Bally P.	25	25	25	100	242/00	242/00	257/00	Khardah P.	20	5	12½-12½*	10	17/81	17/81	16/50		
Barnagore P.	30	10	10-10*	£5	215/00	214/00	176/00	Kinnison P.	20	7	Nil-10*	100	121/00	121/00	140/00		
Bengal P.	5	..	..	10	8/00	8/00	10/25	Lansdowne P.	Nil	Nil	Nil-Nil*	100	97/00	96/00	85/00		
Birla P.	15	15	15-15*	10	31/50	31/87	27/75	Lawrence P.	7	15	10-10*	100	99/50	99/50	101/00		
Budge Budge P.	10	Nil	12	100	140/00	140/00	169/00	Megna P.	12	12½	Nil-22*	10	11/75	12/00	13/25		
Calcutta P.	..	..	..	10	8/12	8/12	8/00	Naihati P.	..	..	..	100	78/00	78/00	81/00		
Caledonian P.	12	5	..	100	175/00	175/00	205/00	Naskarpara	..	..	..	100	6/00	6/00	9/06		
Champdany P.	10	5	Nil-40*	10	21/25	21/25	..	National P.	7½	Nil	10	10	22/00	22/00	22/69		
Chiviot P.	Nil	5	25	10	20/25	20/25	22/19	Nellimaria P.	3	6	15	10	10/00	10/50	10/50		
Chitvalah P.	5	Nil	5	10	8/75	8/75	11/00	New Central P.	15	15	20-35*	10	25/00	25/75	29/00		
Clive P.	..	..	..	10	7/25	7/25	7/62	Northbrook P.	30	30	5-10*	60	57/75	60/00	49/50		
Dalhousie P.	1	1	Nil-25*	100	119/00	119/00	145/00	Nuddes	8	6	10-10*	5	4/37	4/44	4/81		
Delta P.	7½	Nil	12	100	146/00	146/00	141/00	Presidency	Nil	Nil	10-Nil*	10	9/20	9/20	9/44		
Empire P.	12½	7½	12½-15*	10	14/44	14/44	14/00	Rameshwara P.	Nil	Nil	Nil-Nil*	10	7/50	7/50	7/37		
Fort Gloster P.	25	10	12½-20*	100	251/00	251/00	399/00	Reliance P.	4	Nil	10	£1	10/50	10/50	10/50		
Fort William P.	22½	22½	10-20*	10	23/37	23/37	23/44	Sammugger P.	6	6	Nil	10	30/00	30/00	25/00		
Ganges P.	10	10	15-20*	10	13/19	13/19	13/25	Shree Ambica P.	25	25	25	10	22/50	22/50	18/75		
General Industrial	40	13	10	10	16/00	16/00	17/00	Soorah P.	6	Nil	13	£1	10/50	10/50	10/50		
Gourapore P.	30	25	20-20*	10	22/75	22/94	22/94	Titaghar P.	25	6	Nil-20*	100	144/00	144/00	146/00		
Hastings P.	6	6	6-6*	100	128/00	128/00	128/00	Union P.	6	Nil	10	£1	10/50	10/50	10/50		
Hooghly P.	10	20	7½-10*	10	16/00	16/00	20/00	Victoria P.	6	Nil	10	£1	9/00	9/00	5/50		
Howrah P.	12½	10	Nil-10*	10	16/75	16/75	17/50	Waverley P.	30	30	60	1	9/00	9/00	5/50		

* 1963

COAL COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until				NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			
	1960	1961	1962		Rs.	Rs.	Rs.	A year ago		Rs.	Rs.	Rs.		A year ago	Rs.	Rs.	Rs.
Amalgamated Jengal P.	10	12½	15	10	22/06	22/06	21/00	Mundulpur	7½	Nil	Nil	10	2/69	2/69	2/69		
Jengal Bhatdee	25	21	19	100	249/00	251/00	262/00	Nazira	10	10	13	10	6/25	6/25	5/12		
Jengal Nagpur	10	26	..	10	3/48	3/48	3/48	New Beerbhoom P.	10	10	13	10	15/81	16/06	17/62		
Anahora	..	..	..	10	22/00	22/00	22/00	New Manbhoom	7½	9	12	10	11/94	11/94	13/00		
Bharat Collieries P.	..	..	..	10	3/87	4/25	5/00										
Bhulanbararee	..	..	..	10	3/37	3/44	3/53					10	19/75	19/75	19/75		
Bokaro & Rampur	..	..	..	10	10/00	10/00	12/00	North West	20	20	..	7½	18/00	18/00	18/00		
Borra P.	..	..	..	10	11/19	11/19	11/19										
Burrakur P.	15	15	..	10	20/25	20/25	23/87	Ondal P.	6	7½	..	10	13/50	13/50	12/60		
Central India	13	13	13	10	15/75	15/75	15/50	Parase P.	10	10	10	10	14/00	14/00	14/00		
Central Kurkend P.	8	10	10	10	8/87	8/87	10/00	Pench Valley	10	10	10	10	17/31	17/31	19/01		
Churulia	5	..	..	10	8/44	3/44	8/00	Pure Sitapur	15	17	17	10	8/00	8/00	8/00		
Dhemo Main	Nil	Nil	..	10	8/06	3/06	3/06	Rangeegunge	15	17	17	10	13/62	13/62	14/44		
East Indian	7½	15	20½	10	4/25	4/25	5/75	Rewa	20	20	..	10	25/50	25/50	28/00		
Equitable P.	15	10	..	10	29/25	29/25	32/00										
Ghusick & Muslis	Nil	Nil	Nil	10	22/44	22/44	25/62	Samia	10	Nil	Nil	10	3/00	3/00	10/00		
Guzdar Kajora	..	..	..	10	13/25	13/25	13/50	Searsole	Nil	Nil	Nil	2½	1/25	1/25	1/25		
Hurriahad	..	..	..	10	2/47	2/47	2/03	Sebbore P.	42 6/7	42 6/7	35 5/7	7	24/75	24/75	24/75		
	..	..	..	10	5/44	5/44	8/12	Sendra	3	3	3	10	5/00	5/00	5/00		
								South Karanpura	2½	Nil	Nil	2½	7/12	7/62	3/00		
Karanpura Development	5	5	..	100	10/19	10/12	11/00	Standard	15	10	..	10	10/44	10/44	16/00		
	15	15	..	10F													
Karanpura Collieries P.	7½	10	10	10	12/44	13/50	16/00	Union	7	7½	9	10	10/25	10/25	16/00		
Katras Jheriah	95	40	25-30*	10	32/00	32/00	37/75	Western Bengal	Nil	Nil	..	10	8/69	8/69	9/00		
Khas Kajora P.	..	..	..	10	17/62	17/62	18/70	West Jamuria	Nil	Nil	..	10	4/00	4/00	4/00		

COTTON MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		15-4-64	8-4-64	A year ago		1960	1961	1962		15-4-64	8-4-64	A year ago
Basanti P	..	..	..	10	13/50	13/50	12/75	Elgin P.	11 1/2	17 1/2	17 1/2	10	18/50	21/75	20/69
Bengal Luxmi	..	..	..	40	30/00	30/00	28/00	J. K. Cotton (Rayon) P.	12 1/2	..	..	10	11/56	11/75	13/06
Bengal Nappur P.	..	..	..	10	2/44	2/44	3/00	Jay Shree	10	..	..	10	15/12	15/25	14/82
Shant Commerce	..	..	..	10	21/62	21/62	21/87	Muir P.	..	..	..	100	63/00	63/00	135/00
Birla Cotton	10	20	20	10	27/00	27/00	26/75	New Victoria P.	..	..	..	2 1/2	1/37	1/28	1/62
Bowreab P.	10	20	15	10	22/94	23/25	23/50	Orissa Textiles P.	..	..	..	10	4/75	4/75	9/00
Cawnpore Textiles	7-1/5	10	10	5	6/50	6/50	6/25	Rampooria Cotton	..	..	..	10	13/00	13/00	12/00
Delhi Cloth & Genl P.	12	13	13-13*	25	45/56	45/69	44/87	Swadeshi (Kanpur) P.	5.51	..	..	100	3/00	3/00	2/00
Dunbar	20	20	15	10	29/00	29/00	26/87						11/00	11/00	11/50

*1963

BOMBAY COTTON MILLS

NAMES OF MILLS	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		13-4-64	7-4-64	A year ago		1960	1961	1962		13-4-64	7-4-64	A year ago
Ahmedabad Advance P.	16	12	..	100	140/00	139/50	170/00	Indian	23 1/5	25	..	250	882/50	882/50	761/25
Apollo	Nil	Nil	..	100	1/72	1/72	2/02	Indore Malwa United	2 1/2	10	..	100	207/50	207/50	170/00
Beharilal Ramcharan	Nil	Nil	..	100	130/00	130/00	82/50	Khatu Makaanji P.	2 1/2	10	..	100	190/00	181/25	380/00
Bombay Dyeing, etc.	14	14	..	25	60/50	60/20	62/00	Kolnnoor	15	18	..	100	335/50	334/00	285/00
Bradbury P.	10	25	..	50	151/00	151/00	150/00	Lakshmi-Vishnu P.	5 1/2	6	..	100	100/00	100/00	103/75
Century	30	30	..	100	624/00	615/20	488/00	Morarijee Goculdas P.	2 1/2	24	24-20*	100	380/00	376/00	410/00
Central India P.	Nil	Nil	Nil-11*	100	90/00	91/00	95/00	Mysore Spg & Mfg P.	14	14	..	80	42/00	42/00	46/00
Corla	11	11	..	100	162/50	162/00	150/00	New City of Bombay	Nil	Nil	..	100	188/75	188/75	142/50
Dawn	30	30	..	50	154/00	154/00	142/00	New Great Eastern P.	Nil	12	..	100	178/00	178/00	270/00
Edward Textiles	9	9	..	200	260/00	260/00	325/00	Phoenix	15	20	..	100	225/00	222/50	194/00
Elphinstone P.	18	22	18	50	97/00	96/00	93/00	Sassoon & Alliance	Nil	Nil	..	10	11/00	11/00	13/00
Finlay	23	23	..	100	309/00	309/00	306/00	Simples	17	Nil	..	10	38/50	38/50	43/25
Gokak	14	18	..	100	184/00	181/50	174/00	Shree Niwas P.	18	20	22-16*	100	121/00	120/00	128/00
Hindooistan	50	50	..	250	950/00	950/00	810/00	Swadeshi P.	17	19	17	100	248/00	253/00	228/00
India United	8	14	..	10	21/24	21/24	23/00	Swan	36	21 3/5	..	100	270/00	267/00	300/00
	13 1/2	37 1/2	..	100	2/56	2/54	2/54	Tata	20	22	20	25	53/70	56/50	58/00
								Western India	46 2/5	25	..	250	850/00	850/00	760/00

* 1963

BOMBAY MISCELLANEOUS COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		13-4-64. Ra	7-4-64 Ra	A year ago Ra		1960	1961	1962		13-4-64. Ra	7-4-64 Ra	A year ago Ra
CEMENT ENGINEERING & METAL															
Associated Cement	12½	12	12-12*	100	148/75	148/00	140/50	British India General	..	..	..	10	12/48	12/24	11/52
								Jupiter General P.	..	..	..	15	7/00	7/00	9/00
								New India	38	38	..	15	46/00	45/50	60/00
								Vulcan	20	20	..	10	16/00	16/00	16/40
ELECTRIC LTG. POWER															
Ahmedabad Electricity	7	6	..	100	95/50	95/00	90/50								
Andhra Valley Power P.	5½	5	..	1000	1,050/00	1,050/00	982/50								
Bombay Suburban Elec.	8	8½	8½	100	104/00	104/00	100/00								
Tata Hydro Elec. Power P.	5½	5	..	100	112/00	112/00	101/00								
Tata Power P.	6½	5	..	1000	1,110/00	1,107/50	1,042/50								
MISCELLANEOUS															
Alcock Ashdown	17	22½	..	100	305/00	301/00	312/00	Belapur Sugar	58	50	..	50	222/50	220/00	174/00
Jost's Engineering	6	10	10-11½*	50	47/00	47/00	98/00	Bombay Burmah Trading	30	33	33-33 1/5*	25	60/20	60/00	..
Larsen & Toubro P.	12½	18	14-14*	10	22/80	22/80	23/24	Hindustan Lever	26	26	12	10	46/50	45/75	45/00
Mckenzie	10	12	14	100	135/00	127/50	140/00	Industrial Invt Trust	64	64	..	100	35/25	35/20	72/00
Premier Construction P.	43 1/3	33 1/3	..	300	179/50	179/50	131/50	Kemur (Chemists)	12½	12½	..	100	78/00	78/00	305/00
Tata Eng. & Locomotive P.	12½	14½	14½-14½*	100	301/00	299/75	265/00	National Rayon	22	..	..	100	260/00	275/00	348/00
Tata Iron & Steel P.	9.1	10.36	10.36-11*	750	147/00	146/50	122/00	Scindia Steam Navign.	8	8	..	100	362/00	357/50	10/40
								Shivrajpur Synd.	80	Nil	..	10	15/76	15/60	20/52
								Tata Chemicals P.	6	6½	6½-10*	10	18/28	18/28	15/08
								Tata Oil P.	23	23	23-22*	25	62/50	62/20	56/70
								Volta	13	14	14-14*	100	262/00	260/00	254/00
								Western India Match	16	16	16	100	261/50	261/00	262/00

* 1963

TEA COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		15-4-64	8-4-64	A year ago		1960	1961	1962		15-4-64	8-4-64	A year ago
ASSAM GARDENS															
Amiluckie	Nil	10	7½	10	17/25	17/25	20/00	Brooke Bond P.	15	10	7½-7½*	10	12/00	12/00	11/00
Anandabag P.	80	32½	30	10	33/25	33/25	33/25	Dejoo valley	15	20	30	10	50/00	52/50	49/25
Bagnmari	Nil	15	7½	10	13/62	13/62	18/50	Dessa & Purbuttia	Nil	10	15	100	182/00	182/00	140/00
Barduar Tea	..	..	..	1	3/50	8/50	8/50	Obelakhat	20	10	..	10	20/81	20/81	19/50
Basmatia	25	25	20	10	24/25	24/25	27/25	Obunser P.	40	15	30	10	11/12	11/12	13/00
Batoli	30	30	..	5	15/25	15/25	18/00	Oburgarb	25	20	25	10	32/00	32/00	32/00
Betjan	13	13	..	10	30/37	30/37	32/62	Olmarus P.	25	20	25	10	25/37	25/37	27/87
Bishnauth	13	13	20	10	17/12	17/06	15/87	Outlaghar	25	20	25	10	28/12	28/12	27/87
Bokakhat	13	13	15	10	13/12	13/12	13/71	San India	Nil	Nil	..	10	12/69	12/69	13/00
Bormah Jan P.	13	13	15	10	11/81	11/81	16/12	Shilapukri	25	20	15	10	27/56	27/56	25/44
Bor Pukhuri	Nil	Nil	10	10	11/25	11/25	11/75	Tohpur	Nil	5	20	10	14/69	14/69	15/81

*1962

TEA COMPANIES—Contd.

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		15-4-64	8-4-64	A year ago		1960	1961	1962		15-4-64	8-4-64	A year ago
	Rs.			Rs.	Rs.	Rs.					Rs.	Rs.	Rs.		
Grob	6	6	6	5	6/37	7/00	7/12	Singell	Nil	Nil	Nil	100	36/75	36/75	36/75
Hoograjuli (Assam)	20	20	17	10	27/62	27/62	27/12	Singtom	2	Nil	2	10	3/50	3/50	3/50
Hoolungoree	10	7½	20	100	200/00	200/00	185/00	Soom	50	40	40	10	40/00	40/00	31/00
Jutibari	80	30	20	10	27/87	27/87	32/00	Sungama	15	15	20	10	14/25	14/25	12/75
Kingsley Golaghat P.	35	35	..	100	125/00	125/00	212/00	Teesta Valley	Nil	..	8 1/2-10*	10	14/37	14/37	11/00
Kotamullai P.	Nil	Nil	Nil	5	9/81	9/81	10/31	Tukvar	Nil	Nil	..	10	4/12	4/12	6/00
Krishnabehari	15	8	10	10	11/50	11/50	10/50	DOOARS							
Kyang Tea	Nil	..	..	10	8/06	8/06	8/06	Banarhat P.	22½	21	21	100	230/00	230/00	255/00
Ledo	Nil	Nil	Nil	10	13/75	13/75	17/25	Baradighi	30	25	25	10	23/25	23/25	23/00
Maud Tea & Seed	10	7½	7½	10	12/00	12/00	14/81	Bhatkawa	15	15	20	10	16/31	16/31	15/50
Methoni	5	14	20	10	14/00	14/00	18/50	Birpara P.	17½	12½	17½	100	162/00	162/00	149/00
Moheema	Nil	Nil	..	10	11/50	11/50	11/50	Carron	20	5	7½	100	117/00	117/00	145/00
Mothola	30	30	35	100	507/00	507/00	507/00	Choonabhati P.	32½	20	20	100	211/00	211/00	210/00
Murphulani (Assam)	10.63	20.63	30.63	10	26/50	26/50	26/50	Ellenbarrie	5	5	10	100	184/00	184/00	184/00
Naga Hills	10	10	10	10	21/25	21/25	22/69	Enga	60	30	40	100	136/00	136/00	136/00
Namburnadi	12	12	..	100	12/87	12/87	14/56	Ethelbari	5	5	7½	10	11/87	11/87	13/12
New Cinnatollah	Nil	Nil	Nil	100	455/00	455/00	302/00	Gairkhata	25	20	11	10	21/50	21/50	21/50
Raigarh	40	13½	17½	10	18/50	18/50	19/87	Gopalpur	12	5	10	25	19/50	20/00	19/50
Sapoi	22½	10	10	10	19/50	19/50	21/12	Hantapara P.	15	5	10	100	108/00	108/00	103/00
Sejuli	22½	13	30	10	25/12	25/12	21/12	Hasimara P.	17	..	18-15*	10	12/44	12/56	13/00
Teloian	25	25	25	10	21/94	21/94	27/75	Huldibari	22½	..	19 2/7-11*	10	12/12	12/12	12/12
Tengpani	30	30	22½	10	35/75	35/75	35/00	Jaybirpara	10	Nil	10	10	9/94	9/94	11/06
Tezporo P.	20	12½	..	10	14/62	14/62	15/25	Killcoit	25	15	15	10	15/50	15/50	16/25
Tongani	Nil	Nil	..	10	5/31	5/31	6/50	Manabarrie	10	6	10	100	50/50	50/50	59/50
Tyrcan	10	15	25	10	27/75	27/75	34/37	Nagasurree	25	15	15	100	180/00	180/00	141/00
CACHAR								New Dooars P.	35	20	14½	100	234/00	234/00	258/00
Arcuttipore	Nil	5	6	10	7/00	7/00	7/00	Oodlabari	12½	7½	..	100	13/75	13/75	14/25
Baitakhal	2½	2½	..	10	7/87	7/87	7/00	Phaskowa	Nil	Nil	Nil	100	125/00	125/00	129/00
Central Cachar	5	7½	5	100	71/00	71/00	73/00	Rajabhat	Nil	15	6	10	9/12	9/08	12/12
Eastern Cachar	Nil	Nil	..	10	4/50	4/50	4/12	Ranicherra	15	15	7½	10	11/75	11/75	16/75
Kallinugger Khoreel	6	2	..	100	87/00	87/00	87/00	Rydak	25	20	25	10	25/06	25/19	27/31
Hattikhira	Nil	8	Nil	10	7/75	7/75	9/44	Sarugaon	40	40	40	10	36/31	36/31	36/25
Kunchanpore	Nil	..	..	10	6/00	6/00	6/00	TERAI							
Loobah	Nil	Nil	..	10	4/69	4/69	4/37	Atal	5	20	..	10	5/50	5/50	6/75
North Western	30	20	10	100	175/00	175/00	114/00	Beigachi	20	20	12½	100	20/25	20/25	20/50
Pathemara	Nil	Nil	..	10	7/81	7/81	7/50	Gungaram	20	12½	12½	100	131/00	131/00	117/00
Roonacherra	Nil	10	Nil	10	9/94	9/94	13/62	New Chumta	15	..	12 6/7-20*	10	20/37	20/37	24/62
Rungamattae	5	5	5	50	49/25	48/00	50/00	New Terai	20	10	2½	10	23/00	23/00	36/00
Sonai River	Nil	Nil	..	10	5/06	5/06	9/12	Pahargoomiah	22½	20	20	10	14/37	14/37	31/12
DARJEELING								Putinbaree	14	14	..	10	45/00	45/00	45/00
Bloomfield	Nil	..	..	10	3/19	3/19	3/25	Tirrihannah P.	60	60	60	10	49/00	49/00	49/00
Chamong	30	10	10	10	9/00	9/00	9/00	CHITTAGONG							
Darjeeling Tea & Chin.	30	30	30	100	187/00	187/00	197/00	Kodala	Nil	Nil	..	10	9/25	9/25	9/25
Dilaram	8	4	..	100	102/50	102/50	102/50	Kornafull	Nil	Nil	..	10	9/31	9/31	13/06
Guelle	Nil	..	8 1/2-15*	10	16/06	16/06	11/69	Oodleah	Nil	Nil	..	10	8/00	8/00	8/00
Lingia P.	15	10	17½	10	14/00	14/00	14/56	SYLHET							
Longview	12½	10	..	10	8/25	8/25	11/00	Chundeecherra	Nil	Nil	Nil	10	26/00	26/00	23/00
Margaret's Hope	15	15	15	10	12/06	12/06	11/62	Dauracherra	22½	20	20	10	11/87	11/87	7/31
Mim	22½	27½	27½	100	430/00	430/00	191/50	New Samanbagh P.	25	Nil	Nil	100	18/37	18/37	18/37
Nagri Farm	30	25	35	10	29/62	29/62	27/00	Patrakola	32½	40	15	100	135/00	135/00	120/00
Okayti	25	25	25	100	600/00	600/00	595/00	Rajnagar	Nil	Nil	Nil	10	9/56	9/56	8/56
Pashok	10	Nil	..	10	20/00	20/00	20/00	Teliapara	22½	22½	22½	100	92/50	92/50	99/00
Poobong	Nil	Nil	5	10	10/00	10/00	7/50								
Pussimbing P.	Nil	Nil	7½	10	7/62	7/62	8/87								
Runglee Rungliot	35	20	7½	100	386/00	386/00	386/00								
Seeyok	15	Nil	..	10	8/50	8/60	8/50								

It is interesting to note that the Finance Minister, Mr. T. T. Krishnamachari, encouraged

COMPANY SURTAX CHANGES

AS in the case of the Finance Bill, the changes in the Companies (Profits) Surtax Bill announced in the Lok Sabha last week by the Finance Minister, Mr. T. T. Krishnamachari, are minor and inadequate too. One of the main amendments reduces the minimum period for repayment of loans includible in the capital base from ten years to seven years. The other important change provides for the inclusion of money borrowed directly from the Government also in the capital base. Thus, in addition to borrowings from the Industrial Finance Corporation or the Industrial Credit and Investment Corporation of India or any other financial institution which the Central Government may notify, any loans taken directly from the Government will qualify for inclusion in the capital base for purposes of surtax assessment, subject to prescribed conditions. The first condition is that the loans should be repayable in not less than seven years. If the last instalment for repayment is on or after the expiry of the period of seven years, the condition will be fulfilled. Under the original Bill, this stipulation was confined to certain specified loans; it will now apply uniformly to all loans, whether obtained from the Government or otherwise. Secondly, the purpose of the loan should be the creation of a capital asset in India. Like the first condition, the second condition will apply to all loans and not only to loans obtained from persons resident outside India, as proposed originally.

This liberalisation is no doubt welcome, as it will enable medium-term borrowings to be included in the capital base and will help younger industrial units which depend on loan capital. Unfortunately, the disallowance of the interest paid on such loans in the computation of chargeable profits will reduce the usefulness of the change. Another amendment relates to the list of industries entitled to the special rebate of 20 percent of surtax. In conformity with the changes made in the Finance Bill, the new list includes electronic equipment and petro-chemicals, deletes coffee and rubber, modifies the entry relating to electrical equipment, and adds some new items, such as manganese ore, dolomite and mineral oil in the entry pertaining to minerals. The surtax list, as amended, is identical with the list in the Finance Bill as approved by Parliament.

The Finance Minister's refusal to allow for the carry-forward and set-off of deficiency is regrettable. His only reason for denying this right is that "as the surtax will be attracted only at comparatively high levels of profits, it is not considered necessary to make a provision for carry-forward and set-off of any deficiency of profits against the chargeable profits of subsequent years". Mr. Krishnamachari again errs in upholding an inequitable principle on doubtful grounds. Merely because the monetary burden of an impost is small, the rules of equity and fair play are thrown to the winds. The fortunes of a large number of industries often depend on factors beyond their control—long gestation periods, vagaries of the weather and other changes caused

by the good response during the past year to small savings schemes, has fixed a high collection target of Rs. 125 crores for 1964-65. Some favourable developments have so far contributed to the bigger collections. The public has bought National Defence Certificates and Defence Deposit Certificates for patriotic reasons. The upward revision of interest rates on almost all savings schemes has helped attract funds. The increase in post office savings bank deposits has been encouraged by the offer of a higher interest rate combined with the introduction of cheque facilities. The outlook has nevertheless been obscured by inflationary tendencies. People cannot save because prices are rising, and the annuity deposit scheme introduced by the last Budget will mop up the voluntary savings of the middle and high-income groups. The third plan target of Rs. 600 crores for small savings is in any case unlikely to be achieved, unless the Government takes steps to increase savings by checking inflation and reducing taxes.

by unforeseen circumstances. There can be no justification for penalising such companies when, after having waited for a number of years of sub-standard profits, they are able to reap a good harvest, or having had a good year, are faced

ATTRACTING FOREIGN INVESTMENT

A SPECIAL effort has to be made to attract more private foreign investment to India for two good reasons: her need for additional foreign resources and her equally pressing need for technical know-how. It looks as if Government-to-Government aid will decline because of the growing weariness with which the burden is viewed by voters not only in the traditionally isolationist mid-western areas of the United States, but also in West Germany, France and Britain. Even if the total assistance offered by donor countries remains more or less unchanged, the portion that they can spare for India will inevitably suffer because of the lengthening queue of aid-seeking nations. New Delhi's backroom boys have totted up figures to show that such aid as India has received in the past decade is far less in *per capita* terms than what rival claimants are getting. But this argument overlooks the political realities which bring funds pouring into tiny pockets like South Vietnam or South Korea. Regardless of such statistical contests, the Indian pleas for help will still have to be fitted within whatever total the Western nations can raise from year to year.

It follows that India will have to reverse the trend which has brought external resources as a proportion of total investment up from 6 percent in the first plan to 12 percent in the second and 25 percent in the current five-year period. This will require serious rethinking about the strategy of planning, as Mr. Asoka Mehta, Deputy Chairman of the Planning Commission, indicated in an address this week. And it is as part of this rethinking that India will need to redefine her attitude to foreign capital. Private investment will be far more costly than the "soft" aid India gets from the U.S. Agency for International Development or the International Development Association, even if the burden is made more bearable by the fact that servicing will be proportional to the income generated by the investment. But regardless of the cost, investment may well have to be wooed because there is no other way open for the country to secure the foreign exchange resources required for growth.

In some ways, this rethinking has already begun. Last December, only a few months after he returned to the Central Finance Ministry, Mr. T. T. Krishnamachari made public his view that the door should be opened wider to the foreign investor. Past hesitations about admitting foreign capital into vital sectors of the economy had, he flatly declared, no longer any justification, a remark which was widely interpreted as applying particularly to petroleum refining. Mr. Krishnamachari enlarged on the same theme in his Budget

with losses. The fact that the surtax may not fall heavily on some companies affords no valid ground for denying a relief which is due to all companies both in equity and in law.

Mr. Krishnamachari obviously has such strong feelings against the distribution of dividends that he has not accepted the very modest and reasonable demand for deduction of the dividend tax of $7\frac{1}{2}$ percent in the computation of chargeable profits. According to him, "as the objective of the levy on dividends is to place a restraint on the distribution of profits, this objective has to be reflected in the surtax as well". Consequently, the burden of dividend tax will be far greater than the $2\frac{1}{2}$ percent or 3 percent referred to by him in his speech on 17th April; in fact, the figures quoted by Mr. Krishnamachari are even otherwise incorrect. If an Indian company makes a profit of 100, and pays tax at 50 percent, it will be liable to dividend tax of 3.49 on the assumption that the entire available surplus is distributed which ultimately must be the case. The surtax at 40 percent on dividend tax of 3.49 will amount to 1.40 and will raise the aggregate burden of dividend tax to almost 5 percent. Even on the basis of a 60-percent distribution the burden of dividend tax, inclusive of surtax, will amount to 3.5 percent, which is heavy. The reliefs allowed in relation to surtax are thus too meagre to eliminate the anomalies inherent in a basically unjust impost, and will fail to achieve the objectives underlined by the Finance Minister.

speech, in which he said that India would need to make the fullest use of private sources to augment official aid. This line of thinking has been echoed from the Planning Commission end by Mr. Asoka Mehta, who seems equally convinced that reliance on foreign capital will have to be much greater in the coming years.

The shift in thinking has found some reflection, albeit inadequate, in budgetary and economic policies. The attempts to improve India's image abroad have not gone unnoticed, as is evident from the comments made by the delegation of U.S. business men which was in India earlier this month. But whether the visitors found the message of the Budget as attractive as they claimed remains to be seen. Some politeness is customary on such occasions; the U.S. visitors could not but have made some gesture towards the intentions claimed for the Budget. In a less publicised comment, their leader, Mr. J. Roy Galloway, wanted, however, to know how far the internal capital market would be able to mobilise the resources for the new ventures which might come up as a result of increased U.S. investment. Whether he was convinced by the official explanation that the present depressed state of the stock exchanges is only a temporary phase is not known, but this is obviously a point on which the visitors will have formed their own ideas. They will have noted that the revival of interest in new issues since the end of 1963 has been checked; most underwriters are left carrying large blocks of unsold shares, an important factor contributing to the decline in the market quotations of newly-listed scrip.

It is premature, therefore, to judge the future prospects for U.S. private investment by what has been said for public consumption during the visitors' encounters with the Indian Press. This is not to suggest that they found investment opportunities lacking in this vast market of 450 million people. For all its faults, planning has indeed given the economy a dynamism and enormously increased its capacity to absorb investment. Even if the airy targets now being discussed for the fourth plan need drastic pruning after a realistic assessment of resources, there is certainly going to be a sizeable expansion in many directions—some of them, like oil, petro-chemicals and engineering, of special interest to the investor. But market prospects alone are not decisive—the final decision whether to bring money into India or take it to another market will depend on at least four other factors.

Mr. A. D. Ogilvie, president of the Associated Chambers of Commerce, listed these others succinctly in his remarks at the meeting organised

between U.S. and Indian business men for an interchange of ideas. As he put it, the general attitude to foreign capital is something which the investor will weigh in his mind before making his commitment. If he finds the climate hostile, he may well have doubts about the long-term prospects for fair treatment even if immediate need obliges a country to accept investment on whatever terms it is available. In India, there was certainly deep distrust of foreign capital before independence, and a hangover of this attitude was much in evidence for some years after 1947. There was subsequently a remarkable change when both political and business opinion came to recognise that a free country with its own strongly entrenched domestic institutions had nothing to fear from the foreign investor. The latter's rôle in accelerating growth had gradually come to be accepted at all levels, with the result that xenophobic slogans raised by certain political Parties evoke today nothing like the response which one would have taken for granted even ten years ago.

In this sense, India is indeed a better bet than it was. But uneasiness still persists because of the confusion created abroad by pointless affirmations of socialist zeal such as those made earlier this year at Bhubaneswar. The cry for bank nationalisation raised from the annual Congress session caused disquiet in many Western capitals, not because the demand was made by the extremist left fringe but because the responsible Party leadership resorted to unfortunate equivocation in turning it

BLEAK PROSPECTS FOR SUGAR

SUGAR shares have been depressed for some time now, the index for the equities having declined from 138.7 last November to 127.9 for the week ended 11th April. (1952-53 equals 100). Although the depression may have been influenced by the general mood in the stock markets, it is largely a reflection of the low profitability of the industry. A recent Reserve Bank study on the finances of Indian joint-stock companies showed that the returns offered by the sugar industry were the lowest among the 14 industries covered. For sugar companies, the gross profit as a percentage of capital employed was 8.8 in 1960 and 7.4 in 1961, compared with an average return of 10.1 and 10, respectively, for all the industries covered. Although these figures relate to a period two years ago, the financial position of sugar companies has not changed much. The Tariff Commission itself recommended a return of 12 percent on the capital employed—a percentage which did not leave any cover for rehabilitation or reserves for meeting other capital needs. The recent rise in interest rates, actively encouraged by the Government, has made the returns from sugar shares extremely unattractive.

At the same time, the Government is advertising ambitious plans for raising sugar output. The inconsistency between the Government's objectives and policies has been forcefully brought out in Mr. G. M. Modi's presidential speech at the annual general meeting of the Indian Sugar Mills Association in New Delhi last Monday (fuller details of the speech appear on a later page in this issue of *Capital*). The Government is fondly hoping to expand sugar output without creating the conditions for expansion. During the current season, the production may amount to about 2.6 million tonnes, against a target of 3.3 million tonnes. Although this may represent a rise over the previous season's output of 2.16 million tonnes, the carryover was very small being barely 150,000 tonnes: as a result, total supplies in 1963-64 may amount to only 2.75 million tonnes. In 1962-63, the big carryover of 1 million tonnes helped ease the situation considerably. If, as reported, the Government sticks to its decision to export 300,000 tonnes of sugar this year, the shortage will be aggravated.

Mr. Modi referred to the rising domestic demand and said that, as against a rate of increase of 100,000 tonnes a year during the third plan period, demand might rise annually by 200,000 tonnes during the fourth plan. The Development Council has put the fourth plan production target at 4.5 million tonnes (of which 500,000 tonnes

down, leaving those not well acquainted with the local idiom guessing about their real intention. To some extent, the Finance Minister later made amends by dismissing the crusaders for nationalisation as of no consequence in the Party's counsels, but this was less satisfactory than if he had made the Government's position clear at Rbubaneswar itself.

India is also a fair bet for the foreign investor in terms of the profits she offers, a point which Mr. Krishnamachari has often made to dismiss domestic capital's plea for more considerate treatment. But he has still to show how he expects the entrepreneur to raise money for new enterprises or for the expansion of existing ones when successive Budgets divert a larger and larger proportion of savings to the Exchequer. Without the individual's savings to supplement corporate resources, entrepreneurs will have to throw themselves at the mercy of the State agencies. These may provide him with funds, but it looks as if they will also want the sponsors to agree beforehand to their veto in all major matters. This is certainly not conducive to healthy growth of domestic entrepreneurship. And without the domestic counterpart, how can the foreign investor begin to participate in India's growth? He may, of course, join hands with the State, a course to which the U.S. business men declared that they were not averse. While some such joint ventures may indeed come about in fields like refining, heavy electricals and fertilisers, the great bulk of the investment will necessarily have to be in the private sector.

will be for export) and, according to present indications, the target may be raised to 5 million tonnes. The investment needed for building the projected additional capacity of 1 million tonnes has been estimated at Rs. 70 crores, but if 50 per cent of the increase is achieved by expanding the existing units, the capital requirement may be only Rs. 42 crores. It is doubtful whether such a large volume of resources can be raised from the public, if the returns offered by the industry continue to be so low.

The need for conserving scarce resources and for placing the existing uneconomic factories on a sound footing implies that the additional capacity should, as far as possible, be achieved by expanding the existing units. Many of the factories were set up during 1932-33 and their daily crushing capacity is small, being between 600 tons and 800 tons. Consequently their unit costs are high. Furthermore, as Mr. Modi pointed out, their working season is short because of the scarcity of cane and the recovery too is low due to the poor quality of cane. The Government's measures to improve the yield and quality of cane do not seem to have borne fruit so far. Mr. Modi stated that cane yields continued to stagnate at around 13 tons to 14 tons an acre, which used to be the yield about

32 years ago, when the small units were put up. The sucrose content too has not gone up much. The uneconomic units can be placed on a sound basis only if they are enabled to expand their capacity and if they are assured of good quality cane in adequate quantities. Since cane accounts for as much as 70 percent of the cost of production, there is some substance in the I.S.M.A. president's plea for taking into account the disparities in the availability and quality of cane while fixing the control rates for this season on the basis of the actual working results of factories. The response of the Central Minister for Food and Agriculture, Mr. Swaran Singh, to the plea to assist uneconomic units was blunt. In his speech at the I.S.M.A. meeting, the Minister felt that the units were in difficulties because of their own neglect and improvidence in the past. Since the weak units could not raise their resources in the normal manner, he wondered if they should not be nationalised "in the public interest". The idea may be to modernise these factories after taking them over. But given the difficulties mentioned by Mr. Modi, it is hard to see how a take-over will improve the working unless simultaneously arrangements are made to improve the quality of cane and prolong the crushing period.

The major headache of the industry relates to the supply of cane. Since *gur* and *khandsari* producers are not subject to the restrictions imposed on sugar factories, they are able to attract cane by paying more for it. In a year of cane shortage, this diversion of supplies accentuates the scarcity. According to Mr. Modi, the quantity diverted during the current season may run to about 50 million or 60 million maunds. The Government, no doubt, took some steps to prevent diversion such as raising the cane price to Rs. 1.75 a maund (in areas where there was competition from *gur*, factories could pay Rs. 2 a maund); granting rebate in excise duty on output in excess of the production in 1961-62; restricting the inter-State movement of *gur* and *khandsari*; and assuming powers to regulate cane supplies, chiefly to factories. To begin with these measures proved effective, but when the crop in certain areas in northern India was damaged by frost and the failure of winter rains, the diversion of cane for *gur* and *khandsari* production started. Towards the end of February, when the situation became very bad, factories in U.P., which were most affected, were permitted to raise the cane price by 37pP a maund. This enabled them to prolong their crushing season and, in Mr. Modi's assessment, has led to an additional output of 50,000 tonnes to 60,000 tonnes. As he rightly emphasised, a lasting solution to the problem of diversion could be found only if sugar producers are given the "freedom and flexibility" enjoyed by the other users of cane. In his reply, Mr. Swaran Singh stated that he would soon announce measures to ensure that *gur* and *khandsari* did not enjoy an unfair advantage. It remains to be seen whether the new measures will prove effective, particularly when the cane crop turns out to be poor and the temptation for diversion is strong.

Current News and Comment

Ceiling on Seeds Futures Criticised

In his presidential address at the recent annual meeting of the Bombay Oilseeds and Oils Exchange, Mr. Chandulal Kasturchand made a strong plea for doing away with the arbitrary price ceiling set by the Forward Markets Commission for futures trading in oilseeds and oil. He said that there was no need for margins or ceiling on prices when there was a limit on the weekly price rise and on the net open position of members. Mr. Chandulal Kasturchand's view will be widely endorsed that there is little justification for fixing maximum prices for hedge contracts when there exist no similar curbs on spot prices. It is obvious—not to the Forward Markets Commission perhaps—that when spot prices are rising and forward prices are artificially pegged, the correlation between the spot and forward prices cannot be main-

tained. It is common knowledge that as against the ceiling of Rs. 241 a 250 kilograms for the hedge contract, in ready, even the inferior quality groundnut, Kanpur Bold, is quoted around Rs. 250. It is the spot material which really matters.

Artificial control over futures simply encourages operators to divert their attention to spot trading, thereby pushing up spot prices still higher. There is little that the Commission can do to check the rising trend in prices when it reflects a continuing unbalance between demand and supply. The recent improvement in oilseeds prices is due mainly to a setback in the production of five major oilseeds and larger exports of groundnut oil. Production of oilseeds has failed to catch up with the country's growing requirements. The target of 7.1 million tons set for the second plan has not been achieved even during the third year of the third plan. It

MISCELLANEOUS COMPANIES—Contd.

Dividends per cent				Paid-up per Share	Latest Market Quotations as available until			Dividends per cent				Paid-up per Share	Latest Market Quotations as available until		
1980	1961	1962	Rs.		Rs.	8-4-64	A year ago	1960	1961	1962	Rs.		Rs.	8-4-64	A year ago
ENGINEERING & METAL															
Arthur Butler (Muzafferpore) P.	Nil	Nil	10	10	21/25	21/25	14/50	J. K. Synthetics	3	Nil-10*	10	11/81	11/62	11/62	
Bhartia Electric Steel	10	10	12½	10	14/75	14/75	13/62	James Wright P.	50	2/75	2/75	2/75	2/75	2/75	
Braithwaite India	25	25	14	10	32/50	32/50	33/06	Jardine Henderson Ltd. P.	100	74/25	75/00	83/00	83/00	83/00	
Bridge & Roof	30	30	30	10	52/25	52/25	52/25	Jay Shree Industries P.	14	12½	15/00	14/75	14/75	14/75	
Britannia Building & Iron P.	Nil	Nil	Nil	10	3/20	3/20	3/65	Kesaram Industries P.	5	12	12-13*	26/00	26/06	22/25	
Britannia Engineering P.	10	10	10	10	10/06	9/94	10/37	Macfarlane & Co.	60	5/69	5/69	7/00	7/00	7/00	
British India Electric Cons.	45	20	15	10	29/12	29/12	33/12	Macneill & Barry Ltd. P.	8	8	7½	100	95/00	95/00	
Burn P. (Engineering)	28½	28½	28½-25*	100	290/00	290/00	438/00	Martin Burn Ltd. P.	27½	27½	25-25*	10	26/25	25/81	
Calcutta Steel	15	15	15-12½*	10	14/25	14/00	13/37	McLeod & Co. P.	15	15	18	1000	206/00	206/00	
Dalmia Iron	10	10	10-10*	10	11/06	11/06	11/00	Metal Box Co. of India Ltd. P.	25	25	19	10	29/25	29/75	
Guest, Keen, Williams	16	14	14	10	24/50	24/87	32/75	National Insulated Cable P.	25	25	25-18*	10	22/50	22/37	
Hooghly Docking	Nil	Nil	12½	50	101/00	101/00	102/00	National Pipe & Tubes P.	20	20	20	10	22/50	22/12	
Indian Iron & Steel P.	15	16	16-16*	10	24/62	24/68	21/60	National Rolling & Steel Ropes	13	15	15-15*	10	18/94	18/94	
Indian Malleable Casting	Nil	Nil	Nil	50	6/00	6/00	6/00	National Rubber P.	Nil	6½	8	10	12/56	10/75	
Indian Standard Wagon P.	28½	28½	28½-20*	10	36/37	36/37	28/56	National Tobacco P.	16	7	7	10	12/06	12/06	
Indian Steel & Wire Products	23	24	23-28*	100	33/50	33/50	39/00	New India Investment Corp.	8.7	Nil	Nil	75	65/00	65/00	
Industrial Containers	Nil	10	10	10	20/00	20/00	22/00	Octavius Steel P.	10	7½	7½	100	26/87	26/87	
Jay Engineering	17 3/20	17 3/20	15-10*	10	30/50	30/50	22/00	Philip India	12	12	13	10	26/87	22/62	
J. K. Steel P.	20	20	10	10	19/75	19/75	24/25	Publicity Society	10	75	75-50*	4	22/62	118/00	
Jessop & Co. P.	8.58	8.58	8.58	10	15/94	15/94	15/25	Rail India P.	4	8½	8½-10*	100	118/00	11/75	
Kumardhubi Engineering P.	10	11½	15	3	5/44	5/44	7/31	Rohas Industries P.	20	10	8-9*	10	11/78	7/87	
Marshall Sons (India)	Nil	Nil	Nil	2	2/94	2/72	2/97	Sirsilik P.	Nil	Nil	Nil	10	7/84	7/87	
National Iron and Steel	Nil	Nil	Nil	10	5/81	5/94	4/12	Sen-Raleigh Industries P.	8	8	8	10	14/69	14/94	
Saran Engineering	8½	10	12½-10*	4	7/12	7/12	8/00	Shaw Wallace P.	15	15	7½	10	16/87	16/87	
Steel Containers	30	20	20	10	28/12	28/12	19/75	Spencer's Hotel	23	23	12½	10	1/25	1/25	
Textile Machinery	10	10	Nil	10	27/70	28/00	22/70	Union Carbide	18	18	12½	10	30/75	30/25	
SUGAR BREWERIES ETC.															
Balrampur Sugar	8	8	4-Nil*	2½	1/85	1/85	2/19	Walford Transport	30	20	Nil	10	2/69	2/69	
Belsund Sugar	18½	10	6 2/3*	7½	7/50	7/50	8/50	Concord of India	20	20	20	5	10/00	10/25	
Bharat Sugar P.	15	15	15-15*	10	12/19	12/19	13/00	Hercules	22½	22½	26½	10	23/50	23/50	
Carew (Sugar) P.	Nil	Nil	Nil	10	12/19	12/19	13/00	Ruby General	10	13½	15½	8	10/31	10/37	
Cawnpore Sugar P.	Nil	Nil	Nil	10	9/75	9/75	16/62	Standard General	45	50	50	25	6/12	6/12	
Champaran Sugar	15	12	Nil-Nil*	10	10/62	11/00	15/87	Triton	25	50	50	25	134/00	130/00	
Durbhanga	4	Nil	5	10	7/50	9/87	7/12	FLOUR MILLS							
New Savan Sugar and Gur	Nil	Nil	Nil	10	4/50	4/50	3/62	Bengal P.	40	25	25	10	34/12	34/12	
Purtabpur Sugar P.	Nil	Nil	Nil	10	10/81	10/81	11/50	Delhi P.	Nil	Nil	Nil	10	14/00	14/00	
Ramnugger Cane & Sugar P.	30	35	30-15*	10	29/31	29/31	30/37	Ganesh P.	Nil	Nil	Nil	10	13/75	12/75	
Raza Buland	12½	10	10-10*	10	9/56	9/56	10/25	Hooghly	15	Nil	Nil	10	19/75	19/75	
Ryam Sugar P.	Nil	Nil	Nil	10	4/50	4/50	5/75	United	35	10	7½	10	27/81	27/81	
Samastipur Central Sugar	Nil	Nil	Nil	10	3/75	3/75	9/62	OIL COMPANIES							
Shree Krishna Gyanodaya Sugar P.	15	Nil	Nil	10	7/37	7/37	7/00	Attock Oil	13½	13½	13½	21	sh.34/11 sh. 34/11 sh. 32/6		
Shree Sitaram Sugar	4	Nil	Nil-Nil*	10	7/12	7/12	7/00	Burmah Oil P.	9-2/5	Nil	Nil	21	sh.69/4 sh. 69/4 sh. 49/6		
Sitalpore Sugar	Nil	Nil	Nil	10	3/69	3/69	6/12	Indo Burmah Petroleum P.	30	25	22½	10	21/00	21/00	
United Provinces	15	5	Nil	10	11/25	11/25	10/62	Tide Water Oil	30	35	35	10	33/19	33/19	
Upper Ganges Sugar P.	72½	72½	72½	10	60/25	60/25	60/00	PAPER MILLS							
MISCELLANEOUS															
A Firpo (Restaurant)	7½	10½	5	10	5/90	5/90	5/90	Bengal P.	32	27½	20	10	27/06	27/06	
Aluminium Corporation P.	12	12	12-6*	10	12/12	12/06	14/00	India Paper Pulp	15	13	12-15*	10	18/75	19/06	
Anderson Wright Ltd. P.	11½	Nil	6	10	11/50	11/50	11/50	Orient Paper P.	22½	22½	22½-20*	10	37/05	37/25	
Angelo Bros.	25	28½	28-28*	10	23/50	23/50	22/37	Shree Gopal Paper P.	17-6/7	17-6/7	17-6/7	10	25/00	2/94	
Assam Match	20	20	20	10	26/37	26/37	28/75	Sirpur P.	6½	8½	8½-5*	10	12/00	11/90	
Assam Saw Mills & Timber	Nil	Nil	3	3	2/44	2/44	2/50	Star Paper P.	Nil	Nil	Nil	10	9/00	8/37	
Associated Battery	25	15	15-15*	10	23/44	23/81	25/87	Titagur P.	10	13	13-13*	2½PO	3/31	3/31	
Associated Hotels of India P.	Nil	10	10-15*	10	10/31	10/31	10/31	West Coast P.	25	20	10-10*	10A0	14/62	14/87	
Balmer Lawrie & Co.	25	25	25	100	6/94	6/94	7/15	PRESSING COMPANY							
Baraee Coke	Nil	Nil	15-15*	100	8/44	8/44	8/25	Camperdown	11	11	Nil	100	100/00	100/00	
Birds Investments P.	Nil	10	10	10	135/00	131/00	125/00	REAL PROPERTY STORAGE							
Britannia Biscuit P.	25	30	25-21*	10	36/12	36/12	35/25	Bengal Bonded Warehouse	11	8	8-9*	A500	995/00	995/00	
British India Corporation P.	4	7	9	5	50/25	50/25	41/37	Calcutta Safe Deposit	Nil	Nil	Nil	B62½	125/00	125/00	
British Paints	12½	15	10	10	9/50	9/37	9/12	Calcutta Steam Navigation	Nil	Nil	Nil	D12½	188/00	188/00	
Calcutta Silk Manufacturing P.	Nil	Nil	Nil	10	20/81	21/31	20/50	Calcutta Tramways P.	Nil	Nil	Nil	100	45/00	45/00	
Clive Row Investment	8	7½	7½	10	6/94	6/94	7/15	Fraser	Nil	Nil	Nil	100	7/75	7/75	
Duncan Brothers & Co. Ltd. P.	14	14	14	100	8/44	8/44	8/25	India General Nav Railway P.	Nil	Nil	Nil	100	11/00	11/00	
Dunlop Rubber Co. (India) P.	21½	20	15	10	135/00	131/00	125/00	India Steamship P.	10	Nil	Nil	10	10/62	10/62	
Dyer Meakin (Breweries)	25	30	30	10	36/12	36/12	35/25	Port Shipping	Nil	Nil	Nil	10	6/87	6/81	
Eastern Investments Ltd. P.	14	14	12-10*	100	25/87	31/25	25/75	TRAMWAYS & STEAMER							
Electric Construction	10	10	10-10*	10	107/00	107/00	129/00	Bengal Assam Steamship P.	7½	7½	7½	100	128/00	128/00	
French Motor Car	20	20	20	20	12/50	12/69	12/75	Calcutta Landing & Shipping	3½	7½	22	10	19/81	19/81	
Ganges Rope	17½	20	20	100	31/75	31/75	35/12	Calcutta Steam Navigation	10	Nil	Nil	10	8/87	8/87	
General Investments Trust P.	8	8	5-5*	75	236/00	236/00	236/00	Calcutta Tramways P.	Nil	Nil	Nil	10	10/62	10/62	
Gillanders Arbuthnot & Co. Ltd. P.	10	11	11-11*	10	43/00	43/00	43/00	India General Nav Railway P.	Nil	Nil	Nil	10	8/87	8/87	
Gladstone Lyall & Co. Ltd. P.	42/5	40	30	10	14/62	14/69	13/81	India Steamship P.	10	Nil	Nil	10	42/00	42/00	
Godfrey Phillips (India) Ltd. P.	40	40	30	250	28/12	28/12	32/25	Port Shipping	Nil	Nil	Nil	10	13/50	13/50	
Great Eastern Hotel	9	8	8	10	236/00	236/00	241/00	THE STOCK MARKETS							
Hindustan Aluminium P.	Nil	Nil	Nil	10	12/87	12/62	14/25	Chairmen's Statements							
Hindustan Motors P.	9	12	12½-11*	10	18/22	18/31	17/25	Hindustan Lever	Nil	Nil	Nil	100	100/00	100/00	
Hindustan Pilkington	Nil	Nil	Nil	10	14/00	14/00	17/87	Indian Aluminium	Nil	Nil	Nil	100	100/00	100/00	
Hindustan Pyrites P.	Nil	Nil	Nil	10	12/50	12/31	14/69	Mahindra and Mahindra	Nil	Nil	Nil	100	100/00	100/00	
Hoare Miller & Co. Ltd.	6	6	6	10	5/50	5/50	10/87	Jessop	Nil	Nil	Nil	100	100/00	100/00	
Imperial Tobacco	8	9	9-8*	10	9/75	9/75	9/75	Kamani Engineering	Nil	Nil	Nil	100	100/00	100/00	
Indian Aluminium Co. Ltd. P.	15	15	17½	10	31/75	31/94	33/50	Indian Sugar Mills Association	Nil	Nil	Nil	100	100/00	100/00	
Indian Cable P.	22½	22½	22½-22*	10	35/75	35/75	32/00	Bengal Assam Steamship P.	7½	7½	7½	100	128/00	128/00	
Indian Oxygen	15	15	12-12*	10	25/50	25/37	26/75	Calcutta Landing & Shipping	3½	7½	22	10	19/81	19/81	
Indian Rubber Manufacturers P.	20	30	26	10	20/12	20/00	21/06	Calcutta Steam Navigation	10	Nil	Nil	10	8/87	8/87	
Indian Wood Products	80	30	25*	10	28/50	28/50	31/25	Calcutta Tramways P.	Nil	Nil	Nil	10	10/62	10/62	
Isaac Holdens	Nil	Nil	Nil	10	13/00	12/81	15/12	India General Nav Railway P.	Nil	Nil	Nil	10	8/87	8/87	
Investments and Finance P.	7½	7½	7½-7½*	100	30/00	30/00	55/00	India Steamship P.	10	Nil	Nil	10	42/00	42/00	

represents about 75 percent of the total amount of the maturing loans. During 1963, conversions amounted to 80 percent of the total amount of the then maturing securities. The two loans offered for conversion include the 4 percent Loan 1970 and the 4½ percent Loan 1989. A sum of Rs. 71.78 crores has been offered for the 4 percent Loan 1970 and of Rs. 69.74 crores for the 4½ percent Loan 1989. So cash repayments for the maturing securities will amount to nearly Rs. 47 crores. The good response to the long-dated loan is obviously because the interest rate offered is higher than in 1963. Since the borrowing programme of the Central Government during the current year has been more or less fixed around Rs. 295 crores it looks as if a second tranche of loans will be floated to collect cash subscriptions for about Rs. 153 crores. This instalment may be announced towards the end of June or early in July, considering that at that time money conditions are expected to be very easy.

It is interesting to note that the Finance Minister, Mr. T. T. Krishnamachari, encouraged

COMPANY SURTAX CHANGES

AS in the case of the Finance Bill, the changes in the Companies (Profits) Surtax Bill announced in the Lok Sabha last week by the Finance Minister, Mr. T. T. Krishnamachari, are minor and inadequate too. One of the main amendments reduces the minimum period for repayment of loans includible in the capital base from ten years to seven years. The other important change provides for the inclusion of money borrowed directly from the Government also in the capital base. Thus, in addition to borrowings from the Industrial Finance Corporation or the Industrial Credit and Investment Corporation of India or any other financial institution which the Central Government may notify, any loans taken directly from the Government will qualify for inclusion in the capital base for purposes of surtax assessment, subject to prescribed conditions. The first condition is that the loans should be repayable in not less than seven years. If the last instalment for repayment is on or after the expiry of the period of seven years, the condition will be fulfilled. Under the original Bill, this stipulation was confined to certain specified loans; it will now apply uniformly to all loans, whether obtained from the Government or otherwise. Secondly, the purpose of the loan should be the creation of a capital asset in India. Like the first condition, the second condition will apply to all loans and not only to loans obtained from persons resident outside India, as proposed originally.

This liberalisation is no doubt welcome, as it will enable medium-term borrowings to be included in the capital base and will help younger industrial units which depend on loan capital. Unfortunately, the disallowance of the interest paid on such loans in the computation of chargeable profits will reduce the usefulness of the change. Another amendment relates to the list of industries entitled to the special rebate of 20 percent of surtax. In conformity with the changes made in the Finance Bill, the new list includes electronic equipment and petrochemicals, deletes coffee and rubber, modifies the entry relating to electrical equipment, and adds some new items, such as manganese ore, dolomite and mineral oil in the entry pertaining to minerals. The surtax list, as amended, is identical with the list in the Finance Bill as approved by Parliament.

The Finance Minister's refusal to allow for the carry-forward and set-off of deficiency is regrettable. His only reason for denying this right is that "as the surtax will be attracted only at comparatively high levels of profits, it is not considered necessary to make a provision for carry-forward and set-off of any deficiency of profits against the chargeable profits of subsequent years". Mr. Krishnamachari again errs in upholding an inequitable principle on doubtful grounds. Merely because the monetary burden of an impost is small, the rules of equity and fair play are thrown to the winds. The fortunes of a large number of industries often depend on factors beyond their control—long gestation periods, vagaries of the weather and other changes caused

by the good response during the past year to small savings schemes, has fixed a high collection target of Rs. 125 crores for 1964-65. Some favourable developments have so far contributed to the bigger collections. The public has bought National Defence Certificates and Defence Deposit Certificates for patriotic reasons. The upward revision of interest rates on almost all savings schemes has helped attract funds. The increase in post office savings bank deposits has been encouraged by the offer of a higher interest rate combined with the introduction of cheque facilities. The outlook has nevertheless been obscured by inflationary tendencies. People cannot save because prices are rising, and the annuity deposit scheme introduced by the last Budget will mop up the voluntary savings of the middle and high-income groups. The third plan target of Rs. 600 crores for small savings is in any case unlikely to be achieved, unless the Government takes steps to increase savings by checking inflation and reducing taxes.

by unforeseen circumstances. There can be no justification for penalising such companies when, after having waited for a number of years of sub-standard profits, they are able to reap a good harvest, or having had a good year, are faced

ATTRACTING FOREIGN INVESTMENT

A SPECIAL effort has to be made to attract more private foreign investment to India for two good reasons: her need for additional foreign resources and her equally pressing need for technical know-how. It looks as if Government-to-Government aid will decline because of the growing weariness with which the burden is viewed by voters not only in the traditionally isolationist mid-western areas of the United States, but also in West Germany, France and Britain. Even if the total assistance offered by donor countries remains more or less unchanged, the portion that they can spare for India will inevitably suffer because of the lengthening queue of aid-seeking nations. New Delhi's backroom boys have totted up figures to show that such aid as India has received in the past decade is far less in per capita terms than what rival claimants are getting. But this argument overlooks the political realities which bring funds pouring into tiny pockets like South Vietnam or South Korea. Regardless of such statistical contests, the Indian pleas for help will still have to be fitted within whatever total the Western nations can raise from year to year.

It follows that India will have to reverse the trend which has brought external resources as a proportion of total investment up from 6 percent in the first plan to 12 percent in the second and 25 percent in the current five-year period. This will require serious rethinking about the strategy of planning, as Mr. Asoka Mehta, Deputy Chairman of the Planning Commission, indicated in an address this week. And it is as part of this rethinking that India will need to redefine her attitude to foreign capital. Private investment will be far more costly than the "soft" aid India gets from the U.S. Agency for International Development or the International Development Association, even if the burden is made more bearable by the fact that servicing will be proportional to the income generated by the investment. But regardless of the cost, investment may well have to be wooed because there is no other way open for the country to secure the foreign exchange resources required for growth.

In some ways, this rethinking has already begun. Last December, only a few months after he returned to the Central Finance Ministry, Mr. T. T. Krishnamachari made public his view that the door should be opened wider to the foreign investor. Past hesitations about admitting foreign capital into vital sectors of the economy had, he flatly declared, no longer any justification, a remark which was widely interpreted as applying particularly to petroleum refining. Mr. Krishnamachari enlarged on the same theme in his Budget

with losses. The fact that the surtax may not fall heavily on some companies affords no valid ground for denying a relief which is due to all companies both in equity and in law.

Mr. Krishnamachari obviously has such strong feelings against the distribution of dividends that he has not accepted the very modest and reasonable demand for deduction of the dividend tax of 7½ percent in the computation of chargeable profits. According to him, "as the objective of the levy on dividends is to place a restraint on the distribution of profits, this objective has to be reflected in the surtax as well". Consequently, the burden of dividend tax will be far greater than the 2½ percent or 3 percent referred to by him in his speech on 17th April; in fact, the figures quoted by Mr. Krishnamachari are even otherwise incorrect. If an Indian company makes a profit of 100, and pays tax at 50 percent, it will be liable to dividend tax of 3.49 on the assumption that the entire available surplus is distributed which ultimately must be the case. The surtax at 40 percent on dividend tax of 3.49 will amount to 1.40 and will raise the aggregate burden of dividend tax to almost 5 percent. Even on the basis of a 60-percent distribution the burden of dividend tax, inclusive of surtax, will amount to 3.5 percent, which is heavy. The reliefs allowed in relation to surtax are thus too meagre to eliminate the anomalies inherent in a basically unjust impost, and will fail to achieve the objectives underlined by the Finance Minister.

speech, in which he said that India would need to make the fullest use of private sources to augment official aid. This line of thinking has been echoed from the Planning Commission end by Mr. Asoka Mehta, who seems equally convinced that reliance on foreign capital will have to be much greater in the coming years.

The shift in thinking has found some reflection, albeit inadequate, in budgetary and economic policies. The attempts to improve India's image abroad have not gone unnoticed, as is evident from the comments made by the delegation of U.S. business men which was in India earlier this month. But whether the visitors found the message of the Budget as attractive as they claimed remains to be seen. Some politeness is customary on such occasions; the U.S. visitors could not but have made some gesture towards the intentions claimed for the Budget. In a less publicised comment, their leader, Mr. J. Roy Galloway, wanted, however, to know how far the internal capital market would be able to mobilise the resources for the new ventures which might come up as a result of increased U.S. investment. Whether he was convinced by the official explanation that the present depressed state of the stock exchanges is only a temporary phase is not known, but this is obviously a point on which the visitors will have formed their own ideas. They will have noted that the revival of interest in new issues since the end of 1963 has been checked; most underwriters are left carrying large blocks of unsold shares, an important factor contributing to the decline in the market quotations of newly-listed scrip.

It is premature, therefore, to judge the future prospects for U.S. private investment by what has been said for public consumption during the visitors' encounters with the Indian Press. This is not to suggest that they found investment opportunities lacking in this vast market of 450 million people. For all its faults, planning has indeed given the economy a dynamism and enormously increased its capacity to absorb investment. Even if the airy targets now being discussed for the fourth plan need drastic pruning after a realistic assessment of resources, there is certainly going to be a sizeable expansion in many directions—some of them, like oil, petrochemicals and engineering, of special interest to the investor. But market prospects alone are not decisive—the final decision whether to bring money into India or take it to another market will depend on at least four other factors.

Mr. A. D. Ogilvie, president of the Associated Chambers of Commerce, listed these others succinctly in his remarks at the meeting organised

between U.S. and Indian business men for an interchange of ideas. As he put it, the general attitude to foreign capital is something which the investor will weigh in his mind before making his commitment. If he finds the climate hostile, he may well have doubts about the long-term prospects for fair treatment even if immediate need obliges a country to accept investment on whatever terms it is available. In India, there was certainly deep distrust of foreign capital before independence, and a hangover of this attitude was much in evidence for some years after 1947. There was subsequently a remarkable change when both political and business opinion came to recognise that a free country with its own strongly entrenched domestic institutions had nothing to fear from the foreign investor. The latter's rôle in accelerating growth has gradually come to be accepted at all levels, with the result that xenophobic slogans raised by certain political Parties evoke today nothing like the response which one would have taken for granted even ten years ago.

In this sense, India is indeed a better bet than it was. But uneasiness still persists because of the confusion created abroad by pointless affirmations of socialist zeal such as those made earlier this year at Bhubaneswar. The cry for bank nationalisation raised from the annual Congress session caused disquiet in many Western capitals, not because the demand was made by the extremist left fringe but because the responsible Party leadership resorted to unfortunate equivocation in turning it

BLEAK PROSPECTS FOR SUGAR

SUGAR shares have been depressed for some time now, the index for the equities having declined from 138.7 last November to 127.9 for the week ended 11th April. (1952-53 equals 100). Although the depression may have been influenced by the general mood in the stock markets, it is largely a reflection of the low profitability of the industry. A recent Reserve Bank study on the finances of Indian joint-stock companies showed that the returns offered by the sugar industry were the lowest among the 14 industries covered. For sugar companies, the gross profit as a percentage of capital employed was 8.8 in 1960 and 7.4 in 1961, compared with an average return of 10.1 and 10, respectively, for all the industries covered. Although these figures relate to a period two years ago, the financial position of sugar companies has not changed much. The Tariff Commission itself recommended a return of 12 percent on the capital employed—a percentage which did not leave any cover for rehabilitation or reserves for meeting other capital needs. The recent rise in interest rates, actively encouraged by the Government, has made the returns from sugar shares extremely unattractive.

At the same time, the Government is advertising ambitious plans for raising sugar output. The inconsistency between the Government's objectives and policies has been forcefully brought out in Mr. G. M. Modi's presidential speech at the annual general meeting of the Indian Sugar Mills Association in New Delhi last Monday (fuller details of the speech appear on a later page in this issue of Capital). The Government is fondly hoping to expand sugar output without creating the conditions for expansion. During the current season, the production may amount to about 2.6 million tonnes, against a target of 3.3 million tonnes. Although this may represent a rise over the previous season's output of 2.16 million tonnes, the carryover was very small being barely 150,000 tonnes: as a result, total supplies in 1963-64 may amount to only 2.75 million tonnes. In 1962-63, the big carryover of 1 million tonnes helped ease the situation considerably. If, as reported, the Government sticks to its decision to export 300,000 tonnes of sugar this year, the shortage will be aggravated.

Mr. Modi referred to the rising domestic demand and said that, as against a rate of increase of 100,000 tonnes a year during the third plan period, demand might rise annually by 200,000 tonnes during the fourth plan. The Development Council has put the fourth plan production target at 4.5 million tonnes (of which 500,000 tonnes

will be for export) and, according to present indications, the target may be raised to 5 million tonnes. The investment needed for building the projected additional capacity of 1 million tonnes has been estimated at Rs. 70 crores, but if 50 percent of the increase is achieved by expanding the existing units, the capital requirement may be only Rs. 42 crores. It is doubtful whether such a large volume of resources can be raised from the public, if the returns offered by the industry continue to be so low.

The need for conserving scarce resources and for placing the existing uneconomic factories on a sound footing implies that the additional capacity should, as far as possible, be achieved by expanding the existing units. Many of the factories were set up during 1932-33 and their daily crushing capacity is small, being between 600 tons and 800 tons. Consequently their unit costs are high. Furthermore, as Mr. Modi pointed out, their working season is short because of the scarcity of cane and the recovery too is low due to the poor quality of cane. The Government's measures to improve the yield and quality of cane do not seem to have borne fruit so far. Mr. Modi stated that cane yields continued to stagnate at around 13 tons to 14 tons an acre, which used to be the yield about

down, leaving those not well acquainted with the local idiom guessing about their real intention. To some extent, the Finance Minister later made amends by dismissing the crusaders for nationalisation as of no consequence in the Party's counsels, but this was less satisfactory than if he had made the Government's position clear at Bhubaneswar itself.

India is also a fair bet for the foreign investor in terms of the profits she offers, a point which Mr. Krishnamachari has often made to dismiss domestic capital's plea for more considerate treatment. But he has still to show how he expects the entrepreneur to raise money for new enterprises or for the expansion of existing ones when successive Budgets divert a larger and larger proportion of savings to the Exchequer. Without the individual's savings to supplement corporate resources, entrepreneurs will have to throw themselves at the mercy of the State agencies. These may provide him with funds, but it looks as if they will also want the sponsors to agree beforehand to their veto in all major matters. This is certainly not conducive to healthy growth of domestic entrepreneurship. And without the domestic counterpart, how can the foreign investor begin to participate in India's growth? He may, of course, join hands with the State, a course to which the U.S. business men declared that they were not averse. While some such joint ventures may indeed come about in fields like refining, heavy electricals and fertilisers, the great bulk of the investment will necessarily have to be in the private sector.

32 years ago, when the small units were put up. The sucrose content too has not gone up much. The uneconomic units can be placed on a sound basis only if they are enabled to expand their capacity and if they are assured of good quality cane in adequate quantities. Since cane accounts for as much as 70 percent of the cost of production, there is some substance in the I.S.M.A. president's plea for taking into account the disparities in the availability and quality of cane while fixing the control rates for this season on the basis of the actual working results of factories. The response of the Central Minister for Food and Agriculture, Mr. Swaran Singh, to the plea to assist uneconomic units was blunt. In his speech at the I.S.M.A. meeting, the Minister felt that the units were in difficulties because of their own neglect and improvidence in the past. Since the weak units could not raise their resources in the normal manner, he wondered if they should not be nationalised "in the public interest". The idea may be to modernise these factories after taking them over. But given the difficulties mentioned by Mr. Modi, it is hard to see how a take-over will improve the working unless simultaneously arrangements are made to improve the quality of cane and prolong the crushing period.

The major headache of the industry relates to the supply of cane. Since *gur* and *khandasari* producers are not subject to the restrictions imposed on sugar factories, they are able to attract cane by paying more for it. In a year of cane shortage, this diversion of supplies accentuates the scarcity. According to Mr. Modi, the quantity diverted during the current season may run to about 50 million or 60 million maunds. The Government, no doubt, took some steps to prevent diversion such as raising the cane price to Rs. 1.75 a maund (in areas where there was competition from *gur*, factories could pay Rs. 2 a maund); granting rebate in excise duty on output in excess of the production in 1961-62; restricting the inter-State movement of *gur* and *khandasari*; and assuming powers to regulate cane supplies, chiefly to factories. To begin with these measures proved effective, but when the crop in certain areas in northern India was damaged by frost and the failure of winter rains, the diversion of cane for *gur* and *khandasari* production started. Towards the end of February, when the situation became very bad, factories in U.P., which were most affected, were permitted to raise the cane price by 37p a maund. This enabled them to prolong their crushing season and, in Mr. Modi's assessment, has led to an additional output of 50,000 tonnes to 60,000 tonnes. As he rightly emphasised, a lasting solution to the problem of diversion could be found only if sugar producers are given the "freedom and flexibility" enjoyed by the other users of cane. In his reply, Mr. Swaran Singh stated that he would soon announce measures to ensure that *gur* and *khandasari* did not enjoy an unfair advantage. It remains to be seen whether the new measures will prove effective, particularly when the cane crop turns out to be poor and the temptation for diversion is strong.

Current News and Comment

Ceiling on Seeds Futures Criticised

In his presidential address at the recent annual meeting of the Bombay Oilseeds and Oils Exchange, Mr. Chandulal Kasturchand made a strong plea for doing away with the arbitrary price ceiling set by the Forward Markets Commission for futures trading in oilseeds and oil. He said that there was no need for margins or ceiling on prices when there was a limit on the weekly price rise and on the net open position of members. Mr. Chandulal Kasturchand's view will be widely endorsed that there is little justification for fixing maximum prices for hedge contracts when there exist no similar curbs on spot prices. It is obvious—not to the Forward Markets Commission perhaps—that when spot prices are rising and forward prices are artificially pegged, the correlation between the spot and forward prices cannot be main-

tained. It is common knowledge that as against the ceiling of Rs. 241 a 250 kilograms for the hedge contract, in ready, even the inferior quality groundnut, Kanpur Bold, is quoted around Rs. 250. It is the spot material which really matters.

Artificial control over futures simply encourages operators to divert their attention to spot trading, thereby pushing up spot prices still higher. There is little that the Commission can do to check the rising trend in prices when it reflects a continuing imbalance between demand and supply. The recent improvement in oilseeds prices is due mainly to a setback in the production of five major oilseeds and larger exports of groundnut oil. Production of oilseeds has failed to catch up with the country's growing requirements. The target of 7.1 million tons set for the second plan has not been achieved even during the third year of the third plan. It

is extremely unlikely that the third plan target of 9.8 million tons will be achieved even if a determined effort is made to step up production. In an economy characterised by chronic shortages, the utility of forward trading cannot be seriously questioned, but if forward trading is to be permitted, it is only proper that congenial climate is created so that the forward market can operate smoothly on the basis of demand and supply and perform its useful purpose. Mr. Chandulal Kasturchand appealed to the members to avoid option business and kerb transactions. Options may have great utility—they are a regular feature of futures trading in several markets abroad—but they are illegal in India and the law must be respected.

Importers Help Development

The case of the established importers was put forward forcefully by Mr. J. H. Forman in his speech from the chair at the annual general meeting of the Calcutta Import Trade Association last Friday. Established importers, particularly agents of overseas suppliers who meet the specialised requirements of industries, make a positive contribution to economic development. Their importance lies in the fact that they are experts in their lines, have an intimate knowledge of the needs of industry and are able to provide after-sales service. Because of their close contact with consumers they are able to assess correctly the overall requirements of spare parts and obviate the need for any particular industry to carry large stocks of these items. The Estimates Committee of the Lok Sabha acknowledged the importance of agents when it said that "they can continue to play a useful part in the import trade, particularly for items for which after-sales service is required and where goods are required to be imported in small quantities by diverse consumers". A similar view was also expressed by the Import and Export Policy Committee headed by Sir Ramaswami Mudaliar. The Tea Board has suggested that when an actual user gets a licence for machines or spare parts, the established importer should meet the requirement and replace the items by imports. The present system has led to an uneconomic accumulation and duplication of spare parts with consumers.

Referring to the activities of the State Trading Corporation, M. Forman said that the bulk purchase of commodities without a true appreciation of their end-uses would be wasteful. The S.T.C. does not have experts in specialised lines of trade, nor does it know the individual requirements of industrial consumers. If the S.T.C. acts merely as a middleman and collects its commission without providing any after-sales service, "it is merely contributing towards inflation". The speaker conceded that the S.T.C. was well suited to negotiate international barter deals, but its activities should not extend to the import of specialised items.

Prospects for Food Preservers

The food preservation industry has steadily raised its output by 30 percent over the past three years, from 40,000 tons to 52,000 tons, but there is little prospect of its reaching the third plan target of 100,000 tons as sugar supplies have been short. In fact, all major factories are now having to curtail their production. Mr. K. U. Patel, president of the All India Food Preservers Association, speaking at the latest annual meeting in New Delhi recently, said that the industry required around 11,000 tons of sugar a year, as against which allocations by State Governments totalled 7,000 tons. The difference of 4,000 tons was by no means large, and could be easily found from the country's present production. Another factor hampering the progress of the industry is the high cost of raw materials, compared with that in countries such as Australia, Denmark and the United States; freight rates too are high. The industry has been having to pay more for tinplate since the subsidy of Rs. 500 a ton was withdrawn about a year ago, and its stocks of tinplate are now so limited that they will last for only a few months. This essential packing material cannot be had as readily as the industry requires.

In common with all other industries, food preservers have been feeling the dearth of suitably-trained technical personnel for their plants. Mr. Patel drew attention to the fact that there is a great shortage of qualified technicians and food technologists in the country. Very few of the universities offer a diploma or degree course in food technology. He, therefore, suggested that the Government should take steps to remove this basic deficiency. Mr. Patel also urged the Government to enforce the Fruit Products Control Order more strictly as "hygienic conditions in a majority of factories in the unorganised sector are far from satisfactory."

Power Cut Hampers Flour Mills

In his speech from the chair at the annual general meeting of the Calcutta Flour Mills Association last Friday, Mr. N. N. Atal drew attention to the problems of the flour milling industry. The power shortage is the biggest worry. Last year, the industry's output reached an all-time high of 300,000 tonnes of wheat products in spite of a 20 percent loss of production due to the forced suspension of milling. Although the industry has been declared a public utility service, its requests for relaxing power restrictions have been turned down by the State Government, and a substantial percentage of its milling capacity has had to remain idle. The chairman also referred to the shrinking market for the products of Calcutta mills in view of the rapid growth of milling capacity in Assam and the southern States, whose requirements were formerly met from Calcutta. The outlet for the products of Calcutta mills is now limited to the markets in West Bengal, Orissa and certain regions of Bihar. It was regrettable that in spite of the existence of surplus capacity in the industry, the West Bengal Government had been liberally issuing permits for installing power-driven *chakkis* to produce wholemeal atta.

Wrong Policies on Growth

The rate of economic growth in India in the first two years of the third plan was slow, and the tempo does not appear to have been any the quicker in the third year. Referring to this fact in his address at the latest annual meeting of the All India Manufacturers Organisation in Bombay last week, Mr. Prabhu V. Mehta said that while the Central Finance Minister and Deputy Chairman of the Planning Commission had been stressing the need for accelerating the rate of growth, a good deal of time and energy was being wasted in a barren controversy about the relative roles of the public and private sectors. The need clearly was to maximise production, and all concerned should co-operate in this single most important national task. Unfortunately, Mr. Mehta said, the Government's wage and fiscal policies had been the least helpful in this matter. In this connection, he referred to the recommendation of the Bonus Commission and said that when the paramount need was to plough back profits, it was odd that "a committee appointed by a Ministry of the Central Government should recommend that 60 percent of the net profits should be distributed as bonus to workers, without even providing for such essential requirements as replacement cost of plant and machinery at current prices." He also failed to understand why the Government was not encouraging the idea that labour should augment its earning capacity through rationalisation and higher productivity, while its immediate needs to cope with the rising cost of living was being readily met by industry. The A.I.M.O. chairman was also at a loss to understand the types of criterion followed by the Finance Ministry and the Industries Development Procedures Committee in selecting key industries for the purpose of special assistance. For instance, the list contained in the Finance Bill varies strikingly with that prepared by the Committee. The object of both was the same, namely, rapid growth of the industries which occupy a very key position in the country's economic development plans, and Mr. Mehta felt that the Committee's list being the more comprehensive of the two should be used by the Finance Ministry also for the purpose of the tax rebate. Referring to the latest Central Budget, Mr. Mehta said that

the excellent analysis by the Finance Minister of the country's economic problems in part A of his speech was unfortunately not followed to its logical conclusion in part B. The question of incentives, in particular, appeared to have been altogether overlooked in framing the various Budget proposals.

Finding Raw Materials for Paper

The deliberations of the first session of the Indian Pulp and Paper Technical Association, which was held in New Delhi last week, showed the need for developing new raw materials—such as bagasse, timber, hard woods and agricultural residues—for the Indian paper industry. Paper production in the country by the end of the third plan is not likely to exceed 575,000 tonnes, as against the plan target of 675,000 tonnes, mostly because of the shortage of traditional raw materials. In his presidential address at the international seminar on "raw materials for more paper", Mr. V. Poddar pointed out that added to the inadequacy of bamboo supplies, there have been gregarious flowerings in certain States causing an artificial shortage of the raw material. The State Governments have failed to encourage the planting of mixed wood forests at selected spots and to ensure their exploitation on scientific lines. It is, therefore, necessary to plant fast-growing species and also different varieties of bamboo so that they might flower at different intervals. At the same time, it is necessary to select small compact areas in different regions for this purpose so that there may be a saving in transport costs. Incidentally, this policy would result in large-scale afforestation of those areas which would otherwise remain bare, and unused.

In order to meet the full raw material requirements of the expanding paper and board industry, it is necessary to plan for new raw materials and to make use of the progress in technology in advanced countries. The demand for newsprint, writing and packing paper and boards is expected to increase even faster than in the past as literacy in the country spreads and as economic development gathers momentum. It is, therefore, necessary to plan for a greater output of paper and paper boards in the fourth plan period.

TEA AND TAXATION

THE public meeting held in the Bengal Chamber of Commerce on the 23rd ultimo to protest against the extra 2d. duty on tea imported into Great Britain, was fertile as much public protests often are, in much reasoning which was quite beside the mark. The various speakers, as was, perhaps, only natural, regarded the welfare of their own industry as being altogether of the much importance, and the views of the British Treasury, with too little importance. The British Treasury, in plain language, does not care a "tuppenny-ha-penny dam" (or a brass farthing if you want a milder phrase) about the British planter in India. This, it seems to me, is one thing the speakers forgot. A great deal of the justice and the equity and the high-minded patriotism, which by some intellectuals is supposed to be a peculiar attribute of the British Parliamentary mind, is pure rubbish. The Party in Power at Home and the leaders of that party are, as a rule, so fearful of offending the electorate, that they are ready to resort to any device to avoid doing so. Imagine Mr. Austen Chamberlain coming out with a tax on Beer!—an increased tax that is; yet beer, judging by the amount of money spent on it, could far better stand a tax than tea can. But Mr. Austen Chamberlain isn't such a fool. He doesn't want to go out of office yet. He'll hang on in the true Barnacle fashion to the end. A thousand or so expatriated planters in Assam, Bengal, Ceylon and elsewhere, who are not British voters, and only go home to the land of their birth for an occasional holiday, are hardly worth thinking about—except as tax yielders. This is a thoroughly logical, cynical, selfish doctrine, only don't forget it, and think because a man is a British Minister and a shining light in British politics that he is above the contemptible weaknesses of human nature.

FROM

CAPITAL
5th May, 1904

A Ditcher's Diary

NO ONE, WROTE HERBERT SPENCER ALMOST A CENTURY ago, can be perfectly free till all are free; no one can be perfectly moral till all are moral; no one can be perfectly happy till all are happy. I am no perfectionist; nor do I believe that freedom, morality or happiness, however defined, could ever be universal. It does nevertheless seem to me that the warning against "moral smugness" issued by the Sarvodaya leader, Mr. Jaya Prakash Narayan, and his compatriots the other day has in it a solid core of truth, which it would be unwise for the people of this country to ignore. All nations are victims of narcissism, and it was hardly to be expected that India would be an exception. It is also true that in a democratic society, unlike Pakistan's, claims to righteousness are balanced with constant questioning of the sort Mr. Narayan often indulges in. The truth, however, remains that, since the earliest days of independence, there has been in this country a powerful tendency to disguise self-interest in the wrappers of moral justification; and, when that is not possible, to excuse sins and lapses on the ground that they are an inevitable consequence of satanic deeds elsewhere. During the recent communal rioting in India and Pakistan, the tendency was indeed very noticeable, and Mr. Narayan is right to point to it. But, that said, it by no means follows that the prescription he has implicitly recommended—greater consciousness of the horrors of the rioting in India, through greater publicity for the murder, rape and loot they entailed—is necessarily the right one. Experience offers the salutary reminder that there are no surer generators of communal disturbances in one country than detailed accounts of comparable horrors in the other; in the circumstances, it would be plain folly to publicise the unfortunate events in West Bengal, Bihar and Orissa more widely in the hope of arousing the Indian conscience, when the publicity cannot be confined to within the country's borders, and might well have serious repercussions across. The responsibility of the leadership, as well as of newspapers, is to add perspective to particular events, so as to restore a certain balance to the common thinking. It is by no means certain that intense and vigorous self-criticism in public, such as Mr. Narayan appears to have in mind, would bring peace to India—or to Pakistan.

LET ME SAY RIGHT AWAY THAT I SHALL BE VERY surprised indeed if we hear anything more about the "elixir" which Dr. Tiberius Reiter claims to have developed for turning old men into young ones. There are numerous rejuvenating processes available now, and I cannot think that this one is going to be notably better than the rest. I rather hope

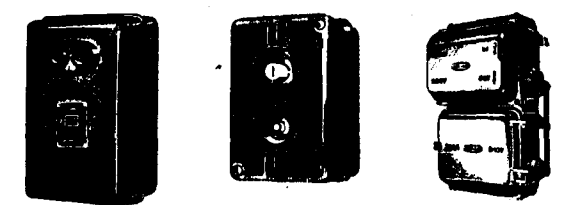
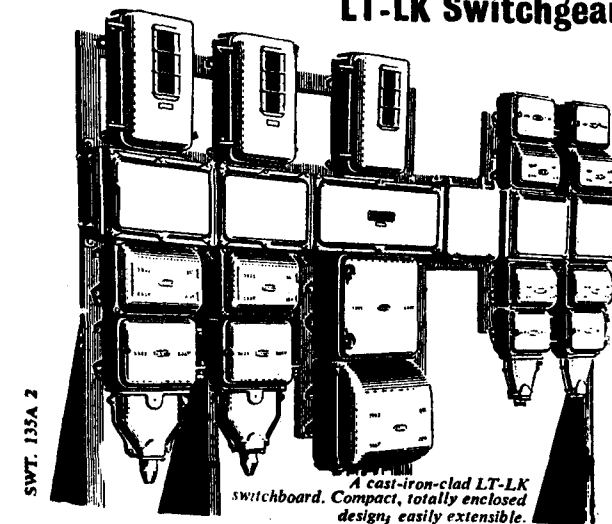
it will not be, although I know many elderly men who could benefit from it and might not thereby add to the world's problems. Others I could name most certainly would, and anything which helps them to cheat The Reaper a little longer could not possibly be in anybody's interests, perhaps not even their own. I have been decidedly sceptical about the virtues of elixirs ever since I read Aldous Huxley's *After Many A Summer*. But that dealt with the personal consequences of prolonging life; what concerns me at the moment are the social ones. If there were some method of ensuring that only the best and most useful among the ageing received the treatment, then there might be something to be said for it. But in a world which is already overcrowded, and where the frustrations of youth are a growing source of instability, the indiscriminate extension of the life span might only create more problems than it solves. Not that this kind of cynical logic is going to make any difference. The tenacity with which some people cling to life, even when it is scarcely worth the living, is something which has always puzzled me. I myself would certainly appreciate being able to retain my health and vigour into my advanced years; but anything which promised to hold me to this troubled planet longer than absolutely necessary would be regarded with the greatest suspicion. It has always seemed to me that the one great consolation in life is that we do not have to go on living it indefinitely. There is much truth in the saying that western medicine has been the curse of Asia; Dr. Reiter's could be the curse of the world.

IT QUITE TOOK MY BREATH AWAY TO READ WHAT HAD been handed out to Britain's great mail train robbers. Thirty years—the second largest sentences in recent British penal history—which with full remissions means a minimum of 20 behind bars, does seem rather a lot, even for the greatest cash robbery of all time. One can comfortably assume that the judge just did not see the joke. I was myself rather intrigued by the whole business. Naturally, one cannot even mildly condone such crimes, and I am not to be numbered among those who are now wasting their sympathy on the unhappy perpetrators. But there was an audacity about the affair, and a startling degree of success, which did place it in a class on its own, and make it difficult not to feel a certain sneaking admiration. Of course, this is pure sentimental nonsense, the kind which makes folklore legend out of the doings of such rascals as Robin Hood and Dick Turpin. Crime is crime, and is not made any the less reprehensible because the scale is large and

the circumstances sensational. The only reservation I have to make about the judge's decision is that it is difficult to appreciate why he should regard the commission of mere armed robbery as warranting a 30-year sentence when, in Britain, the most which is generally awarded the worst cold-blooded and calculated murder, provided it is not accompanied by robbery, is 14 years, or ten with full remissions. It is interesting to note that the reason given for treating murder in this way is that it is normally impossible for anybody to serve an uninterrupted stretch of more than ten years or so in prison without serious and permanent damage to psychological health. Such considerations do not appear to have weighed in deciding the sentences on the robbers. To an outsider, all this adds up to a change in standards of judgment where crimes are concerned. Murder, as such, and for reasons with which I am not prepared to quarrel, is nowadays seen in a much less austere light than that depressingly prevalent phenomenon of the affluent society, the armed robbery. In other words, the safeguarding of human life would now appear to be regarded as of secondary importance to the protection of property. It is little wonder in view of this apparently confused state of affairs that it has been decided to institute an official investigation into all forms of legal punishment as they exist in Britain today. A society has to stop every so often and take stock of the direction in which its thinking on certain problems is developing.

IN THEIR OWN QUIET, UNASSUMING WAY, FEW MEN have done more for the victims of war and poverty in our time than Father Dominique Pire, who stopped briefly in Calcutta on Tuesday evening on his way home to Belgium. The Dominican priest was chaplain to the Resistance movement during the war, and a secret agent; he later played a major rôle in the rehabilitation of European refugees, and won worldwide fame and acknowledgment when he was awarded the Nobel Prize for Peace in 1958. His involvement in Asia dates back to a few years ago, when the Pakistan Government invited him to visit that country; the result of the visit today is that Father Pire is spending \$1 million on a five-year project to bring self-sufficiency in "bread and peace" to the 25,000 cyclone-stricken inhabitants of a Chittagong village which he has just been visiting. A strong, medium-built and sprightly 54, Father Pire has an engaging sense of humour to complement his exceptional agility of body and mind. In recent years, his interest has shifted towards Asia (and Africa), a shift facilitated by seeing the grim horrors of poverty and war in the continent, the first in Pakistan and the second in Hiroshima. Father Pire is no fiercely proselytising missionary. On the contrary, he exudes a warm and humane liberalism which, in its support for the freedom of the individual, often transcends the limits of political or religious dogma. On the question of

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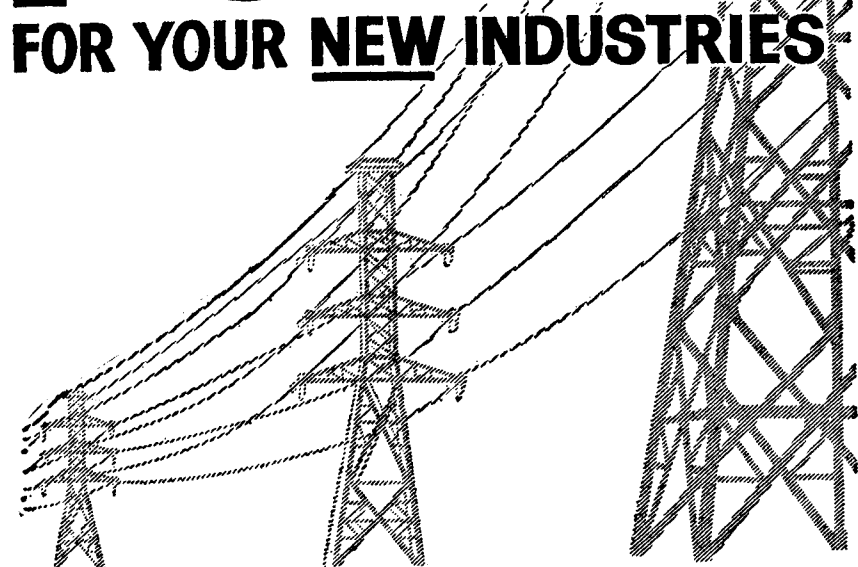
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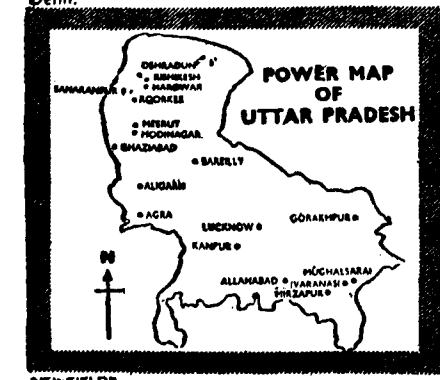
The following are some of the major power projects in U.P.'s Third Five Year plan:

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Harduaganj, Stage I	60,000 KW	Completed May '62
Harduaganj, Stage II	30,000 KW	Completed Mar. '64
Mataulia Hydro-electric Scheme	30,000 KW	Scheduled Dec. '64
Yamuna Hydro-electric Scheme, Stage I	84,000 KW	Scheduled June '65
Kanpur Thermal Expansion	64,000 KW	Scheduled Aug. '65
Obra Thermal	2,50,000 KW	Starting Oct. '65
Yamuna Hydro-electric Scheme, Stage II	2,00,000 KW	Scheduled Dec. '69

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who will be happy to answer enquiries and furnish any further information which may be required.

birth control as an answer to Asian poverty, for example, he told me firmly that "the final decision must rest with the conscience of the couple"; the State had no right to interfere, nor perhaps did the Church, although they could broadly indicate the guideposts to morality. If on the mercy-killing of thalidomide babies he was less forthcoming, it was perhaps because he considered the question irrelevant, if not embarrassing—despite the fiery controversy the subject had aroused in his own country. Disappointing though the equivocation was, Father Pire gently returned me to his main theme: that human understanding could come only through joining diverse people in a common programme of practical endeavour aimed at teaching them to help themselves. Of this, Father Pire's "European villages" were one example, and the Chittagong project is another. Both remain as monuments to a man in whom spiritual dedication and earthy pragmatism have achieved a distinctive and stimulating blend.

AS PREDICTED A FEW WEEKS AGO, THE CELEBRATIONS connected with the Shakespeare quatercentenary have begun in Calcutta on the scale one would expect of a city which prides itself on being India's cultural capital. The Corporation's decision to rename the theatreless Theatre Road as Shakespeare Sarani may or may not be acknowledged by future historians as the greatest conceivable tribute to the poet's memory; the value of the gesture, if I may say so, would have been appreciated the better if one had been sure that the city fathers were literate enough to know the difference between the Bard and a *gharry-wallah*. But the Little Theatre Group has been active; and the Amateurs will be on the stage next week, with the Dramatic Club following suit later. I cannot say that I was particularly impressed by the function organised by the Calcutta Art Society at the Mahajati Sadan last Thursday, Shakespeare's supposed birthday. Some interesting details of information emerged, such as that *The Tempest* had been translated into Bengali as early as 1803, and that *Hamlet* was staged in Calcutta more than two hundred years ago. But the dozen or so speeches made on the occasion seemed to me rather more than were strictly necessary to accommodate such pearls of wisdom. And their value may have been depreciated by the subsequent discovery that one or two of the speakers (including, it appears, a junior employee from the West German Consulate) tried to pass off as the products of ultra-modern research some inconsequential tidbits gleaned from old and dusty histories of Shakespearean literature. In any case, it is my humble conviction that, in the case of Shakespeare more than any one else, long and flowery speeches from amateur-orators are a poor way of paying tribute to his memory; perhaps no personality in history has been discussed or written about at greater length, by the greatest of scholars, all of which gives rise to the suspicion that the more verbose of the local literary fraternity cannot have much that is new or worth while left to say. The Little Theatre Group may have been nearer the mark in giving stage performances, even if the psychotic urge towards communism persuaded it at times to interpret the themes in ideological terms. To it credit is due for the emphasis, however minor, on the point that Shakespeare's works need to be staged and seen—or read—a little more often than they are talked about. "My words fly up, my thoughts remain below: Words without thoughts never to heaven go".

"Now, children," said the art mistress, "today we are all going to draw pictures of what we're going to do when we grow up. Right? Off you go!"

At the end of the lesson she called in the work and was annoyed to find that little Edward had handed in a blank piece of paper.

"When I grow up, I'm going to get married," said little Edward by way of explanation.

"But that doesn't excuse you. Even when you marry, you will be doing something. Why haven't you drawn it?"

"Really, Miss Jenkins," said the boy. "I am surprised at you!"

THE DITCHER

Guide for Investors

INDIAN ALUMINIUM TO EXPAND CAPACITY

THE growth prospects for the Indian Aluminium Co. Ltd. have been highlighted by Mr. H. V. R. Iengar in his address from the chair at the annual general meeting of the Company in Calcutta last Monday. (A fuller version of the speech is printed on a later page in this issue of *Capital*). He thought that the demand for aluminium by the end of the fourth plan will be much bigger than has been planned so far. The Company has decided to extend its operations in order to keep pace with growing requirements. It is proposed to locate the new schemes on the west coast. The Government has asked the Company to submit an application for an industrial licence to put up a new smelter with a capacity of 3,000 tons a year. This unit will form the nucleus of a much larger scheme of integrated aluminium production in western India.

Commenting on the latest Central Budget, Mr. Iengar pointed out that the Company might enjoy a tax reduction of about Rs. 20 lakhs for 1963. It will also benefit from the rebate in income tax and surtax on profits allowed to certain important industries. The move to continue the development rebate for key industries beyond April 1967 has been welcomed. He mentioned the harmful effects of the dividend tax and the capital gains tax on bonus shares. He referred to the substantial improvement in output, sales and profits achieved by the Company for 1963. Sales rose by 32 percent over those for 1962. The net profit has improved from Rs. 1.3 crores to Rs. 1.6 crores. The taxable ordinary dividend of 17½ percent on the increased share capital has been repeated. The good results have been due to the completion of the expansion schemes. The benefits from the expansion of the Alupuram smelter and the installation of the foil mill in Kalwa are not expected to flow until 1965. To raise funds 801,276 rights ordinary shares of Rs. 10 each have been issued at a premium of Rs. 15.50 a share. The debenture stock for Rs. 1 crore has been subscribed. Foreign exchange has been obtained from the Commonwealth Development Finance Company. Bonus shares in the proportion of one share for every four held have been issued to bring the working capital more in line with the share capital.

Emphasising the need to reduce production costs, Mr. Iengar said they were not always within the control of the Company. The shortage of electric power in the Alupuram smelter has interrupted production and as a result, production costs have been high. During the current year, a 25-percent cut in power was enforced in February. It was increased to 40 percent in March. The Kerala State Government has taken steps to increase the generating capacity, and by the end of 1965, the shortage of power may be relieved to a great extent. The tendency of State Governments to levy duty on electricity consumption has raised the cost of power. Considering the generally low productivity of Indian industries, it is necessary to take vigorous measures to improve labour-management relations for stimulat-

ing productivity. Mr. Iengar thought that a tradition of healthy negotiations between management and labour should be encouraged in the interests of workers and industry.

Jessop Increases Dividend

SPEAKING at the annual general meeting of Jessop and Co. Ltd. held in Calcutta last Wednesday, Mr. A. K. Chanda, chairman, took a (a full text of the speech is printed on a later page in this issue of *Capital*) fairly optimistic view of the outlook. The demand for the Company's products has been growing and it has been difficult to satisfy all orders. The order-book has been well-filled for many years to come. To meet the growing demand, the Company has undertaken ambitious modernisation and expansion schemes. The rebuilding of the wagon works is in the final stage, and attention has been centred on the manufacture of "Box" wagons. The structural works have been modernised and expanded. The facilities for fabricating steel work have been increased. With a larger supply of matching steel, it should be possible to use the capacity more fully. The new road roller works produced 320 rollers for 1963, but it is hoped to produce about 450 rollers during the current year.

The indigenous content of the rollers has, meanwhile, reached a percentage of 97. The output of electric multiple unit coaches and full-furnished metre gauge coaches has begun. Steps have been taken to increase the production of electric overhead travelling cranes, wharf cranes and sluice gates. The fabrication and erection of wheel gates for the Kosi barrage has been completed. The mechanical works has begun to produce high-speed cord sawing machines and saw sharpeners.

Commenting on further expansion, he mentioned the negotiations for the purchase of a suitable site. But the phasing of the expansion programme depends on the financial position of the Company, the impact of taxation and the possibility of securing financial and technical foreign collaboration. He pointed to the continuing shortage of matching steel, although its supply has recently improved. Balanced supplies are unlikely until the production of the domestic steel plants increases substantially. He suggested that heavy structural units should be built according to priority in order to ensure the smooth working of fabrication programmes. An assured supply of electric power is expected in view of the development programmes undertaken by power-producing units.

The Company has earned a profit of Rs. 76.83 lakhs for 1963, against Rs. 64.42 lakhs for 1962. The taxable ordinary dividend has been increased from 8.58 percent to 10 percent. The yield amounts to 4.4 percent at the present price of Rs. 22.56 a share of Rs. 10 each. He mentioned the need to conserve resources in view of the modernisation and expansion projects.

Jessop and Co. Ltd. has completed 175 years of engineering activity and has decided to hold a simple function

at the Dum Dum works to celebrate the occasion.

Results of Martin Burn Power Companies

THE reports of the electric companies under the managing agency of Martin Burn Ltd. for the year ended March 1963 have been published recently. The directors of Benares Electric Light and Power Co. Ltd. mention that arrangements have been made with the U.P. State Electricity Board for providing the main bulk supply point from the Rihand grid at a site near the Banaras power station. Energy has already been available from this point. In spite of restrictions, the staggering of loads and other measures, the plant at the Company's generating station has been operating to full capacity. Additional power is being supplied from the Rihand grid in the Moghalsarai area and more power will be available in the Banaras area too. As soon as arrangements are completed for the new supply point it is proposed to undertake an expansion programme to increase the transmission and distribution systems in Banaras in order to facilitate the distribution of the additional power received from Rihand. The cost of the scheme may amount to about Rs. 1 crore and the State Electricity Board has agreed to provide a loan of an equivalent amount for this purpose.

Units sold increased from 50.1 million kW to 52.9 million kW while revenue rose from Rs. 61.99 lakhs to Rs. 65.22 lakhs. Since the clear profit falls short of the "reasonable return" under the law, a sum of Rs. 11,300 has been transferred from tariffs and dividends control reserve. The profit has amounted to Rs. 3.04 lakhs, against Rs. 3.59 lakhs for 1961-62, after providing Rs. 45,000 (against Rs. 75,000) for taxation and Rs. 4.77 lakhs (against Rs. 4.48 lakhs) for depreciation. Statutory contingencies reserve is allocated Rs. 49,612. Bringing in Rs. 47,298, the distributable balance amounts to Rs. 4.33 lakhs. General reserve is allocated Rs. 2.40 lakhs. The taxable ordinary dividend of 11 percent has been repeated to absorb Rs. 1.87 lakhs. The yield amounts to 9.3 percent at the present price of Rs. 11.81 a share of Rs. 10 each. The carry-forward is Rs. 5,522.

Upper Jumna Valley Electricity Supply Co. Ltd. has earned a revenue of Rs. 40.76 lakhs, against Rs. 28.07 lakhs. The number of units sold rose from 27.9 million

kW to 28.07 million kW. The profit has amounted to Rs. 48,760 against Rs. 88,048, after transferring Rs. 1.71 lakhs (against Rs. 1.67 lakhs) to depreciation and Rs. 15,514 (against Rs. 32,249) to statutory contingencies reserve. A sum of Rs. 12,000 has been transferred from deferred taxation reserve. General reserve is allocated Rs. 25,000 (against Rs. 20,000). A taxable ordinary dividend of 13½ percent has been maintained to absorb Rs. 67,500. The yield works out to 6.4 percent at the present price of Rs. 21.19 a share of Rs. 10 each. The carry-forward is Rs. 1,934, against Rs. 33,674 brought in. The results have been affected by the enhancement in bulk supply tariff imposed by the U.P. State Electricity Board with effect from 1st July, 1962. The Company has, however, been allowed to increase its rates to consumers from 1st January, 1963, to meet the increased operating costs. The reasonable return amounts to Rs. 67,221, so the excess of expenditure over income has been made good by transferring Rs. 2.02 lakhs from tariffs and dividends control reserve.

The directors have pointed out that the Delhi-Shahdara undertaking was handed over to the Delhi Electric Supply Undertaking on 21st December, 1962, and negotiations about the purchase price are in progress. A sum of Rs. 5 lakhs has been received on account of payment. Notice has been received from the U.P. Electricity Board that it proposes to exercise its option to buy the Upper Jumna undertaking on the expiry of the initial period specified in the licence. The undertaking will, therefore, be handed over to the Electricity Board in June 1964.

The directors of Bareilly Electric Supply Co. Ltd. have mentioned that negotiations with the State Electricity Board are in progress for a permanent bulk supply from the Ganga-Sarda grid in addition to the standby arrangements which are already in force. Despite restrictions and the staggering of loads and other control measures, the plant at the power station has been operating at full capacity. The scope for further development is very limited. The revenue has improved from Rs. 25.81 lakhs to Rs. 27.52 lakhs and units sold have increased from 14.8 million kW to 15.8 million kW. Arrangements with the State Electricity Board for a loan of Rs. 10 lakhs are being finalised to finance the expansion programme. It is planned to increase the transmission and distribution systems at Bareilly in order to distribute the additional power when it is received from the Ganga-Sarda grid. The profit amounts to Rs. 1.27 lakhs (against Rs. 79,368 after transferring Rs. 2.14 lakhs (against Rs. 2.06 lakhs) to depreciation, Rs. 18,800 (against Rs. 26,901) to statutory contingencies reserve, Rs. 13,500 (against Rs. 93,000) to taxation and Rs. 3,203 (against Rs. 2,989) to tax on interest on investments. Bringing in Rs. 25,623, the distributable amount totals Rs. 1.49 lakhs. Reserve



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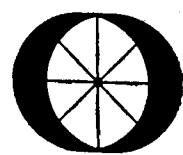
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HARVEYS OF MADURAI

for redemption of debentures is allocated Rs. 34,332 and general Rs. 25,000. A dividend of 11 percent has been repeated to absorb Rs. 88,000. The yield amounts to 9.3 percent at the present price of Rs. 11.87 a share of Rs. 10 each.

Burmah Oil Claim for War Losses

AFTER 20 years of argument, a House of Lords decision has established that Burmah Oil has a claim against the British Government concerning its former Burmese assets. These assets were destroyed on orders from the War Cabinet as the Japanese advanced through Burma. Burmah Oil values them at £31 million. The next step is the presentation of a completely detailed claim in the Scottish courts. The case is, in effect, ready to go on almost at once, since the Company has had every relevant document collected and available for a long time. Should the full £31 million be received, and in the unlikely event of its full distribution to equity holders, there would be about 6s 6d payable on each £1 share of Burmah Oil.

Murphulani Tea Cuts Dividend

THE Murphulani (Assam) Tea Co. Ltd has reduced the taxable ordinary dividend from 25 percent for 1962 to 17½ percent for the year ended December 1963. The yield amounts to 6.6 percent at the present price of Rs. 26.50 a share of Rs. 10 each. The profit has dropped from Rs. 5 lakhs to Rs. 1.90 lakhs, after providing Rs. 84,500 (against Rs. 89,936) for depreciation. Taxation is allocated Rs. 1.02 lakhs (against Rs. 3.06 lakhs), general reserve Rs. 35,000 (against Rs. 80,000) and development rebate reserve Rs. 1,000 (against Rs. 2,000). The carry-forward is Rs. 34,957, against Rs. 35,314 brought in. The crop declined from 1,714 quintals to 1,695 quintals and the average sale price amounted to Rs. 6.82 (against Rs. 8.14) a kilogram. Capital expenditure amounted to Rs. 2.04 lakhs, including expenditure on the expansion of the tea area. Planting conditions became more favourable towards the close of 1963. Estimates for 1964 have been framed for a crop of 1,800 quintals. The directors mention that given reasonable climatic conditions, the crop might be exceeded.

Bengal Flour Pays More

THE Bengal Flour Mills Co. Ltd has increased the taxable ordinary dividend from 20 percent for 1962 to 30 percent for the year ended December 1963. At the present price of Rs. 34.12 a share of Rs. 10 each, the yield amounts to 8.8 percent. The profit has improved from Rs. 10.88 lakhs for 1962 to Rs. 13.80 lakhs for 1963, after transferring Rs. 1.02 lakhs (against Rs. 1.06 lakhs) to depreciation. Taxation is allocated Rs. 8.23 lakhs (against Rs. 6.83 lakhs), development rebate reserve Rs. 17,066 (against Rs. 2,337) and general reserve Rs. 1.79 lakhs (against Rs. 2.91 lakhs). Sales rose from Rs. 2.63 crores to Rs. 2.72 crores. In spite of the restriction on the use of electric power, the output was higher than in 1962. Controls on extractions continue to be in force, and a modified permit system of distribution for products has been reintroduced.

Savamalai Estates Raises Dividend

SATISFACTORY working results for the year ended November 1963, and the prospects for a bumper crop

in the current year, have enabled the directors of the Savamalai Estates Ltd to recommend a higher dividend of 17½ percent, against 15 percent paid for the previous year. The profit for the year, before taxation, amounts to Rs. 1,93,314, against Rs. 1,23,651 for the previous year. After deducting Rs. 90,800 being provision for taxation (against Rs. 62,000), the net profit amounts to Rs. 1,02,514. With the amount of Rs. 699 brought forward, the total surplus available comes to Rs. 1,03,213. The proposed dividend of 17½ percent (against 15 percent) will absorb Rs. 96,280 (against Rs. 82,526). The balance of Rs. 6,933 is carried forward. The earnings on equity capital have increased to 35 percent from the previous year's level of 22 percent.

The coffee crop for the year amounted to 243,314 kilograms, against 206,926 kilograms. The yield from each acre has improved to 495 kilograms, against 421 kilograms in the previous year. The coffee crop for the year has been valued at Rs. 2.25 a point of which Rs. 2.20 has so far been paid. As for future prospects, the chairman says that the coffee crop for 1963-64 was originally estimated at 245 tonnes. But according to present indications, the revised estimate is put at over 300 tonnes, made up of about 86 tonnes Arabica and about 214 tonnes of Robusta. The directors have decided to embark on a scheme for the production of Robusta Parchment.

Jawahar Mills Pays the Same

THE working of the Jawahar Mills Ltd for the year ended December 1963, has resulted in a profit of Rs. 770,411 after providing Rs. 399,086 for depreciation, compared with the previous year's profit of Rs. 10,69,144, after providing Rs. 3,65,567 for depreciation. With the amount of Rs. 23,599 brought forward, the total surplus available for appropriation comes to Rs. 8,03,010. Out of this, the bonus paid for prior years amounts to Rs. 1,47,265, tax paid for prior years amounted to Rs. 63,574, and the provision for development rebate reserve amounts to Rs. 78,750 (against Rs. 10,789). Provision for taxation is Rs. 300,000 (against Rs. 5,47,000). The proposed dividend of 12 percent (the same) will absorb Rs. 203,032 (against Rs. 203,032). The balance of Rs. 3,846 is carried forward.

Sarangpur Cotton Fares Well

SARANGPUR Cotton Manufacturing Co. Ltd of Ahmedabad reports encouraging results for 1963. While sales are up by only about 5 percent from Rs. 4.60 crores to Rs. 4.83 crores, the gross profit has risen by nearly 23 percent from Rs. 72 lakhs to Rs. 88.40 lakhs. The impressive increase in the profit is attributed to the modernisation of the mills. In 1963 alone, the Company spent as much as Rs. 60 lakhs on new machinery and it intends to spend a further sum of Rs. 50 lakhs during 1964 on modernisation and renovation of the mills. Changes in the pattern and quality of production have contributed to the improved profit margin. The decision on dividend has been deferred presumably because the directors would like to await the Finance Minister's final verdict on the new taxation proposals particularly the tax on dividends. Appropriations of the profit include depreciation Rs. 32.03 lakhs (against Rs. 29.20 lakhs), development rebate reserve Rs. 9.41 lakhs (against Rs. 5.61 lakhs), development and rehabilitation reserve Rs. 3.13 lakhs (against

Rs. 1.93 lakhs), taxation Rs. 22.50 lakhs (against Rs. 22.20 lakhs) and donation Rs. 2.80 lakhs (against Rs. 1.07 lakhs). A sum of Rs. 14.89 lakhs has been transferred to general reserve, out of which the dividend for 1963 will be paid.

Ajit Mills Profit Down

IN spite of an increase of about 14 percent in the sales from Rs. 1.57 crores to Rs. 1.79 crores, the gross profit of Ajit Mills of Ahmedabad has suffered a small setback from Rs. 16.06 lakhs to Rs. 15.30 lakhs. The decision on dividend has been deferred for the time being, but the directors have set aside a sum of Rs. 3 lakhs for general reserve which will be used for the payment of dividend when declared. Allocations include Rs. 6.24 lakhs (against Rs. 6 lakhs) for depreciation, Rs. 61,212 (against Rs. 1.74 lakhs) for statutory development rebate, Rs. 20,404 (against Rs. 58,045) for development and rehabilitation reserve, Rs. 1.34 lakhs (against Rs. 88,108) for bonus, Rs. 3 lakhs (against Rs. 5.13 lakhs) for taxation, Rs. 18,500 (against Rs. 39,359) for donation and Rs. 3 lakhs (against nil) for general reserve.

Vasanta Mills Pays the Same

VASANTA Mills Ltd has fared badly during 1963, although the dividend has been maintained at 20 percent. In spite of an increase of nearly 15 percent in the sales from Rs. 1.91 crores to Rs. 2.19 crores, the gross profit has fallen by about 20 percent from Rs. 20.34 lakhs to Rs. 16.27 lakhs. The profit margin has been badly squeezed by the sharp increase in production costs. The Company was also obliged to stop production for 15 days due to the power cut. Appropriations of the year's profit include depreciation Rs. 6.50 lakhs (against Rs. 6.62 lakhs), development rebate Rs. 53,000 (against Rs. 1 lakh) and taxation Rs. 4.35 lakhs (against Rs. 6.60 lakhs). No provision has been made for general reserve which had received Rs. 87,742 in the previous year. Instead, the directors have had to withdraw Rs. 63,971 from the dividend equalisation reserve to meet the shortfall in the amount required for dividend distribution. Preference dividend takes up Rs. 33,303 and equity dividend absorbs Rs. 4.20 lakhs. The Company has taken steps to increase the spinning capacity of the mills by the addition of high-speed drawing frames. One such drawing frame has already been commissioned and orders for two more have been placed.

Kumergode Estates Earns More

ARISE in coffee crops and improved profits feature the working results of Kumergode Estate Ltd for the year ended October 1963. The directors have recommended a dividend of 14 percent on the increased capital (against 15 percent on the old capital). The net pre-tax profit for the year amounts to Rs. 2,60,185, against Rs. 1,15,533 for the previous year. Out of this, the provision for taxation comes to Rs. 1,23,000 (against Rs. 39,000). This leaves a net profit of Rs. 1,37,185 (against Rs. 76,533). With the amount of Rs. 12,870 brought forward, the total available for appropriation comes to Rs. 1,50,055. Out of this, a sum of Rs. 46,000 is transferred to general reserve (against Rs.

10,000). The proposed dividend of 14 percent will absorb Rs. 84,000 (against Rs. 60,000). The balance of Rs. 26,055 is carried forward.

The coffee crop for the year amounted to 198,168 tonnes, against 129,778 tonnes in the previous year. The all-in-cost amounted to Rs. 1,756, against Rs. 1,510 a hectare. The coffee crop has been valued at Rs. 2.25 a point. The 1961-62 season's crop has been revalued at Rs. 2.26 a point being the final figure declared by the Coffee Board for that season. The estimated crop for 1963-64 is put at 140 tonnes. During the year, a sum of Rs. 200,000 was capitalised from the general reserve for the issue of bonus shares. The general reserve now stands at Rs. 2,40,000, including Rs. 40,000 transferred from this year's account. The paid-up capital is Rs. 600,000 (against Rs. 400,000).

Indian Link Chain Pays Maiden Dividend

INDIAN Link Chain Manufacturers Ltd has declared a maiden dividend of 6 percent for 1963. A part of the dividend is said to be tax-free. The preliminary report on the working of the Company shows a fair improvement over the previous year's performance. Sales have gone up by about 24 percent from Rs. 9.25 lakhs to Rs. 11.48 lakhs, and the gross profit has risen by as much as 80 percent from Rs. 1.41 lakhs to Rs. 2.60 lakhs. After providing Rs. 78,299 (against Rs. 56,028) for depreciation, the net profit amounts to Rs. 1.82 lakhs, against Rs. 84,837.

The Company has adopted the straight line method for calculating depreciation which leaves a credit of Rs. 7.07 lakhs to be added to the net profit and the disposable surplus amounts to Rs. 2.88 lakhs. After setting aside a sum of Rs. 27,934 for writing off capital issue expenses and offsetting the loss of Rs. 42,050 brought forward, there remains a balance of Rs. 2.18 lakhs. From this, the directors have provided Rs. 1.02 lakhs for statutory development rebate and Rs. 60,000 for general reserve. The proposed dividend absorbs Rs. 51,000, leaving a surplus of Rs. 6,332 to be carried forward. The directors expect better working results during the current year. The Rs. 100-paid share of the Company is currently quoted around Rs. 98.

Union Bank Earns More

THE preliminary report on the working of the Union Bank of India Ltd for 1963 showed that the bank had fared much better than in the previous year, with its gross revenue up by 20 percent from Rs. 2.24 crores to Rs. 2.71 crores, and the disclosed net profit rose by 25 percent from Rs. 14.41 lakhs to Rs. 18.08 lakhs. Although the dividend has only been maintained at 5½p a share, it involves the distribution of a substantially larger sum of Rs. 11.40 lakhs, against Rs. 7.96 lakhs as the new shares were entitled to a full year's dividend. According to the directors' full report, the deposits recorded an impressive rise of about 21 percent from Rs. 42.62 crores to Rs. 52.04 crores. Advances rose by as much as 34 percent from Rs. 23.23 crores to Rs. 31.12 crores. Of the Rs. 9.42-crore rise in deposits, fixed deposits and cash certificates alone accounted for Rs. 4.22 crores. Current accounts, contingency account, etcetera, increased by Rs. 4 crores to Rs. 23.60 crores.

The bank's investments rose from Rs. 10.51 crores to Rs. 13.54 crores. The ratio of advances to deposits improved from 54.5 percent to 59.8 per-

cent. The investment-deposit ratio moved up from 24.7 percent to 28 percent. Income from interest and discount increased from Rs. 1.64 crores to Rs. 2.04 crores and that from commission, exchange and brokerage from Rs. 48.9 lakhs to Rs. 56.64 lakhs. On the expenditure side, interest paid on deposits and borrowings registered a substantial rise from Rs. 76.15 lakhs to Rs. 37.09 lakhs.

Growth of Mahindra and Mahindra

MAHINDRA and Mahindra is a big name today. How from a humble beginning, 18 years ago, the Company has come to achieve its present giant stature is the theme of its new chairman, Mr. Keshub Mahindra's speech at the 18th annual meeting of the Company, held last week in Bombay. (A full version of the chairman's speech appears on a later page of this week's Capital.) The growth has indeed been remarkable. In collaboration with several reputed firms in the U.S.A., the U.K., France and Germany, Mahindra is producing a wide range of products—carding engines, jeeps, trailers, sintered products, air-cooled diesel engines, water meters and instruments. It continues to extend its activities to new lines of manufacture, and recently it has undertaken the manufacture of synthetic resins, enamels and varnishes, elevators, tractors and alloy steel.

The Company did well during the year ended October 1963, with its turnover up by about 15 percent at Rs. 15.92 crores and gross profit higher by about 20 percent at Rs. 1.19 crores. The prospects for the current year seem even more promising. The chairman says that the Company's operations in all divisions have been satisfactory during the first five months of the current year. Production of jeep vehicles averaged 900 vehicles a month and deliveries have kept pace with this output. The steel division has maintained its rate of booking and the machine tool division anticipates a considerable volume of business. The chairman says that practically every unit in the group is in the process of expansion and the management has set its sights on more ambitious targets in the future.

Good Outlook For Kamani Engineering

KAMANI Engineering Corporation showed encouraging results for the year ended September 1963, with both sales and gross profit setting new records at Rs. 5.13 crores and Rs. 41.84 lakhs, respectively. The chairman, Mr. R. H. Kamani's speech at the shareholders' annual meeting holds out the promise of still better results during the current year and in the years ahead. (A text of the chairman's address appears on a later page of this week's Capital.) The Company is going ahead with its various expansion plans and it is making satisfactory progress on the export front. The current year's progress so far is said to be better than in the previous year. The new tax proposals are considered to be favourable for the Company which falls in the key industries list. The Company would benefit from the 10 percent relief in income and super taxes, 20 percent relief in surtax and 50 percent additional depreciation on plant and equipment working third shift.

Mr. Kamani expected the demand for transmission line towers to record a tremendous increase following the anticipated rapid increase in generating capacity of electric power. The Company has already completed five

major transmission lines totalling about 600 miles in five States—Gujarat, Orissa, West Bengal, Andhra Pradesh and Mysore. Construction of transmission lines continues to be in full swing all over the country. Orders for about 2,000 kilometres are on hand. In order to meet the increasing demand for transmission line towers as also to retain the foothold in export market, the Company has undertaken expansion of its manufacturing capacity by 30,000 tons more than the existing capacity. The Government has already cleared the Company's application for the import of necessary machinery and plant of the value of Rs. 45 lakhs. Mr. Kamani assured the shareholders that the expansion programme will involve no reduction in the amount to be distributed as dividend and that it will be to the best advantage of the Company.

Once production starts, the profits would proportionately increase. The Company has undertaken a programme of increased production of the improved model of "Tractamount" road rollers and it is proposed to add some new items of implements to this line of manufacture. The chairman added that having completed the first contract for railway electrification in eastern zone, the Company has participated in tenders for similar work in other zones and it is hopeful of securing substantial business. The Company is making steady progress in its export business. The order from the Nigerian Government for 132 kV transmission line towers is under execution. Two large orders valued at Rs. 28 lakhs have been secured from the National Power Corporation, Manila, in face of keen competition. These orders are likely to be completed this year and the Company would then have earned about Rs. 88 from exports.

Referring to the various difficulties experienced by the Company in the execution of export orders, the chairman pointed out that it was a difficult and unattractive proposition as timely delivery of matching sections, shipping space at reasonable rates, pre-financing facilities, etcetera, were not available. In order that quick delivery and longer credits demanded by foreign indentors be met, Mr. Kamani suggested that higher priority be given to steel for export orders and concessional prices should be charged, as was being done all over the world. He urged the Government to consider these suggestions seriously with a view to promoting exports. The chairman added that the Company has, in collaboration with a German firm, secured a contract from the Indian Iron and Steel Company for the installation of a ropeway with a haulage capacity of 450 tonnes an hour. The project is expected to be completed by the end of 1966.

Dismal Outlook For Shivrajpur

SHAREHOLDERS of Shivrajpur Syndicate have gone without a dividend for three years, and there seems no hope of the Company being able to pay a dividend in the near future. The Company's performance during the year ended November 1963 was bad enough and prospects for the current year are worse. The chairman, Mr. A. N. Haksar, told the shareholders' annual meeting in Bombay recently, that the current production at the Company's mines is almost entirely from opencast working, which will have to be discontinued during the monsoon. Any substantial production in future will have to be from underground operations, costs of which are found to be considerably higher than the prevailing market prices. There seems little chance of obtaining higher prices for

CAPITAL, 30th April, 1964.

Shivrajpur ores, because of their comparatively high phosphorous impurity.

Mr. Haksar said that the recent revival of overseas interest in Indian ores and the small improvement in overseas prices were likely to prove a temporary phase. Exports of Indian manganese ore have over the years, been showing a steady decline both in terms of tonnage and prices. Shivrajpur, therefore, has been obliged to take up a phased programme of reducing the Company's mining operations. The management is exploring the possibility of alternative activities for the Company and it has offered to collaborate with Gujarat Mineral Development Corporation in the exploitation of the newly discovered deposits of fluorite mineral.

The Company has curtailed mining operations in recent years and has disposed of surplus plant, machinery and stores, etcetera. It sold such surplus assets to the tune of Rs. 7.7 lakhs in 1963. The Company has been able to reduce the accumulated stock of 87,500 tons of ore to 41,000 tons and even this quantity is expected to be disposed of during the current year as it is already covered by sale contracts. Referring to a plea made by some shareholders for declaring an interim dividend, Mr. Haksar said that it would be inadvisable to pay a dividend when the Company was incurring losses. The total loss carried forward to the current year's balance-sheet is of the order of Rs. 23.64 lakhs.

New Capital Issues

FOUR companies have been authorised to raise fresh capital of Rs. 6.50 crores. Of these, three are issuing equities and the fourth is floating debentures. One is offering part of its equity capital for public subscription. The new issues include a Central Government undertaking. The consent of the Controller of Capital Issues is valid for 12 months. The following are the details:

Birla Jute Manufacturing Company Ltd. Calcutta, is to issue debentures of Rs. 2 crores in denominations of Rs. 1,000 each carrying interest not exceeding 7½ percent a year. The capital will be utilised for part financing in setting up a cement plant in Chitragarh and oxygen and acetylene plants in Birlapur, West Bengal.

Insulator Manufacturers Ltd. Calcutta, will be issuing Rs. 1 crore in 1,000,000 equity shares of Rs. 10 each for cash at par; 51 percent of the capital will be subscribed privately and 49 percent will be offered to the public. The money will be used in the manufacture of H.T. and L.T. insulators.

Heavy Electricals (India) Ltd. Bhopal, a Central Government undertaking, is to issue further capital of Rs. 3 crores, divided into 30,000 equity shares of Rs. 1,000 each for cash at par. The capital will be utilised for civil engineering works including transport vehicles, purchase of plant and machinery, training of engineers, etcetera.

Nirlon Synthetic Fibres and Chemicals Ltd. Bombay, is to issue Rs. 50 lakhs capital in equity shares of Rs. 100 each and to be subscribed entirely privately for cash at par. This consent is in supersession of previous consent dated 26th September, 1962, for issue of Rs. 1.06 crores equity capital. The capital will be used partly for reimbursing the outlay on existing nylon plant and the balance for purchase of land and initial expenditure for the expansion project.

CAPITAL, 30th April, 1964.

The Stock Markets

SMART RECOVERY IN CLEARING SHARES

Wednesday Evening.

THERE has been a smart recovery in clearing shares in the Calcutta stock market during the past week. The earlier nervousness following the disappointment over the Budget changes has waned. The technical position of the market has improved as a result of the shake-out. The steadiness towards the close is inspired by two factors. First, there has been a great deal of short-covering since buyers think that the adverse effects of the Budget have been almost discounted. There has also been a fair amount of replacement buying at the lower levels, but bulls have on the whole preferred to proceed warily. Because of the substantial losses they have incurred since the Budget, they have taken a cautious view of the outlook.

Turnover has centred on clearing shares. Interest in cash scrip has been poor, although their prices have improved towards the close in sympathy. There has, nevertheless, been little selling in cash shares since most investors do not think it worth their while to cut their losses now. It is also thought that blue chips may be in short supply in the near future, considering that the Life Insurance Corporation and the Unit Trust continue to pick them up.

Anyway, the near-term outlook needs to be assessed cautiously. Maybe, share prices are unlikely to fall much further. At the same time, the outlook for equities has suffered greatly due to the last Budget proposals. It is true that most of the leading companies have shown an improvement in sales, but their profits have not risen in proportion due to rising production costs and heavier taxation. This apart, companies will henceforth be restrained from increasing their distribution due to the levy of a tax of 7½ percent on all dividends declared on ordinary shares. In the circumstances, investors may be well-advised not to sell their shares in a hurry; they should also be discriminating in their purchases.

Indian Iron have recovered in response to short-covering, combined with replacement buying. In view of the prospect of a higher profit for 1963-64, investors have been chary of selling their holdings at the current low levels. Selected engineering shares like Guest, Keen, Williams, Burn, Jessop, Texmaco and Braithwaite have gained. In the miscellaneous section, activity has been confined to clearing shares. Hindustan Motors, Indian Aluminium, Dunlop Rubber, Rohtas and Kesoram Industries have improved towards the close. Scattered support has been forthcoming for Alkali Chemical, British Paints, Associated Battery, Philips India and Goodyear at present levels. Hindustan Aluminium have improved on short-covering. India Steamship have been weak on a predominance of sellers.

Managing agency shares have weakened due to the decision of the Government not to allow these companies to issue bonus shares. Jardine Henderson and Martin Burn have lost. Small business in Calcutta Electric has been done among electric companies. In the paper section, Orient have been active and have improved on short-covering. India Paper Pulp, Seshasayee and Titagur have gained fractionally.

Sugar shares have been subdued due to the predominance of sellers.

The investors have been disturbed by the decision of the Government to set up a Sugar Marketing Board. The implication is that the Government is determined to continue controls on sugar indefinitely. It is, therefore, feared that the price of the commodity will continue to be pegged down to a level which may not prove remunerative enough for many factories. Mills with outdated plant and equipment are likely to suffer the most.

In jute shares, Kamarhaty and Kankarnarrah have met with support due to the payment of good dividends. Birla, Champdany, Kinnison, Anglo-India and Barnagore have also gained fractionally. Coal shares have been subdued and their prices have declined on balance. There are few buyers because the outlook for the industry has suffered greatly due to the Government's move to restrict the production of coking coal. The move has unnerved many coal companies since they have already borrowed considerable funds to invest in expansion in the belief that the Government will encourage bigger raisings. Burrakur, Bengal and Central India have been quiet.

In cotton mills, Jay Shree Textiles and Bharat Commerce have been steady on good reports. J. K. Rayon have recovered on short-covering. Scattered business in selected Assam and Dooars tea gardens has been transacted, but prices have fluctuated narrowly. Government securities have been steady and the prices of short-dated securities have risen appreciably due to strong support, especially from banks. Small business has been done in medium-dated loans, but long-dated stock have been neglected. The 3 percent Conversion Loan 1986 has been quoted at about Rs. 63.60.

Bombay

GOOD RISE IN STEEL SHARES CORPORATE NEWS HELPS SENTIMENT

Wednesday Evening.

THE Bombay stock market has improved during the past week. Prices of selected clearing shares like Century, National Rayon, Tata Steel and Tata Engineering have recovered appreciably towards the close due to brisk short-covering. There has also been sustained bull support at lower levels. Operators seem to have overcome the earlier disappointment over the Budget modifications. Dalal Street is inclined to think that the worst is over and a further decline in prices is unlikely.

The modifications made by the Central Finance Minister, Mr. T. T. Krishnamachari, in the surtax on profits, albeit small, have helped to bring about steadiness. Good corporate news has, meanwhile, contributed to an optimistic assessment of the future outlook. Smaller carry-forward charges at the past settlement have been bullishly interpreted since they indicate an improved technical position. Bears have rushed in to cover their open positions lest prices should rise further. Purchases of ordinary shares by the Life Insurance Corpo-

ration and the Unit Trust have helped to relieve the burden of floating stocks.

Tata Steel ordinary have smartly recovered to Rs. 149. Indian Iron have been marked up in sympathy with Tata Steel. Operators have been impressed by the higher output of the two Companies during 1963-64. Tata Engineering and Premier Construction have been bought in the engineering section. Short-covering has helped to improve Hindustan Motors in motor-vehicle shares. Premier Automobiles have, nevertheless, been sluggish.

Selected cotton mill shares have gained due to short-covering, combined with replacement purchases. The move by the industry to persuade the Government to decontrol the prices of cloth, except those of standard grades, has helped to improve sentiment. Century have enjoyed considerable support. Bombay Dyeing, Kohinoor, Svadeshi, Gokak and Standard have gained. India United ordinary, Morarjee and Simplex have been marked higher.

Although turnover in miscellaneous shares has been restrained, prices have, on the whole, risen in sympathy with the general trend. Among cement shares, Associated Cement have been taken. Selected sugar shares like Belapur, Walchandnagar Industries and Phalton have improved. In steamship companies, Scindia Steam have been a smart feature and have gained considerably due to brisk short-covering. Mining

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shares have nevertheless been sub-
duded, and Shivrajpur Syndicate have
been offered freely without attract-
ing buyers. Chemical shares have
been steady, and support has been
extended to Tata Chemical and
Polychem.

National Rayon have been a strong
feature in rayon shares and the scrip
has attracted a margin on purchases
because the price has risen by 10 per-
cent since the last clearing. The
chairman of the Company has taken
an optimistic view of the future out-
look. The rayon cord and caustic
soda plants of the Company are ex-
pected to do much better during the
current year. Investors will be re-
warded by the gift of an ordinary
rights issue at par, in the proportion
of one new share for every 10 held.
Volitas and Tata Oil have been quoted
at higher levels. Scattered business
has been done in Central Bank and
Bank of Baroda. Among electric
companies, Ahmedabad Tata Hydro
have changed hands.

Madras

CALCUTTA ADVICES HELP MARKET SELECTIVE SUPPORT FOR PLANTINGS

Tuesday Evening.

THE Madras stock market has im-
proved towards the close of the
past week due to higher advices from
Calcutta and Bombay. Although
turnover has been limited, sentiment
has improved since the earlier
nervousness has almost vanished.
Business has largely been confined to
selected clearing and planting shares.
Investors have, nevertheless, prefer-
red to proceed cautiously in view of

the possibility of power cuts. Interest
has been shown in high-yielding pre-
ference shares, but business has been
restricted by the shortage of sellers.

Small business has been transacted
in selected State Government loans.
In banks, Indian Overseas have
changed hands at Rs. 137.50 and Syn-
dicate Bank have been taken up at
Rs. 140.50. In electric companies,
scattered support has been extended
to West Coast at Rs. 13.50 and to
Salem-Erode at Rs. 14.37. Sugar
shares have lacked interest. Deccan
have been quoted at Rs. 11.75 and
E.I.D. at Rs. 35.35. Kothari have
been weak at Rs. 6.90 and Madura
at Rs. 9.44. K.C.P. have nevertheless
been maintained at Rs. 24 and
Andhra at Rs. 14.75.

Among planting shares, Blue Moun-
tain have met with support at Rs. 2.43
and Madura at Rs. 6.40. Consoli-
dated Coffee have been steady at
Rs. 21.65 and Ouchterlony at Rs. 4.08.
Business has been done in Perika-
ramalai up to Rs. 3.43. Highlands
have been transacted at Rs. 15.60 due
to the payment of a taxable ordinary
dividend of 15 percent. Lucky Valley
have changed hands at Rs. 12.50 on
declaring a taxable ordinary dividend
of 10 percent. Nonsuch have met
with support up to Rs. 23 on paying
an interim taxable ordinary divi-
dend of 10 percent. T.R. and Tea
have come to hand at Rs. 9.90 on de-
claring a taxable ordinary dividend
of 8 percent. In coffee shares,
Anapalai have been steady at Rs. 3.
Mysore at Rs. 4.35 and Ossoor at
Rs. 2.58. Among rubber companies,
Athimattam have been quoted at
Rs. 1.20 since the Company intends to
sell the remaining portion of the
Little Flower Estate.

In textile shares, South India Vis-
cose have recovered to Rs. 123.50 and
Travancore Rayon to Rs. 22.75.
Lakshmi have been taken at Rs. 133.50
and Madura at Rs. 33.40. Rajalakshmi

have changed hands at Rs. 91 on de-
claring a taxable ordinary dividend
of 15 percent. Ramnarayan have
been quoted at Rs. 93 on the decision
to issue rights ordinary shares for
Rs. 10 lakhs. Virudhunagar have
been taken at Rs. 50.90 on paying a
taxable ordinary dividend of 6 per-
cent. Business has been done in
Buckingham at Rs. 285 and in
Bangalore Woollen at Rs. 258.

In miscellaneous shares, Aluminium
Industries have improved to Rs. 20.90
and Ashok Leyland to Rs. 7. In
cement shares, Dalmia have been
quoted up to Rs. 13.10 and India
Cement at Rs. 5.68. Mettur Chemical
have been steady at Rs. 13.30. South-
ern Structural have been bought at
Rs. 11 on declaring a taxable ordi-
nary dividend of 9 percent. Seshas-
ayee Paper have met with support up
to Rs. 7.55 and Standard Motors have
been taken at Rs. 10.12. A. V. Thomas
(Alleppey) have been done at Rs.
10.47 on declaring a taxable ordinary
dividend of 12½ percent. Parry's
Confectionery have changed hands at
Rs. 3.14 and Spencer at Rs. 23.77.
Kirkoskar Electric have been sluggish
at Rs. 18.40 and Madras Rubber have
been quiet at Rs. 13.25.

THE WEEK'S TRANSACTIONS

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

CLEARED SECURITIES

Birla Jute—Rs. 30/69—31/75—30/69—
31/50—(28/81).
Burrakur Coal—Rs. 15/75—15/75—15/75
—15/75—(17/00).

CAPITAL, 30th April, 1964.

Dunlop Rubber—Rs. 36/56—37/12—36/50—
37/00—(35/37).
Guest, Keen, Williams—Rs. 24/19—24/75
—24/12—24/56—(33/75).
Hindustan Motor—Rs. 18/03—18/37—18/00
—18/25—(17/06).
Indian Aluminium—Rs. 31/75—32/56—
31/69—32/44—(33/75).
Indian Copper—Rs. 3/38—3/42—3/31—
3/40—(4/33).
Indian Iron—Rs. 24/54—24/84—24/40—
24/72—(22/16).
J. K. Cotton—Rs. 11/25—11/50—11/25—
11/37—(14/37).
Jaipur Udyog—Rs. 11/25—11/56—11/19—
11/50—(10/94).
Kesoram Industries—Rs. 25/69—26/50—
25/69—26/19—(23/37).
Orient Paper—Rs. 36/55—37/10—36/50—
87/00—(34/75).
Robtas Industries—Rs. 11/37—11/50—11/12
—11/44—(11/00).
Shree Gopal Paper—Rs. 24/60—24/60—
24/50—24/50—(23/50).
Textile Machinery—Rs. 27/70—28/35—
27/70—28/30—(28/80).

GOVERNMENT SECURITIES

3 % Loan (1986)—Rs. 63/75 S.T.—63/75—
63/45—63/55.
3 % " (1966-68)—Rs. 97/90—98/15—
97/90—98/15.
3 % " (1970-75)—Rs. 90/40—90/40—
90/40—90/40.
5½ % " (1969)—Rs. 96/95—96/95—96/95
—96/95.
3½ % " (1968)—Rs. 99/50—99/50—
99/50—99/50.
3½ % " (1965)—Rs. 99/80—99/80—
99/70—99/75.
3½ % " (1974)—Rs. 96/75—96/75—
96/75—96/75.
4½ % " (1969)—Rs. 99/55—99/55—
99/55—99/55.
4 % " (1980)—Rs. 98/30—98/30—
98/25—98/30.
4 % " (1970)—Rs. 99/15—99/15—
99/15—99/15.
4 % " Maharashtra (1969)—Rs. 98/40
—98/40—98/40—98/40.
4 % " Rajasthan (1971)—Rs. 96/65—
96/65—96/65—96/65.
4 % " U.P. (1969)—Rs. 98/30—98/30—
98/30—98/30.
4½ % " (1973)—Rs. 99/93—99/96—
99/90—99/95.
4½ % " Andhra (1972)—Rs. 97/60—
97/60—97/60—97/60.
4½ % " (1985)—Rs. 99/93—99/93—
99/93—99/93.

CAPITAL, 30th April, 1964.

4½ % Loan West Bengal (1974)—Rs. 99/50
—99/50—99/50—99/50.

BANKS

Allahabad—Rs. 250/00—250/00—250/00—
250/00—(396/00).
Do. (Pref.)—Rs. 94/00—94/50—94/00—
94/50—(97/50).
Punjab National—Rs. 19/15 c.t.—19/25—
19/15—19/25—(19/87).
United Bank of India (I.E. 10/- paid)—
Rs. 7/56—7/69—7/56—7/56—(7/31).

COTTONS

Cawnpore—Rs. 6/41—6/41—6/25—6/25—
(7/44).
Dunbar—Rs. 27/00—27/00—27/00—27/00—
(27/56).
Elgin—Rs. 18/19—18/19—17/94—18/06—
(18/94).

Jaya Shree—15/06—15/06—14/81—15/00—
(16/06).
New Victoria—Rs. 1/28—1/41—1/25—
1/41—(1/37).
Do. (Pref.)—Rs. 2/12—2/16—2/03—2/15.
Rampooria—Rs. 11/50—13/00—11/50—
13/00—(12/00).
Do. (Duff)—Rs. 1/75—3/00—1/75—
3/00—(2/00).
Swadeshi (P.O.)—Rs. 6/62—6/62—6/50—
6/62—(6/75).

COALS

Bengal—Rs. 237/00—244/00—237/00—
244/00—(303/00).
Bharat Collieries—Rs. 3/25—3/25—2/94—
3/00—(4/87).
Central India—Rs. 8/69—8/69—8/69—
8/69—(10/47).
Katras Jhariah—Rs. 30/62—30/62—30/62—
30/62.
Pench Valley—Rs. 17/31—17/37—17/31—
17/37—(18/19).
Western Bengal—Rs. 8/69—8/69—8/69—
8/69—(9/44).

JUTES

Agarpara—Rs. 9/25—9/25—9/25—9/25—
(10/06).
Auckland (2nd Pref.)—Rs. 59/00—59/50—
59/00—59/50.
Alexandra (Pref.)—Rs. 93/50—94/00—
93/50—94/00.
Bally—Rs. 238/00—238/00—238/00—238/00—
(270/00).
Chitavalasah—Rs. 8/75—8/75—8/69—8/69.
Chandpary—Rs. 21/00—21/00—20/94—
20/94.
Ganges—Rs. 13/00—13/00—13/00—13/00.
Hukumchand—Rs. 19/62—19/62—19/62—
19/62.
Hastings (Pref.)—Rs. 85/50—86/25—85/50
—86/25.
Hooghly (Pref.)—Rs. 12/06—12/25—11/94
—12/25—(10/37).
Kankannarab—Rs. 139/00—139/00—138/00—
139/00—(139/00).
Do. (Pref.)—Rs. 80/00—80/00—80/00—
80/00.
Naihati (7 % Pref.)—Rs. 115/00—115/00—
115/00—115/00.
Nuddea—Rs. 57/50—57/50—57/50—57/50—
(52/50).
National—Rs. 21/25—21/25—21/25—21/25—
(23/75).
New Central—Rs. 11/31—11/31—11/19—
11/19—(12/19).
Do. (Pref.)—Rs. 90/00—91/00—90/00—
91/00.
Presidency—Rs. 4/56—4/56—4/44—4/44—
(5/56).
Reliance—Rs. 7/12—7/12—7/12—7/12—
(11/12).
Union—Rs. 141/00—141/00—141/00—141/00—
(142/00).

CEMENTS

Assam Bengal—Rs. 3/50—3/50—3/50—
3/50.
Bengal Potteries—Rs. 5/00—5/00—5/00—
5/00—(5/87).
Dalmia (Bharat)—Rs. 13/31—13/44—13/31
—13/44—(13/12).
Sone Valley—Rs. 4/25—4/31—4/25—4/31—
(4/22).

CHEMICALS

Alkali & Chemical—Rs. 29/00—29/00—
28/75—28/75—(36/25).
Chemicals & Fibres—Rs. 12/25—12/50—
12/25—12/40.

ELECTRICS

Calcutta—Rs. 14/12—14/19—13/87—14/12
—(14/37).
Patna—Rs. 10/00—10/12—10/00—10/12—
(10/56).
U.P.—Rs. 150/00—152/00—150/00—152/00—
(119/00).

ENGINEERINGS

Bharat Ball Bearing—Rs. 12/19—12/31—
12/19—12/31—(14/31).
Braithwaite & Co.—Rs. 32/25—32/50—
32/25—32/50—(33/00).
Britannia Eng.—Rs. 10/06—10/06—10/06—
10/06—(10/19).
Calcutta Steel—Rs. 14/62—15/12—14/56—
15/12—(13/69).
Dalmia Iron—Rs. 10/75—10/84—10/75—
10/87—(10/50).
Indian Standard Wagon—Rs. 35/75—
35/75—34/75—34/75—(29/31).

Indian Iron & Steel (Pref.)—Rs. 81/00 S.T.
—81/50—78/00—79/00 x.d.—(82/50).
Jessop & Co.—Rs. 22/69—22/69—22/56—
22/56—(22/69).
J. K. Steel—Rs. 15/75—15/75—15/75—
15/75—(15/00).
Kumardhubi—Rs. 5/56—5/69—5/50—5/69—
(8/12).
Marshall's—Rs. 2/81—2/94—8/69—2/94—
(3/12).
National Iron & Steel—Rs. 5/81—5/81—
5/75—5/75—(4/19).
Sen-Raleigh—Rs. 14/75—14/81—14/62—
14/62.

INSURANCE

Ruby General—Rs. 10/44—10/50—10/44—
10/50—(8/56).

MISCELLANEOUS

Asiatic Oxygen—Rs. 11/00—11/00—10/62—
10/62—(10/00).
American Refrigerators—Rs. 6/25—6/37—
6/25—6/37—(8/19).
Angelo Brothers—Rs. 23/50—23/56—23/19—
23/44—(22/50).
Balmer Lawrie—Rs. 252/00—258/00—
252/00—258/00—(247/00).
B. I. Corp.—Rs. 9/31—9/69—9/25 S.T.—
9/69—(8/94).
Clive Row Investment—Rs. 8/44—8/44—
8/44—8/44—(8/35).
Dyer Meakin Breweries—Rs. 25/69—25/69
—25/50—25/50—(28/00).
Electric Construction—Rs. 12/62—12/62—
12/50—12/62—(13/12).
English Electric—Rs. 13/94—14/00—13/94—
14/00.
East Anglia Plastic—Rs. 5/69—6/63—5/69
—6/63.
Goodyear India—Rs. 23/62—23/75—22/50—
22/87—(36/87).
General Tyres—Rs. 8/00—8/12—7/94—
7/94—(8/44).
Gillanders Arbuthnot—Rs. 15/00—15/00—
14/94—15/00—(13/50).
Gwalior Rayon—Rs. 37/50—37/50—36/87—
37/00—(46/00).
Hindustan Aluminium—Rs. 12/87—13/06—
12/87—13/06—(13/75).
Hindustan Twyford—Rs. 12/56—12/62—
12/56—12/62—(14/82).
Hindustan Pilkington Glass—Rs. 12/69—
13/12—12/69—13/12—(14/87).
Imperial Tobacco—Rs. 9/75—9/87—9/62—
9/87—(11/19).
Indian Rubber Mfg.—Rs. 21/12—21/12—
20/87—21/06—(21/06).
India Oxygen—Rs. 25/00—25/00—25/00—
25/00—(30/50).
Indian Wood Products—Rs. 27/50—27/50—
27/50—27/50—(29/37).
Jardine Henderson—Rs. 74/00—74/00—
72/50—73/00—(87/00).
Do. (Pref.)—Rs. 55/00—55/00—55/00—
55/00.
Jayshree Industries—Rs. 14/75—14/81—
14/69—14/81—(16/87).
Do. (Pref.)—Rs. 101/50—101/50—101/00—
101/00.
J. K. Synthetics—Rs. 11/81—11/81—11/75—
11/75—(11/44).
Metal Distributors—Rs. 3/75—3/78—3/75—
3/78—(5/00).
Martin Burn—Rs. 26/50—26/56—26/37—
26/37—(26/75).
Do. (Pref.)—Rs. 79/50—80/50—79/50—80/00.
National Rolling & Steel Ropes—Rs. 18/62
—18/75—18/62—18/75—(18/87).
National Rubber Mfg.—Rs. 11/31—11/37—
11/31—11/37—(12/50).
National Insulated Cable—Rs. 22/50—
22/50—22/50—22/50—(24/50).
Philips India—Rs. 27/00—27/00—26/87—
26/94—(26/00).
Silisk—Rs. 7/62—8/62—7/62—8/56—
(8/87).
Shaw Wallace—Rs. 15/50—15/50—15/25—
15/25—(17/00).
Union Carbide—Rs. 31/56—31/75—31/56—
31/62—(42/37).
Universal Cables—Rs. 11/12—11/12—11/00—
11/00—(10/19).
Usha Martin Black—Rs. 14/94—15/25—
14/81—15/12—(13/50).
Universal Electric—Rs. 7/25—7/31—7/25—
7/31—(9/25).
Walford Transport—Rs. 3/31—3/31—3/31—
3/31—(3/62).
Do. (P.O.)—Rs. 2/62—2/69—2/62—2/69—
(2/44).

DEBENTURES

Agarpara Jute—Rs. 91/50—92/00—
91/50—92/00—(92/00).
5½ % Fort Gloster—Rs. 98/00—98/00—
98/00—98/00—(98/00).
6½ % Guest, Keen, Williams—Rs. 98/50—
98/50—98/50—98/50.

OILS

Indo-Burma Petroleum—Rs. 21/19—21/37—
21/00—21/31—(23/00).
Do. (Pref.)—Rs. 65/87—65/87—65/87—
65/87.

PAPERS

Ballarpur—Rs. 16/81—16/81—16/81—16/81—
(17/31).
Bengal—Rs. 27/00—27/12—27/00—27/12—
(29/81).
India Paper Pulp—Rs. 19/00—19/06—
18/94—18/94—(17/44).
Seshasayee—Rs. 7/56—7/56—7/50—7/50.
Sirpur—Rs. 11/44—11/75—11/44—11/69—
(12/12).
Do. (Pref.)—Rs. 80/00—80/00—80/00—
80/00.
Star—Rs. 9/00—9/00—8/69—8/69—(10/06).

Straw Products—Rs. 9/75—9/75—9/31—
9/50—(9/50).
Titaghar—Rs. 14/50—14/62—14/12—14/31—
(17/00).
Do. (P.O.)—Rs. 3/31—3/31—3/31—3/31—
(3/78).

SHIPPINGS

India Steamship—Rs. 6/81—6/81—6/69—
6/81—(6/31).
Do. (Pref.)—Rs. 60/00—60/00—60/00—
60/00.
Port—Rs. 13/75—13/87—13/75—13/87—
(12/06).

SUGARS

Carew & Co.—Rs. 12/12—12/19—12/06—
12/06—(12/50).
Raza Buland—Rs. 9/62—9/81—9/62—9/81—
(10/06).
Shree Krishna Gyanoday—Rs. 8/00—8/00—
8/00—8/00—(7/06).

TEAS

Birpara—Rs. 159/00—160/00—159/00—
160/00—(149/00).
Brooke Bond—Rs. 11/50—11/50—11/50—
11/50—(11/56).
Dessai & Purbuttia—Rs. 182/00—182/00—
180/00—181/00—(140/00).
Dhelakhat—Rs. 20/69—20/69—20/69—
20/81—(19/62).
Dauracherra—Rs. 11/31—11/37—11/31—
11/37—(7/56).
Grob—Rs. 6/06—6/19—6/06—6/12—(9/12).
Huldbari—Rs. 11/94—12/00—11/94—12/00—
(13/12).
Killcott—Rs. 14/94—15/06—14/94—15/06—
(16/25).
Nagaisures—Rs. 175/00—175/00—175/00—
175/00—(146/00).
Pahargomiah—Rs. 14/37—14/50—13/75—
13/75—(31/12).
Poobong—Rs. 10/06—10/12—10/06—10/12—
(7/50).
Telojan—Rs. 21/37—21/44—21/37—21/44—
(27/75).
Tezpor—Rs. 14/62—14/69—14/62—14/69—
(14/37).

DEBENTURES

Agarpara Jute—Rs. 91/50—92/00—
91/50—92/00—(92/00).
5½ % Fort Gloster—Rs. 98/00—98/00—
98/00—98/00—(98/00).
6½ % Guest, Keen, Williams—Rs. 98/50—
98/50—98/50—98/50.

London

GOOD CORPORATE NEWS BOOSTS SENTIMENT RISE IN COURTAULDS AND I.C.I. SHARES

London, 29th April.

ACTIVE conditions continued in
the stock market over the past
week, and business was on a good
scale, although of a two-way charac-
ter. Once again sentiment was
largely influenced by company news
and the flood of statements, many of
which were highly encouraging. The
chief item of interest was the joint
statement from I.C.I. and Courtaulds
which confirmed that the jointly-
owned British Nylon Spinners would
pass to I.C.I. and the Courtaulds
shares held by I.C.I. would be ex-
changed. Courtaulds, which had
been moving up in recent weeks
moved rapidly ahead after the an-
nouncement, but after touching 90s
there was a reaction on profit-taking.
The advance in I.C.I. was less pro-
nounced. Rank organisation were a
good market, although the best level
was not held. Bowaters, Rolls Royce
and many other leaders made good
headway. E.M.I. advanced sharply
following the surprise free scrip issue,
and dividend and profit forecast.
Fixed interest stocks were out of the
picture, and prices were little
changed. Canadian dollar stocks re-
flected the boom in the Canadian
market, but as conditions became
more sober there, and with Wall
Street turning downwards, prices re-
acted somewhat. Gold shares were
uninteresting and Coppers moved
erratically. Platinums lost much of
their recent glamour.

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DOING PUBLIC RELATIONS FOR BANKS

(BY A SPECIAL CORRESPONDENT)

Banks are essentially trading institutions, which must establish good relations with the public while conducting their activities. The traditional aloofness of Indian banks has created wrong notions about the nature of their business. The author explains why public relations work has become urgent now, and spells out the duties of a public relations officer in a bank.

IN the public mind, banking was long thought of as some mysterious operation conducted in secrecy. People who work in banks, however, know that this impression is not correct. But banks have some responsibility for this. Only in the last two or three years have some banks been trying to correct wrong impressions through advertisements. Another important step taken by several banks, including the State Bank, is to appoint public relations officers at their head offices. It is, however, surprising that the Reserve Bank has not yet thought it necessary to ap-

point a professional public relations officer. The image of the Bank, consequently, is distorted, in the public mind. It is difficult to obtain even intelligent factual briefing—except from the Governor who is often too busy—about any matter pertaining to the Reserve Bank's activities. It is high time this deficiency was removed.

Unfortunately, wrong ideas seem to prevail as to what should constitute the activities of a public relations officer in a bank. In some banks, a public relations officer is reduced to

the position of a "ringmaster" for official entertainment, and a glorified caretaker—he is asked to book rail and air tickets and look after the motor-cars of the institution.

Before an attempt is made to define the proper duties of a public relations officer, it may be useful to discuss what public relations in general is.

Trading Institutions

Banks, like any other servicing institution, are essentially trading institutions. They "trade" in money,

CAPITAL, 30th April, 1964.

while other trading bodies deal in goods and services. Nothing can be sold in any trade if the owner has not established some sort of relations with the public. It is not enough merely to have something to sell. One must make it known that it is for sale and let the public be conscious of it. Advertising is one of the forms that public relations can take. A public relations officer should be able to provide information on his institution's activities and help develop a sense of "togetherness" in the customer's mind.

A customer expects personalised service from a bank; banking consists of giving advice as well as transacting business. The business transacted is often of such a personal nature that its success depends on the human relations between the officers of the bank and its customers. Such relations are established at the point of "purchase and sale" which in the case of banks mean deposits, advances and other services. This aspect of the work is so important that it may be said to be the important feature which distinguishes one bank from another. The physical products of banks are indistinguishable from one another. It is in the manner in which the services are offered that they attain individuality.

Public relations in a bank may be considered under two broad heads: premises and people. It has been realised that banks should create an atmosphere of welcome and friendliness, and not necessarily one of safety and gloominess. This change in the attitude is reflected in the exterior and interior design of many bank premises in the private sector. Even the State Bank seems to be embarking on an extensive face-lifting programme.

Every Official a P.R.O.

More important than the premises are persons. The first reaction of an average depositor, on being asked about his impression of his bank, is to think of the person with whom he usually deals. Every bank official who comes into contact with the public is a P.R.O. for his bank. While this is a general statement, a particularly important point is what the job of a public relations officer at the head office should be. He is the link between the bank "as a whole" and the public "as a whole." He should be well-informed on subjects of mutual interest to the bank and the customers. It is the business of the P.R.O. to discover the policy of the bank and to interpret it in terms of public relations. He should be able to assess public reactions to any project and to recommend what steps should be taken to modify those reactions.

It may be useful to give a brief outline of what the public relations officer has to do. His first task is to answer enquiries from the Press and the public. He should be as informative as he can without being evasive. A part of the P.R.O.'s day is spent in meeting people. He sees in his own office the seller of advertising space or new publicity developments. Much of his work is deliberately created. This includes advertising and Press relations. All the banks employ one or several advertising agents. In India, it is the media agencies which guide public relations departments in the specialised tasks of lay-out, sale of advertisement space, art-work and preparation of brochures to highlight banks' activities. A proper public relations officer should have the final say in matters concerning the public.

Special Urgency

Public relations has assumed special urgency in view of the misconception prevailing in public mind about the banks in the private sector. No attempt has been made so far to educate

CAPITAL, 30th April, 1964.

public opinion about the useful service they have been rendering. It is only recently that the Indian Banks Association woke up to this need in view of the nationalisation threat. If the services of professional public relations men in banks are used in the right direction, it may not be so difficult to change the public image of banks.

THE CALCUTTA MONEY MARKET

SMALL DECREASE IN ADVANCES

Wednesday, 29th April.

THERE has been a small decrease in the aggregate level of advances in the Calcutta money market during the past week. The requirements of the jute industry are down, and so are those of the sugar mills and the iron, steel and engineering units. The credit given to the cotton mills, and to the foodgrains and seeds trade, is unchanged. In the interbank market, conditions were easier at the start, and the call rate dropped to 5 percent, but it has firmed up again to 5½ percent towards the close.

The exchange market has been fairly active, with a moderate supply of gunny and tea bills. The demand for remittances is fair. In the London market, sterling is firmer in relation to most of the major currencies, except the Swiss and the Swedish.

SILVER WAS STEADY IN CALCUTTA during the past week. The price rose from the previous week's level of Rs. 260.25 to Rs. 263.75, quoted today. The London and New York prices stood at 113½d and 129.3 cents.

In sympathy with the rise in silver gold was also steady and the price of 14-carat improved from Rs. 67.50 to Rs. 68.50.

DURING THE WEEK ENDED 24TH APRIL, Government of India Treasury bills for Rs. 48,92,50,000 were sold in favour of the Reserve Bank.

TENDERS FOR RS. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 28th April. The total amount offered was Rs. 2 crores. Tenders at Rs. 99.250 percent were accepted in full. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 3 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 4th May.

IT IS STATED THAT 91-DAY INTER-MEDIATE Treasury bills will be sold from 29th April to 2nd May at Rs. 99.266 percent. Sales can be stopped at any time without notice if the Government thinks it necessary. These bills sold from 22nd April to 25th April amounted to Rs. 40 lakhs.

DECLINES OF RS. 9.78 CRORES TO Rs. 2,554.54 crores in the total note issue and of Rs. 9.07 crores to Rs. 2,536.27 crores in active notes were important features of the return of the Reserve Bank of India for the week ended 24th April, 1964. The currency contraction was adjusted by reducing rupee securities of the paper currency reserve by Rs. 9.73 crores to Rs. 2,222.47 crores. In the Banking Department deposits of the Government of India rose by Rs. 55

lakhs to Rs. 52.72 crores and those of State Governments by Rs. 3.77 crores to Rs. 13.53 crores. Balances of scheduled banks at Rs. 83.43 crores showed a rise of Rs. 1.29 crores. Balances held abroad dropped by Rs. 4.22 crores to Rs. 7.97 crores. Investments at Rs. 154.12 crores showed an increase of Rs. 49.42 crores. Loans to scheduled banks declined from Rs. 66.16 crores to Rs. 45.02 crores of which advances against usance bills amounted to Rs. 20.39 crores (Rs. 25.82 crores). Ways and means advances stood at Rs. 83.08 crores, against Rs. 84.85 crores.

THE RETURN OF THE STATE BANK OF India for the week ended 17th April, 1964, shows a drop of Rs. 6.29 crores to Rs. 620.03 crores in total deposits. Investments in Government securities are up by Rs. 2.01 crores to Rs. 232.60 crores, while other authorised investments remain unchanged at Rs. 9.44 crores. Advances, including loans, cash credits, overdrafts, and bills discounted and purchased have increased by Rs. 2.10 crores to Rs. 380.44 crores. Cash and balances are, in consequence, shown at Rs. 23.90 crores or Rs. 2.78 crores less.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 17th April, 1964, shows Demand and Time liabilities at Rs. 1,242.41 crores (Rs. 33.11 crores on account of borrowings from banks) and Rs. 1,284.11 crores (Rs. 12.81 crores), compared with Rs. 1,243.98 crores (Rs. 31.57 crores) and Rs. 1,277.87 crores (Rs. 12.38 crores) in the previous week. Cash has risen by Rs. 56 lakhs to Rs. 60.16 crores, while balances with the Reserve Bank have declined by Rs. 2.71 crores to Rs. 82.13 crores. There is a rise of Rs. 1.10 crores in Rs. 624.75 crores in investments. Advances and bills discounted at Rs. 1,860.09 crores show an increase of Rs. 3.19 crores. The ratios to total liabilities of cash and balances, and of advances and discounts are, in consequence, shown at 5.6 percent and 73.4 percent, against 5.7 percent and 73.6 percent.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 1-5-64.

Issue Date	Maturity Date	Amount (000's Rs.)	Average Acceptance Rate
1-5-64	4-8-64	2,00.00	Rs. 3.000%
24-4-64	27-7-64	2,00.00	Rs. 3.000%
17-4-64	20-7-64	2,00.00	Rs. 3.000%
10-4-64	13-7-64	2,00.00	Rs. 3.000%
3-4-64	6-7-64	2,00.00	Rs. 3.000%
26-3-64	29-6-64	2,00.00	Rs. 2.750%
20-3-64	23-6-64	2,00.00	Rs. 2.500%
13-3-64	16-6-64	2,00.00	Rs. 2.360%
6-3-64	9-6-64	2,00.00	Rs. 2.380%
28-2-64	31-5-64	2,00.00	Rs. 2.350%
21-2-64	24-5-64	2,00.00	Rs. 2.340%
14-2-64	17-5-64	2,00.00	Rs. 2.340%
1-2-64	10-5-64	2,00.00	Rs. 2.325%

Month	Amount (000's Rs.)
May, 1964	8,00.00
June, 1964	8,00.00
July, 1964	8,00.00
August, 1964	2,00.00
Total	26,00.00

CLEARING HOUSE RETURNS

Week	Calcutta	Bombay
24-4-64	80.06	1,08.18
17-4-64	89.39	1,13.13
10-4-64	1,04.55	1,26.79
3-4-64	1,47.13	1,51.23

RESERVE BANK

Liabilities—	(In 000's of Rupees)	Week Ended		
		24-4-64	17-4-64	26-4-63
Notes in Circulation	...	18,26.82	18,98.81	33,31.75
Notes in Banking Dept.	...	25,36,27.17	25,45,33.61	23,04,34.41
Total Notes Issued	...	25,54,53.99	25,64,32.42	23,37,66.16
Assets—				
A. Gold Coin and Bullion	...	1,17,76.10	1,17,76.10	1,17,76.10
Foreign Securities	...	1,08,45.69	1,08,45.69	1,05,08.43
Total of A	...	2,26,21.79	2,26,21.79	2,22,84.53
B. Rupee Coin	...	1,05,85.13	1,05,36.41	1,18,38.43
Rupee Securities	...	22,22,47.07	22,32,74.22	19,96,43.20
Total	...	25,54,53.99	25,64,32.42	23,37,66.16

BANKING DEPARTMENT

Liabilities—	(In 000's of Rupees)	Week Ended		
		24-4-64	17-4-64	26-4-63
Capital Paid-up	...	5,00.00	5,00.00	5,00.00
Reserve Fund	...	80,00.00	80,00.00	80,00.00
National Agricultural Credit (Long Term Operations) Fund	...	73,00.00	73,00.00	61,00.00
National Agricultural Credit (Stabilisation) Fund	...	8,00.00	8,00.00	7,00.00
Deposits—				
(a) Central Govt.	...	52,71.93	52,16.55	62,11.18
(b) State Govts.	...	13,52.89	9,75.57	9,16.48
(c) Scheduled Banks	...	83,42.97	82,14.36	74,60.49
(d) State Co-operative Banks	...	2,43.97	2,74.01	2,70.30
(e) Other Banks	...	1.50	3.20	2.39
(f) Others	...	1,59,94.02	1,57,78.64	1,73,90.78
Bills Payable	...	33,48.80	33,30.15	29,99.84
Other Liabilities	...	73,63.03	71,08.33	70,34.04
Total	...	5,85,18.91	5,76,01.01	5,75,85.47
Assets—				
Notes	...	18,26.82	18,98.81	33,31.75
Rupee Coin	...	3.30	2.59	2.47
Small Coin	...	4.80	4.42	3.11
National Agricultural Credit (Long Term Operations) Fund	...	...	...	...
(a) Loans and Advances to—				
(i) State Co-operative Banks	...	28,30.76	28,31.37	27,17.26
(ii) Central Land Mortgage Banks	...	8,43.31	8,53.76	9,22.03
(iii) Investment in Central Land Mortgage Bank	...	...	...	...
Debentures	...	3,59.36	3,59.36	2,84.88
National Agricultural Credit (Stabilisation) Fund	...	...	...	...
Loans and Advances to State Co-operative Banks	...	...	...	...
Bills Purchased and Discounted—				
(a) Internal	...	...	...	...
(b) External	...	...	...	...
(c) Govt. Treasury Bills	...	...	...	...
Balance Held abroad	...	87,90.69	1,02,63.30	58,11.28
Loans and Advances to Govt.	...	7,97.01	12,19.06	9,83.00
Loans and Advances to—				
(i) State Co-operative Banks	...	45,01.80	66,15.70	1,10,05.58
(ii) Others	...	2,31.25	1,71.20	1,80.27
Investments	...	1,54,11.66	1,04,69.73	1,98,78.41
Other Assets	...	30,83.97	30,85.00	36,56.47
Total	...	5,85,18.91	5,76,01.01	5,75,85.47

SCHEDULED BANKS

(In 000's of Rupees)	Week Ended		
	17-4-64	10-4-64	19-4-63
(i) Demand Liabilities—			
(a) Demand Deposits:			
(1) From Banks	65,86.38	68,93.93	53,26.50
(2) From others	10,74,18.23	10,74,56.13	8,93,24.38
(b) Borrowing from Banks	33,11.21	31,56.51	31,65.32
(c) Other	69,24.82	68,91.91	63,90.27
(ii) Time Liabilities—			
(a) Time Deposits:			
(1) From Banks	28,02.32	27,39.28	27,69.95
(2) From others	12,32,27.47	12,26,69.20	11,90,17.78
(b) Borrowing from Banks	12,81.63	12,38.00	13,07.59
(c) Other	10,99.59	11,40.13	10,16.75
(iii) Borrowing from State Bank—			
(a) Demand Liabilities	17,36.17	15,63.53	7,41.13
(b) Time Liabilities	10,62.00	11,92.00	12,52.50
(iv) Borrowing from Reserve Bank	65,14.70	68,74.03	32,06.25
(v) Cash	60,16.48	59,59.91	53,80.90
(vi) Balances with the Reserve Bank	82,12.50	84,83.93	77,08.82
(vii) Balances with other Banks in current account	21,23.74	23,36.33	20,88.23
(viii) Money at call and short notice	39,65.95	35,75.75	43,94.57
(ix) Investments in Central and State Govt. Securities	6,24,74.86	6,23,65.41	6,09,07.93
(x) Loans, Cash Credits and Overdrafts	15,45,81.11	15,42,21.65	13,24,43.88
(xi) Inland Bills purchased and discounted	18,81.82	17,54.79	6,33.08
(xii) Foreign Bills purchased and discounted	2,30,67.33	2,28,11.89	2,18,90.91
(xiii) Total of X, XI and XII	68,02.93	68,02.93	53.4
(xiv) Total of X, XI and XII	18,60,09.06	18,56,90.36	16,05.1

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HINDUSTAN LEVER LIMITED

CHAIRMAN, MR. P. L. TANDON

REVIEWS PROGRESS

The following is the speech delivered by Mr. P. L. Tandon, Chairman, at the Annual General Meeting of Hindustan Lever Limited, held at Bombay on Tuesday, 28th April 1964.

Even more than capital and raw materials has a rapidly developing economy to think of its resources of management. For ultimately how well the economy grows will depend upon the calibre of its managers and their attitudes. We, in India, have been fortunate in this respect. Growth of trained management has been rapid and much attention has been paid to this need, and how big is the problem may well be judged from a simple calculation. Out of two million jobs estimated to be created in each year of the Third Plan, even at a ratio of 2 per cent of them being managers we shall need to train 40,000 new managers every year. This is indeed no small task, more so when it is considered that a manager not only must possess a basic discipline such as engineering, accountancy or marketing but to be really effective also receive training in how to be a manager: we have to develop in him besides his function the skills and attitudes of management.

We have always been conscious of this task, and how we view it and what we do about it is the subject of my speech today, as I feel you may be interested in knowing something about this most important aspect of our Company.

Although founded by the genius of one man, our parent company has always been professionally managed. This has been a strong tradition with us and one we have valued in Hindustan Lever. We have always bestowed a lot of care on the proper selection, training, development and promotion of men and women; we have looked ahead at our needs, foreseeable and unforeseeable, and tried to provide for them before they arise. Nearly twenty years ago, as an instance, we appreciated the need for Indianising our management, and the process was handled with care but with boldness till it ceased to need any further impetus some years ago. Over twenty years ago we began our Management Trainee selection scheme, which over the years has with attention and assimilation of new techniques improved until today it stands high by international standards. Opportunity for men from the general staff to rise to management has been another of our conscious efforts.

We have today 341 managers, of whom 178 or 52 per cent have risen from the ranks; a total of 11 or 3.2 per cent are expatriates; our selection and training department in 1963 recruited 26 managers and put through training courses 25 managers as well as 17 non-management staff; 5 from the staff were promoted to management. Our management strength forms 5.2 per cent of our total employees. Although essentially a manufacturing and marketing company, we have 27 women managers, who interestingly possess a diversity of specialised skills like psychology, operational statistics, scientific research, accountancy and home economics.

Management development with us is a complex of activities whose purpose, simply stated, is to ensure three things. First, to anticipate our requirements over the next five to ten years; second, to select, recruit and train men and women to fill those requirements; third, to develop attitudes and values in individuals that prepare them to meet their responsibilities at the standards we

consider desirable. All this, ultimately, like capital expenditure, budgeting, annual estimates and operational plans, is the responsibility of the Board, assisted by the active participation of all our managers and operated by the Personnel Department, which has a member on the Board.

Management Forecasting

It takes time to make managers, especially to befit them for higher responsibilities; but we do not believe in age as a determining or even a particularly important factor, in fact it seldom enters our calculations. It is our experience that it takes about ten years to prepare a young manager to take over senior responsibility. If he has the ability and responds to development, with the opportunities that are constantly opening up in a growing and decentralised concern like ours, we would in fact be disappointed were he not able to receive his first shot of a senior independent charge in his early thirties. For all this much forward planning is necessary, especially where the future winners are concerned, for they have to be picked, groomed and trained for twenty years or more. And we may lose some in the process.

The instrument of forecasting is the Management Review which is prepared every year for the next five years. It is much like the Cash Forecast. It evaluates in terms of managers the needs of our business which will arise out of expansion, new projects, new products and organisational changes. This need is then equated with our internal resources, what will be generated by way of promotions from the staff to management, the losses that are likely to occur through retirements and losses through anticipated and unexpected separations. The exercise ultimately throws up our net requirement, which in a growing country and an expanding business must happily be always on the plus side.

The advantages of this exercise are three. In analysing our needs we make sure that they are genuine and not Parkinsonian; and in quantifying them we know when they are likely to arise and how we will meet them. Otherwise it can easily become a case of people retiring or new vacancies arising without their having been provided for well in advance. We begin thinking of the replacement of retiring men some years ahead of the event. Men are nominated and tried, more so for senior positions. Planned transfers and cross-postings are also a part of development, often into functions different from their original skill or training. The third and important advantage is that the promotion potential within the firm gets carefully looked at. As it is the first priority to promote from within, each department in stating its needs will carefully consider how it can meet them from its own resources.

The Management Review is normally brought up to date every year, but sometimes circumstances may need an ad hoc study. Its preparation and follow-up, like the Cash Flow, keep our management resources under constant study.

Selection and Recruitment

The five-year plan is reduced to an annual operating plan of recruitment and the Board is kept in touch with its progress. Every quarter a statement of the total strength of the Company is prepared showing staff in each category, retirements, separations, promotions and recruitment, and this is examined by each department, its director and finally by the Board.

From where do we get our managers? First, always, we look within. Who is ready to be made a manager and who is ready to move up? The process of following initial selection of staff with a good original record, observation, training and grooming should ensure a regular flow from within and a ladder for the men and women with the right qualities to climb to the higher levels.

Secondly, we recruit young trainees, fresh from the Universities with good degrees in humanities or sciences for the general side, in engineering and technology for production, qualified accountants for finance and audit. Experience may help, but we primarily look for a good mind and a likely ability to possess and develop the set of attitudes that we consider important for our business. These may be called "management-like qualities"; not easy to define but meaningful when they are three, and the cause of management failure when they are missing.

We resort to direct recruitment when it is necessary. In actual practice this is mostly confined to specialists as in our agricultural operations, animal feeding-stuffs, research, economics, statistics, engineering, medical and legal fields where we do not have specialist resources within the Company. But sometimes even in non-specialist jobs if we have not got a suitable qualified person, rather than lower the standard we will go outside.

Despite all the care we take in selecting, 20 per cent of our trainees do not make the grade. This may sound a high proportion and is costly, but one we would not like to see reduced through a sacrifice in our standards or through over-caution. These are young men who are basically able and well qualified but have either not taken to business or have not developed the attitudes we need. The answer perhaps lies in a keener follow-up on our part; to carefully isolate these attitudes; to try and build them into our training and of course to ensure that those training the trainees are themselves conscious of them. This is a task that we are now attending to. Were I to attempt defining them I would say that they are, positively and negatively, a dedication to our business, keenness for achievement without a desire for power for its own sake, a deep social sense, and ability to get on with the job without wasting time on the frills. In short, we prefer solid ability to just virtuosity. I am of course taking for granted the usual qualities of intelligence, industry, integrity, self-confidence, etc. We like poise and ease but put no premium on background as a veneer. We have also managed to be respected by those who recommend candidates to us, for we will carefully look at everyone who knocks on our door because we are anxious to take in talent, but we make no concessions to influence.

Some interesting features of our selection procedures may be worth mentioning. All applications—and we receive nearly 1,000 for every person selected—are screened for conforming to basic requirements of age and qualifications. Those who meet the requirements are sent a printed application form which, apart from details of the school and university career and any jobs held, asks for some data that would throw up academic and extra-curricular interests and hobbies, ideas about his career and any leadership experience at school and college. These are again screened by experienced persons, and the promising candidates are

invited for a preliminary interview at the Head Office or one of our branches. Those who show promise are then invited to our Head Office at Bombay for final selections, which are held in two parts.

In the first part of final selections, a group of six to eight candidates is brought together to a conference table and given a choice of subjects and a case study which they discuss in the presence of four senior managers, who however only act as observers. The group is "leaderless" and has to organise its own discussion and provide opportunity to each member to display his qualities of mind as well as leadership and being led. Our consulting psychologist, who knows us and our requirements well, is also present at these group discussions, which he follows up with an interview at which each candidate is put through some psychological tests.

In the second part of final selections, the most promising candidates are put up before a senior board of at least two directors, the Personnel Director and some senior managers. From this group we finally select and offer appointments to as many as reach our standards, though we are always willing to take some risk with otherwise promising material. This must account for some of our losses. I should like to add that we try to make our selection procedure as objective and impartial as possible, particularly so that it leaves those who are not selected with a feeling that the process was fair. Secondly, the psychologist has not a decision making function; his role is confined to the use of technical methods of assessing such aspects of personality requirements as are relevant to the job. The information that is gained through his tests is considered along with other impressions formed of the candidate. The psychologist's opinions are helpful to the selection Board but not decisive. All opinions of the psychologist are treated as confidential.

We find from experience that the group method of selection has several advantages. It provides for greater scope for studying the different aspects of a candidate's personality. A group can be given certain tasks which cannot be given to an individual. The men are seen together and are therefore easier to compare. Rejection is also less painful in a group method, and although the unsuccessful may not always agree with the decisions of the selectors, group inter-action will usually make it abundantly clear as to who stands out. In fact the candidates, when questioned individually, will usually pick the right ones themselves. Lastly, the procedure is economical.

Training

Whatever the methods and technique followed in the selection procedure—personal interviews, group discussions, psychological tests, etc., selection is



RESEARCH!

Come now, everyone uses that word nowadays. Yes, but at HOECHST research is a tradition. A tradition which includes Nobel Prize winners Koch, Ehrlich and von Behring. What's more, we spend a lot of money on research—Rs. 13 crores in 1962.

Good gracious! But money's not everything.

True. But research also means work and skill. Hundreds of highly qualified HOECHST scientists synthesise, study and test... thousands of compounds.

Hmm, it's beginning to form a picture.

And research is only one part. There are others:

modern automatic equipment, stern quality control, fierce testing and... (stop fiddling with your collar!) experience.

But what does it all mean to me?

It means that the HOECHST medicines you buy in India have behind them worldwide research and experience—distilled from a century's pioneering work by HOECHST.

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only the first stage in the total process of acquiring and developing managers. After selection begins our real task.

Training is given individually and on the job. We have found from experience that young intelligent trainees do not like to spend months in circulating around the various departments of the Company watching how others do their jobs; instead they like to get down to a job themselves and so our training programme is now job-oriented. Also, this is the best way of judging their performance and potential at an early stage. After a very quick familiarisation programme lasting only about four weeks in a Division, they are put to work in it. Let us take the marketing side, which absorbs the largest number of trainees. The young man will go into the field and work under a salesman for a month, after which he will work independently as a salesman for three to four months. He then works under a sales supervisor for a month and then independently as a supervisor for another three months or so. By now he has been "blooded" and can hold his own in the field. The men who work under him later should recognise that behind what he expects them to do lies experience and ability to do it himself, and well. After this spell of about nine months in the field he works in a junior management capacity in branch administration where he learns to deal with the field

work from the office end. After some months of this he is seconded to a sales manager and helps him run an area. At the end of one and half years of all this training he is given his first managerial responsibility and appointed an Area Sales Manager. From then on he will go as far as he deserves.

All through the training his seniors devote a good deal of their time and attention to his progress, and the Board constantly receives reports on his progress. His Director will meet him regularly, and the Chairman occasionally. The progress reports are discussed in detail in a committee of the Vice-Chairman, his own Director and the Personnel Director. His training finished, a recommendation will be put up for confirming him in the covenanted grade of management; and the Chairman will usually personally hand him the covenant. He is from now on the Company's most valued investment, and we are deeply disappointed at our occasional failures, though they have to be faced in the interests of the Company as much as for his own sake.

Training never really stops. We have designed our own courses, principally to give the managers a broader picture of our operations and its environments, and to sharpen their managerial skills. These courses are always residential and there they meet men and women from other sides of

our business. The courses can be general or functional, as in marketing, finance, O. & M. To many of them we invite as participants men from our associate Unilever companies in Africa and Asia. We also send our managers to courses, seminars and conferences held outside the Company to provide the stimulus of meeting people from other organisations and particularly from Government and its undertakings. We send them to the Administrative Staff College at Hyderabad, the new Institutes of Management of Calcutta and Ahmedabad, the regional and the All India Management Associations, the National Productivity Council and to other more strictly functional courses.

Unilever's training facilities in the United Kingdom and its specialist courses in Australia and America are also open to us. We have also sent men to Henley and Harvard. Lastly, we send a few men every year to the United Kingdom for specialised training with Unilever companies in that country and on the Continent.

We find all this training, carefully planned for both its content and timing, and integral part of the growth of a manager. It has to be judiciously controlled though, to stop it from becoming a fad. Each name for outside training is examined carefully by the Board and each manager is made to realise that he can get out of a course

only in proportion to what he himself puts in.

A very useful aspects of training is the encouragement we give to our managers to accept various extra-mural responsibilities. In a developing economy, it is natural that demands should be made on our managers by Government and other organisations and it is only right that we should make our contributions in the fields in which we have special knowledge or experience. We are, therefore, always prepared to help as long as the demands made on us are consistent with the priorities and requirements of our own business. We believe that this kind of assistance is to mutual advantage and, in the ultimate analysis, we gain as much from such efforts as we give because it adds to the knowledge and experience of our managers.

Promotion

Promotion is always and invariably on merit, irrespective of age or length of service. We frankly believe in the logic of the best man for the job because only then will the job be done best. But evaluating merit is not an easy task. We therefore do not leave such evaluation entirely to the time when the need for promotion arises but make it a continual process so that when the time comes it is quite obvious who the man is; in fact normally he has already been groomed for it. Evaluation with us is a constant process, consisting of progress reports, thorough training, personal contacts by the seniors and by annual personnel reports, discussions at the monthly Board meetings, job evaluations, short lists of promising men: all this helps to ensure unbiased and objective judgment.

How do our managers respond to this system which takes away the crutch of "automatic" promotion? They accept it implicitly when they join us and, in fact, they often tell us that they regard this as one of the best reasons for joining us. The system, which they themselves will have the responsibility to operate, assures a fair assessment, and cases of unfair promotions are almost unknown. There may be two views on a quick or unexpected promotion but nearly always the sense behind the decision soon becomes obvious. The capable rise rapidly, so that they don't lose the fine cutting edge: some are inevitably left behind—arithmetic must work inexorably, for after all the shape of a management structure must be pyramidal. Those left are well looked after and have a very useful function in which their interest is kept alive through training and sometimes a change of job. In fact it is not that many are left behind but that some must get further and faster. To use an American phrase: There cannot be all "Chiefs and no Indians" (the American kind).

You may have noticed that I have frequently mentioned the Board in connection with selection, training and promotions of managers. This indicates not the control the Board exercises over these processes but the interest it takes in what I have already referred to as our most valuable asset. Management Development, as I have tried to describe it, is an integrated operation which has a quality of wholeness like marketing or manufacturing; and not merely the application of a series of isolated techniques. How well we grow, how successfully we meet the challenges will depend in the end on how well we select and prepare each man for his job and inculcate the right attitudes. I have tried to present to you the thinking and practice on this subject, but let me be clear. We are, of course, aware that what we are trying to do can be improved upon. To effect such an improvement is our constant endeavour.

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

INDIAN ALUMINIUM COMPANY, LIMITED

CHAIRMAN, MR. H. V. R. IENGAR'S REVIEW

Address to members of the Company by the Chairman, Mr. H. V. R. Iengar, at the Twenty-sixth Annual General Meeting held in Calcutta on 27th April, 1964.

I have pleasure in welcoming you to the twenty-sixth Annual General Meeting of the Company.

I think it will be in accordance with both the pattern set by tradition for Chairman's speeches and with my own conception of what such speeches should contain if I adopted as a general theme today the responsibility of an organization such as Indalco in the developing economy of our country. But I would like first to deal with our performance in 1963.

As industrialization of the country proceeds, the market for our products continues to grow, and large areas of demand remain unsatisfied or undeveloped. In these continually favourable conditions, and benefitting from the completion of increases in capacity undertaken in previous years, the Company achieved new levels of sales and earnings in 1963. The total value of sales at Rs. 138.9 million was 32% higher than in 1962; gross profit improved to Rs. 38.2 million from Rs. 24.0 million, and net profits were also markedly higher at Rs. 16.0 million compared with Rs. 12.6 million for 1962. The latter increase was achieved despite the higher tax charges in 1963 which reflected a reduction in Development Rebate, the impact of Super Profits Tax, and the company tax incurred in respect of the bonus issue. Taken together, all these figures are evidence of our sustained growth and amply justify our past investments in new productive units.

Whilst primary aluminium production rose by 10% to over 25,000 tonnes, despite a prolonged power cut in Alupuram which reduced this smelter's output, and to which I will refer again later, there was a sharper increase in production of semi-fabricated products which rose to over 19,000 tonnes, from under 13,000 tonnes in the previous year. This increase in semi-fabricated output was made possible by the expansion at Belur completed in 1962 and by overcoming teething trouble encountered when the new equipment was first put into production. Output from our other plants continues to be very satisfactory.

To meet part of the capital requirements for the current expansion of the Alupuram smelter, and for the foil mill under construction at Kalwa, the first benefits of which are not expected until 1965, a number of security issues were made during the year. The authorized capital of the Company was increased to Rs. 100 million by the creation of an additional 4 million ordinary shares, and the issued capital of the Company increased by rights issue of 804,278 new ordinary shares of Rs. 10 each at a premium of Rs. 15.50 per share, part of which is still to be called.

Public Issue

Additionally, a public issue of 7% Debenture Stock for Rs. 10 million was made on January 11th, 1963, and the Commonwealth Development Finance Company Limited were issued £100,000 Sterling Debenture Stock on March 30th, completing an issue of £500,000 Sterling Debenture Stock agreed to in 1962.

Finally, on December 30th, there was a bonus issue of 1,200,000 fully-paid ordinary shares of Rs. 10 each in the proportion of one for four. Whilst this

issue did not increase the amount of shareholders' funds employed in the Company, it brought the issued capital more into line with the true shareholders' investment.

On the basis of the results for 1963, and in view of the satisfactory level of activity experienced at the beginning of this year, your Directors felt justified in recommending a total dividend for 1963 of 17½% on the augmented ordinary share capital. Simultaneously, the allocation to general reserve has raised it from Rs. 19.5 million to Rs. 31.5 million.

You will wish to know the immediate effect of the Budget proposals on the Company. Allowing for uncertainty of interpretation, the estimated net effect of the proposed changes will reduce the provision for Company taxation in respect of 1963 by about Rs. 2 million, which will appear as a credit in the 1964 accounts.

The Company will benefit from the rebates to be allowed against income and super-tax and also against the new sur-tax. The Finance Minister's general policy of encouraging the development of particular industries includes the aluminium industry, and will facilitate future expansions.

We welcome the Finance Minister's intention to continue the Development Rebate for key industries beyond April 1st, 1967. It is important to an industry such as ours in which new productive units require large amounts of capital and relatively long construction periods, to be assured of some stability in the fiscal climate. The Minister's assurance in regard to continuation of Development Rebate will be helpful from this point of view. Nevertheless, the proposed tax on bonus share issues and the 7½% tax on distributed profits both seem certain to have an adverse effect on the capital market and to make the task of those who find it necessary to raise fresh capital considerably more difficult.

Future Plans

Looking into the future, our Company will continue to make progressive efforts towards supplying metal and fabricated products at reasonable prices, permitting us to pay good wages to our workers and to earn and distribute satisfactory profits. Beyond the pursuit of these interests, however, we feel a further responsibility to make such contribution as we can towards the expansion of aluminium production so badly required in India.

When the Emergency arose as a result of the Chinese invasion, Indalco offered immediately (a) to step up the production of aluminium in Alupuram by an extra 5,000 tonnes although, from certain points of view, this was not an ideal location for increased smelter capacity; (b) to make special alloys required by the Defence Services; and (c) to loan to Government, without any obligation, some highly qualified technical members of the staff, to enable Government to decide on the planning of the industry in the light of the rapidly changed Defence situation. All this was intended to be a measure of short-term assistance. On the long-term, the Company assessed what its place in the economy should be against the background of the requirements of metal in the country in future.

On the best assessment we can make the country will require by the end of the Fourth Plan, very much larger quantities of metal than have been

planned for at present. Your Directors realized that, if the Company should take its appropriate place in the context of metal required in the future, it should make an earnest effort to expand its operations. Naturally, they hoped that while the siting of new operations would be based, primarily, on the sources of power and of bauxite, it could be so adjusted as to lead to rationalization of the Company's own transport structure which at present, due to historical reasons, is not entirely rational. All the arguments suggested that the Company should concentrate on getting permission from Government to expand on the West Coast.

I am glad to inform shareholders that we have had satisfactory discussions with the Ministry concerned, viz. the Ministry of Steel, Mines & Heavy Engineering, who have now asked us to submit an application for an Industrial Licence. We are submitting an application shortly. The intention is that, initially, we should put up a smelter with a capacity of 30,000 tonnes, but this will form a nucleus of a much larger scheme of integrated aluminium production on the West Coast.

Despite the strong demand we foresee, it is obviously desirable that production costs should be brought down, and it is the policy of Indalco to make every endeavour in this direction. I wish to draw your attention to two elements of cost over one of which the Company has no control and over the other only limited control. The former is a matter of power supply and power costs; the latter of the productivity of labour.

Power Cuts

Throughout the first half of 1963, we suffered long spells of power cuts at our Alupuram smelter, which resulted in a loss of 950 tonnes of metal production. In 1961 and 1962, similar power cuts had resulted in a loss of 150 and 400 tonnes respectively. There had been intermittent power cuts at Alupuram even before this period but we had reasons to believe that with the augmentation of power-generating facilities in the State there would be no recurrence of such power cuts. But the situation appears to be worsening. The extent of the 1963 power cut was more severe than any in the previous years and in the current year also a 25% power cut has been enforced from February which has further been increased to over 40% from March. These interruptions in power supply not only seriously affect production but cause technical dislocations which take considerable time and expense to remedy. Consequently, costs go up. However, we have an assurance from the Kerala Government that every effort is being made to increase generating capacity further and it is expected that by the end of 1966 the necessity to impose power cuts will be obviated to a great extent.

There is also the tendency on the part of State Governments to levy duty on electricity consumption, which has the effect of increasing the contracted price for power. As electricity is a major raw material for the aluminium industry, aluminium producers seek to enter into long-term contracts with suppliers of electricity (State Governments, in our case) to ensure continued supply of power at rates which may sustain the industry on a long-term basis. It is, therefore, obvious that the sanctity of such contracts should be preserved not only as an act of faith but for sound economic reasons. Without belittling the omnipotence of the legislature, it seems necessary to

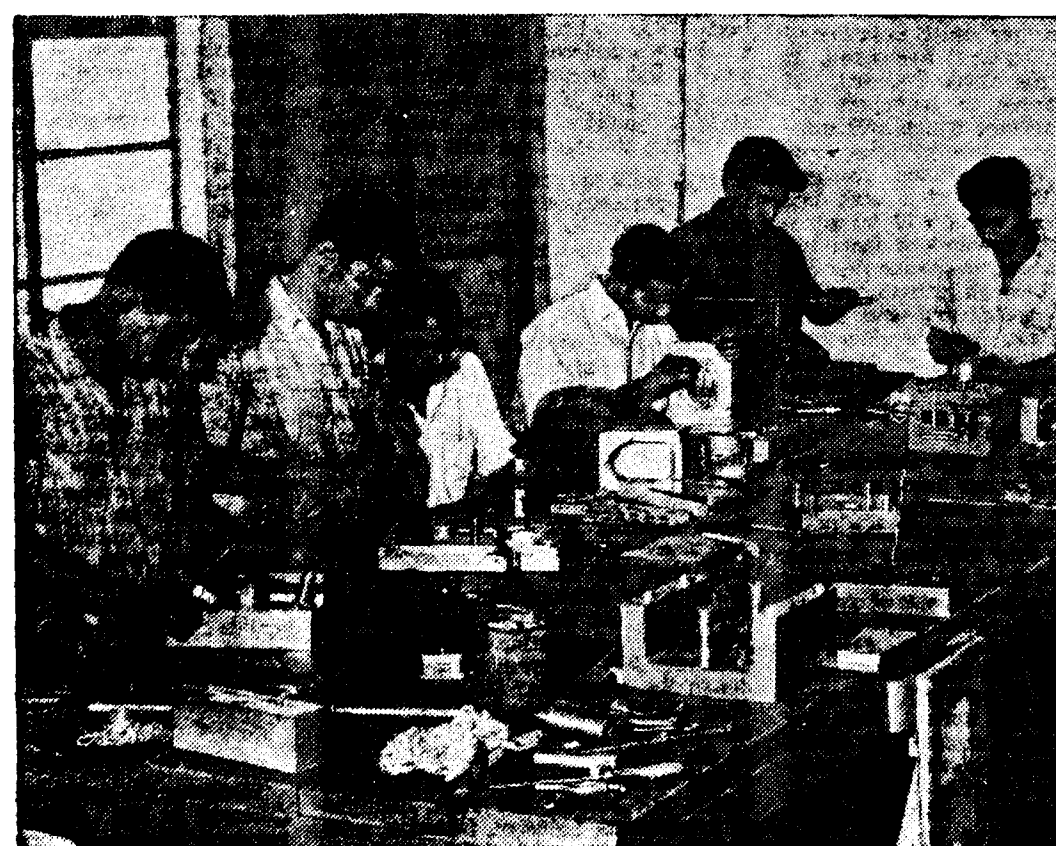
point out that legislative powers, where they seek to vary or abrogate contractual relations, should be used, if at all, with great discretion and in the real interest of the community at large; never as an expedient to raise some additional financial resource.

Apart from power cuts, an important factor which is preventing a reduction in costs is low productivity in India. A study which I had made some time ago showed very unfavourable comparisons between our own plants and similar sized plants overseas. I am not suggesting that the comparisons necessarily reflect adversely on the efforts of workers. Production per employee is influenced by a large number of factors other than the efforts of workers. Such other factors would include mechanization, size of the productivity unit, adequacy of raw material supplies and transport, production planning, management and scientific knowledge and so on. My submission is that each of these aspects should receive close attention and scrutiny, for thus only can we achieve internationally competitive standards of productivity and maximum economies of production.

Better Relations with Labour

An important influence on productivity is the human factor involved in management/labour relations. Last year, in my address to you, I had mentioned that it was imperative that we secure the co-operation of trade unions and industrial workers in order to achieve a standard of productivity which is comparable to those outside India. Your management has been unswerving in its efforts to develop such standards of productivity. I have pleasure in informing you that following the understanding we have reached with the Union in Hirakud there has been significant improvement in production and efficiency. I am also happy to inform you that our Alupuram Union has recognized the necessity for further increasing productivity and rationalizing work standards and has agreed with the management to make every effort to man the new smelter with the existing personnel, as far as possible. I consider this a significant step demonstrating an enlightened trade union attitude.

In a democratic society, industrial disputes are bound to occur and it is common knowledge that such disputes are invariably resolved in course of time. It is also obvious that the most enduring way of resolving these disputes is through collective bargaining and mutual consent. And yet I find these processes becoming increasingly ineffective and slow. Sometimes a great deal of damage is done both to the industry and the workers by such procrastination. In the majority of cases, the delay hardly improves the bargaining position of either of the



SMALL SCALE INDUSTRIES

...We shall be happy to consider requests from Small Scale Industries for financial assistance.

■ For details please consult our nearest Branch or the Industrial Finance Department at the Bombay Main Office.



THE BANK OF INDIA LTD.

T. D. KANSARA, General Manager

INDUSTRIAL MERCANTILE BANK LIMITED.

Registered Office: 18, Clive Row, Calcutta-1.

Authorized Capital	...	Rs. 2 Crores.
Subscribed Capital	...	Rs. 1 Crore.
Paid-up	...	Rs. 50 Lakhs.

BOARD OF DIRECTORS:

Sri Mohan Lal Jalan (Chairman).
Sri Bhagwanth Kanaria.
Sri Shankar Ghoshwala.
Sri Kamal Ghosh Bhattacharya.
Sri Promode Banerjee Sarkar.
Sri Hari Lal Mehta.
Sri Chakrabarti Kanaria.

Branches and Agencies throughout India.

R. S. MAZUMDAR, Manager, Head Office.

parties and only contributes to a national wastage of effort. It seems that both sides must train themselves to negotiate in "good faith". Exaggerated demands in the hope that an understanding would be reached somewhere at the "half-way point" should be eschewed. There should be sufficient appreciation of the fact that a co-relationship exists between wages, production, and costs. Collective agreements are, no doubt, the results of give-and-take but the methods which the parties pursue should be based on goodwill, a scientific approach, and must demonstrate a regard for the public interest. I feel that if these considerations are kept in view, a tradition of healthy, mutual negotiations will be established in the country and will prove beneficial both to industry and the workmen.

On this problem of human relations as affecting productivity in industry views appear to have become stratified. The different parties concerned, viz. the Governments, both the State and the Union Governments, the Trade Unions of different persuasions, and different employer organizations have taken up positions involving some rigidity of posture. It may be that a solution has to be many-sided; it may involve re-thinking on the part of all three parties. It seems necessary that a fresh look should be given to see where a break-through is possible. A solution may arise out of a fresh study of the problem by a body such as the National Productivity Council which, happily, has a tradition of a joint approach to problems of productivity by Trade Unions, employers and Government, with the assistance perhaps of outside experts. Your management has discussed the problem—not as a problem affecting Indalco but as affecting Indian industry generally—with the National Productivity Council and has also offered to finance a research project up to a lakh of rupees. I hope something useful will emerge out of our discussions with the N.P.C.

Self-generating Growth

Before I conclude, I have to make reference to a sad fact, of which I am sure all of you are aware. Mr. K. C. Mahindra, who was at the helm of the Company's affairs for over twelve years, died on October 31st, 1963. As an industrialist, a philanthropist, and an elder statesman, Mr. Mahindra was well known throughout India and many obituaries have been written mentioning these traits. Your Company's relations with him were, however, more intimate. He guided the policies of your Company and set the pace for its continued growth and for its high standards of efficiency. In many of his addresses before you, he pledged the Company's resources to the development of the aluminium industry in India. In his last address to you, he made a prophetic observation. Referring to the expectation that India would reach the stage of a self-sustaining economy by the end of the Fourth Plan, i.e. 1971, he said: "In our own sphere of industrial operations, I make bold to state that the Indian Aluminium Company would reach this stage five years ahead; I mean that expectations are that your Company would be 1966-67 achieve sufficient strength to stand on its own and generate enough technique, enough management, and enough resources to follow through further expansions." Probably, his hopes have already been realized, but let us, in mourning his loss, resolve to fulfil all his expectations through dedicated service to the Company, the industry, and the country.

Finally, I wish to thank on your behalf the management and all the employees of the Company—the staff and the workers—for their efforts and co-operation which contributed to the satisfactory results of 1963.

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

MAHINDRA & MAHINDRA LIMITED

CHAIRMAN, MR. MAHINDRA REVIEWS RESULTS

The following is the speech delivered by the Chairman, Mr. Keshub Mahindra, at the 18th Annual General Meeting of the shareholders of Mahindra & Mahindra Ltd., held in Bombay on 23rd April, 1964.

Ladies and Gentlemen,

It is a proud privilege for me to be addressing you for the first time and to be able to extend to you a warm welcome to the Eighteenth Annual Meeting. In their report to you, your Directors have expressed their deep feelings at the sad and sudden death of our Founder Chairman, the late Mr. K. C. Mahindra. Many of you in this room who knew him intimately over the years, will agree with me, that his greatness lay in his sensitivity towards people—which produced in all of us a deep sense of affection for him. He looked forward to meetings such as these, for they provided him an opportunity to share his thoughts with you on many issues. His speeches were the products of a mind which had an unique appreciation of knowledge and a remarkable gift of language and judgement. His appraisals invariably germinated food for thought.

Today I can think of no better way of paying adequate tribute to his memory of the late Mr. J. C. Mahindra, than to narrate to you the story of the growth of your Company. It was in 1945—that our late Chairman together with his brother, laid the foundations of your Company. The first ten years were spent in formulating long term objectives, procuring talent, laying down sound management controls and training technical and managerial personnel. This was the time spent in exploring and choosing. Financial resources were being harnessed for the period of growth. These were the foundations laid for establishing manufacturing industries basic to the country's economic development. The record of the last eighteen years bear testimony to their zeal, devotion and tireless efforts.

Machinery Manufacturers Corporation was the first venture with public participation. This Company was formed with the object of manufacturing carding engines for the textile industry. The history of this Company may be known to many of you. In the years that followed serious setbacks had to be faced and met. The lack of a well defined protective policy, as well as initial resistance to an indigenously manufactured produce aggravated the situation. It is, therefore, of considerable satisfaction, that after years of struggle for survival, today the Company continues to be the largest producer of carding engines in the country. After fifteen years of operation, the maiden dividend was declared two years ago. It was perhaps this experience which made the Founders hesitate initially in inviting public participation in our new ventures.

Diversified Production

Over the years a wide range of products were chosen for manufacture. The Automobile Division which forms the principal activity of the Company, now has an installed capacity to manufacture 10,000 Jeeps per year. This has been possible through an association with a large group in the U.S.A. and we have the privilege of having their President on our Board of Directors. The dependence on imports for components is fast diminishing and with continuing progress in the field of ancillary production, it is anticipated that an indigenous content of 90% will soon be achieved. The Division is fully staffed with skilled technicians, and through its intensive training pro-

grammes for operators and engineers, it is to a great extent self-generating in its requirements of personnel. New factories are under construction at Kandivili, and it is envisaged that well integrated units will be ready for occupation by early next year.

Recognising the advantages of linking substantial investment with the procurement of technical "know-how" from abroad, your Company promoted a number of other units, which today serve our economy. In partnership with organisations in the U.K., various companies were formed to manufacture a range of products such as trailers, sintered products, air-cooled diesel engines, water meters and instruments. In collaboration with a German firm, a company was formed to produce synthetic resins, enamels and varnishes, while in association with an American company a unit has been set up to produce elevators.

Steel has always played an important role in the affairs of your Company, and while the import of steel sustained the Company during its formative years, a need was felt to establish a manufacturing unit in the country. To this end in collaboration with a leading French firm a Company has been floated for the manufacture of alloy steels. This as you are all aware, is a large project involving considerable capital outlay. A second large project is the manufacture of tractors in collaboration with one of the largest corporations in U.S.A. This Company has been formed and shares will be offered to the public in the course of this year.

Looking back, it was in 1955 that shares were offered to the public for subscription. At that time the Company was privately owned by the family. Before the public issue, an offer was made to all employees of the Company who had five years service or more, to participate in the share capital. It is gratifying to remember that nearly all employees took advantage of the offer.

The First Public Issue was made with an offer of about 47 lacs of capital. The response from the investing public was overwhelming. Over the years, there have been two further rights issues, incidentally both were over-subscribed, bringing the capital of the Company to the present level of Rs. 253 lacs and the number of shareholders has increased from 1860 to over 5500 today.

While the role of capital is not to be underestimated, it is labour which gives it a meaning in industry. I think of labour in its integrated sense, embracing all members of an industrial enterprise, whatever their functions. Without the effort of labour to plan and to execute, capital remains stagnant. Corresponding with the increase of capital, our own labour strength in the parent Company has increased from 1200 in 1955 to nearly 5000 today. Labour in the Company looks to the future for increased earnings, for opportunities to better their way of living and for chances of promotion. Over the last four years, over 800 vacancies have been filled through promotions from within—sufficient assurance that ample opportunities exist in your Company for advancement. Better pay, good service conditions and a share in the prosperity of the Company have been the benefits accrued to labour. In response, the Company has their assured loyalty and a desire and enthusiasm to meet the ever growing need for better skill and more productivity.

Quality Control

In all our varied manufacturing activities we have always laid empha-

sis on quality control and I can say, that the quality of our products has ensured consumer satisfaction. Nor does our responsibility and with the sale of the product—the importance we have given to after sales service has instilled a sense of confidence in the consumers, which must reap rich dividends in the future.

It is your faith and confidence that has made possible this growth. Great care has been exercised by your directors to ensure fair and reasonable dividends. Keeping in mind the need for liquid funds for expansion and diversification, your Directors have favoured a stable policy of dividends. The operations of the Company over the years have fully justified expectations, reflected by the profits earned from year to year. The shareholders enjoy an added sense of security that the reserves of the Company have increased to 80 lacs while the investment portfolio stands at 63 lacs. In conformity with the views expressed by many of you, a modest beginning was made in offering you shares in the new steel company. I hope that with continuing growth, there will be further opportunities for you to invest in new companies or in the expansion of the existing units—so that you may share in the prosperity of your Company—a share which rightly belongs to you.

Progress of the Plan

The economy has reached a difficult stage in its development. The country through the Five-Year Plans is in the process of reappraising the methods by which desired social objectives can be achieved. You may well ask whether this transitional period will have any effect on our industrial philosophy. I can only answer you by affirming that practically every unit in the group is in the process of expansion and that we have our sights fixed on more ambitious targets in the future. We would be failing in our duty if we did not continue to contribute to the growth of the community to which we belong. In these endeavours we do not doubt that there will be vast difficulties. The large commitments we have already undertaken are a measure of the confidence we have in the future.

In reminiscing over the past, I may have taxed your patience. The encouraging and the guiding hand of the late Chairman is no longer with us. I am, however, fortunate in having the wise counsel of my colleagues on the Board which will make my task less burdensome. I have the loyalty of our employees and I hope your confidence. I am sure that you would like to join me in welcoming our two new Directors, Mr. Iengar and Mr. Hydari—they need no introduction from me.

You will be glad to know that for the five months of the current financial year that is to the end of March 1964, our operations in all divisions of our Company have been satisfactory. Production of Jeep vehicles averaged 900 vehicles per month and deliveries have kept pace with this production. The Steel Division has maintained its rate of booking and the Machine Tool Division anticipates a considerable volume of business during the year. I would not like to conclude before thanking all the staff for their loyalty and devotion to work during the year.

I thank you.

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

JESSOP & CO. LIMITED

CHAIRMAN, MR. A. K. CHANDA'S STATEMENT

The following is the speech delivered by Mr. A. K. Chanda, Chairman, at the Thirty-Second Annual General Meeting of the members of Jessop & Co. Ltd., was held in the Committee Room No. 2 of the Bengal Chamber of Commerce & Industry at 6, Netaji Subhas Road, Calcutta 1 on Wednesday, 29th April, 1964.

The Board of Management's Report and Accounts for the year ended 31st October, 1963 are being circulated with this statement. Your Board feels that the practice introduced last year of incorporating the Chairman's statement in the Report should be continued, as it gives the shareholders a comprehensive up to date picture of the Company's affairs.

The conditions in which an emergency had to be declared have not improved greatly and the need for strengthening our defence and developing our defence production remains as insistent as ever. The resources of your company have been mobilised to increase its output generally with an accent on production of defence stores.

Your company has had this year the unique distinction of having completed 175 years of engineering activity conducted from its premises at 63, Netaji Subhas Road, which now houses the Head Office. To mark the occasion, it is proposed to hold a simple function at the Dum Dum Works, on a suitable date, in the near future.

Sales

Sales reached, in the year under review, a new record of Rs. 1,472.00 lakhs against Rs. 1,282.00 lakhs in the previous year, an increase of 14.82%. This was reached in spite of yet another crisis in the supply of electric power which restricted output for over two months. Credit for this achievement goes to the Staff and Workmen. I am sure you would join me in expressing our appreciation to them and our continued faith in them for maintaining the pace of progress.

Profit, Taxation and Dividend

The detailed working results and provisions for taxation are given in the Report of the Board of Management. It will be seen that after providing for all taxation and depreciation the profit will be Rs. 76.83 lakhs as compared with Rs. 65.42 lakhs for the previous year.

Despite increased earnings and larger profits, the ways and means position of the company continues to be difficult. We had to ask the State Bank for additional accommodation to the extent of Rs. 1 crore only thus increasing our Cash Credit Account No. 1 to Rs. 3.75 crores. In this situation, it would be imprudent to make a large distribution of profits. Nevertheless, your Board considers that some improvement in the rate of dividend should be made, and accordingly recommends that the rate of dividend should be increased to ten per cent. We expect to maintain this return in the coming years.

Production

With the commissioning of the new Road Roller Works at the end of February 1963, a determined effort was made to increase production from the previous years' output of 250 to 350. We succeeded in reaching a production of 320. Had not powercut, shortage of steel, etc., impeded our effort, we would have undoubtedly succeeded in reaching the target. Conditions remaining reasonably normal, we expect to reach a figure of 450 in the current

year. It is gratifying to note that the indigenous content of our rollers has now reached the percentage of 97.

Production of electric multiple unit coaches for Bombay and fully furnished metre gauge coaches were maintained at the levels programmed. Plans for re-equipping the Works for all-welded production of coaches have also been finalized but we do not expect that, due to the difficulties in obtaining delivery of specialized plant and equipment, we will be able to effect the changeover until April 1966. Additional orders for the riveted types of coaches have, however, been assured to us for the interim period.

The output of 'BOX', 'TPR', 'O' and 'CR' type wagons has improved and it is planned to concentrate the production of 'BOX' wagons in the rebuilt Wagon Works from May 1964. This will free capacity in the Structural Works which is badly needed for our other activities.

Steps are in hand further to raise the output of electric overhead travelling cranes, wharf cranes and sluice gates.

The fabrication and erection of the vertical wheel gates for the Kosi Barrage has been largely completed, except for the wiring of the gates for remote control. This work cannot be taken in hand until the special building to house the equipment has been completed by the Project authorities.

The output of fabricated structural steelwork showed little improvement due to the continued shortage of matching steel; but I am happy to tell you that there has been a marked improvement in the supply position over the last four months. If this improvement is maintained, there will be a corresponding increase in production from April 1964.

A start has been made in the present Mechanical Works to produce high speed cold sawing machines, and saw sharpeners, and we expect to market these by June 1964. We also hope to have a 6'-0" arm structural radial drilling machine in production by October 1964. These machines, I am proud to say, have been completely designed by us.

Future Demand

With the rising tempo of industrial activity, there is a growing demand for the manufactures of your company which we cannot meet fully within our existing production facilities. This reassures us, however, of continuing demands which will fill our order books for many years to come. We do not, however, contemplate this situation with satisfaction. We have to gear ourselves to greater effort and larger production to play our role in the national economic growth. With this purpose in view, we have already undertaken the modernization and expansion of our existing works.

Modernization and Expansion of Dum Dum Works

The rebuilding of the Wagon Works is now in its final phase, and as I mentioned earlier, we should be able to concentrate manufacture of 'BOX' wagons in this Works with effect from May 1964. I should add that this rebuilding programme has been planned and executed without interruption to current production for which credit is due to the co-operative spirit of our workers at Dum Dum.

One of the two 80'-0" assembly bays in the Structural Works has been com-

pleted and commissioned while the second bay is expected to be completed by April 1964. These bays will greatly add to the existing facilities for fabricating steelwork. The larger availability of matching steel should make it possible to utilize fully the capacity created.

Further Expansion

I regret to say that negotiations for the purchase of a suitable site for the expansion of our production, both in range and volume, have not progressed as we expected. But we are hopeful that we would be able to get possession within the current year and also complete other arrangements for initiating the expansion programme. I should, however, sound a note of warning. Our financial position, the impact of taxation on our earnings, the possibility of securing foreign collaboration, both financially and technically, are factors which require careful study and analysis and would naturally determine the phasing of our planned programme.

Labour Relations

I regret to say that we experienced continuous labour trouble throughout 1963. We were obliged to take action on illegal strikes in the Mechanical, Coach and Road Roller Works, when the Managers and Staff were detained. The situation was handled with firmness and determination. As a result, there has been an improvement in production since December 1963.

Labour unrest has unfortunately been widespread throughout the engineering industry in West Bengal and we have not remained unaffected by this disaffection. It is disturbing that in spite of generous production and profit sharing bonus schemes which this company has introduced and which enable the lowest paid employee of the Company, the Mazdoor, to earn Rs. 120.00 a month, there is agitation, engineered no doubt by a small number of militant workers, which affects both production and their earnings by intermittent stoppage of work.

We continue to pursue a progressive employment policy and we trust our labour will realise and appreciate that increased productivity means increased earnings and amenities for them. We hope that the change of wind noticeable in December will hold to bring prosperity to us all.

Absenteeism

The high rate of absenteeism continues to be a major problem. The average at Dum Dum is 16% ; but after the Pujā holidays, this reaches 30% for a period of six weeks seriously disrupting all production programmes. This malady of absenteeism, together with the generous leave and holidays granted, compels the Management to increase the labour force unnecessarily, adding to the cost of manufacture, reducing the profitability of the Company and therefore the earnings of workers themselves.

Electric Power Shortage

The general power shortage prevalent in the Calcutta area developed into a serious crisis in the beginning of May 1963, when one of the 50 MW generators at the C. E. S. C. Cossipore Power Station broke down. This crisis lasted till end-May 1963, during which period extensive load-shedding and occasional total interruption of supply were enforced. The supply position once again deteriorated in early August 1963, when the C. E. S. C. had to reintroduce

load-shedding, this time on account of shortage of water in the Rihand Dam.

This sustained spell of acute scarcity of power has affected our production in no small extent.

It was not until the commissioning of the new 50 MW generator at New Cossipore in November 1963, that some improvement in the supply position became noticeable. Arising from this, and also from the prospect of a 75 MW generator at Durgapur being commissioned in the first quarter of 1964, we may perhaps now look forward to a period of assured and uninterrupted power supply.

The maximum demand recently sanctioned to us is just sufficient for our present needs, but we will undoubtedly require further increase to cope with the expansions in hand.

Matching Steel

The shortage of matching steel continues to be the greatest single obstacle to increased production, and a disproportionate amount of time is spent by senior staff in progressing supplies, and arranging substitutions. There has been a welcome change in the last few months as a large tonnage of steel has been received, both indigenous and imported, to match the accumulations of the last two years. It is difficult to say whether this pattern of improved supplies can be maintained in view of our foreign exchange difficulties. It is only when the output of our steel mills overtakes the demand that we would be assured of balanced supplies and the harassing problem of scarcity which impedes production will disappear.

Priorities for Fabricated Structural Steel Work

The demands for fabricated steelwork for the expansion of the existing Steel Plants in both the public and private sectors, the building of the Bokaro Steel Plant, railway bridges, heavy electrical and hydro-electrical projects are so great that unless these projects are properly phased, it will not be possible for the existing medium and heavy structural units to design, prepare working drawings and fabricate in accordance with their programmes of requirements. It is, in my opinion, most essential that an order of priority should now be established and steel supplies arranged to suit the fabrication programme of projects with higher priority to avoid all round confusion.

Decontrol of Steel

As you are aware, except for flat products, which will continue to be in short supply for some years to come, steel has been decontrolled with effect from March 1964, both with regard to price and distribution. This has immediately resulted in an increase in prices of decontrolled sections but we hope that the prices will gradually stabilise at lower levels without affecting the economics of our production.

Board of Management

The Government has been pleased to appoint Mr. E. W. Isaacs as Member of the Board of Management, with effect from the 16th December, 1963. Mr. Isaacs was previously Member, Engineering, Railway Board, and we are very fortunate to have obtained his services. I know you will all join me in welcoming him to the Board.

Apprentice Training School

The Apprentice Training School is functioning satisfactorily. Encouraged by this, we have embarked on an expansion of the basic training workshop already established.

I trust you will find this recountal of our plans, programmes and prospects encouraging and agree with the management that we should look to the future with faith and confidence.

(NOTE:—This does not purport to be a record of the proceedings of the annual general meeting.)

KAMANI ENGINEERING CORPORATION LIMITED

THE CHAIRMAN, MR. R. H. KAMANI'S STATEMENT

The following is the summary of the speech of Mr. R. H. Kamani, Chairman of Kamani Engineering Corporation Ltd., delivered at the 18th Annual General Meeting of the Shareholders on the 23rd April, 1964 at the Office of the Company at Bombay.

Welcoming the Shareholders, Mr. R. H. Kamani, Chairman of Kamani Engineering Corporation Ltd. presented the Directors' Report, Audited Profit & Loss Account and the Balance Sheet and proposed them to be adopted.

It was a matter of great satisfaction for Mr. Kamani and the Directors that the company had attained a state of sustaining growth and it could look forward to continuing enjoyment of the fruits of the investment and faith of the Shareholders in the Company. He found that the new tax proposals were to a certain extent favourable to the basic industry as in case of this company to whom a tax relief of 10% in Income Tax and Super Tax and of 20% in Sur Tax was available under these proposals. The latest concessions granted by the Finance Minister allowed an additional depreciation of 50% on the major portion of the plant and equipment which were normally working on three shifts.

Company's Working

Mr. Kamani deviating from the usual practice of specifically pointing out details of the Accounts already included in the Director's Report, the Balance Sheet and the Profit & Loss Account, highlighted all round improvement in matters of profits and sales which were the highest in the company's history. The profits before providing for the depreciation and the Managing Agents' remuneration had increased from Rs. 36.38 lakhs to Rs. 41.84 lakhs which recorded a rise of nearly 14%. The profits had risen in previous two years from Rs. 24.80 lakhs by more than 68%, which has enabled the directors not only to increase the dividend from 9% to 12% in 1962-63 and to maintain 12% but also to add to the reserve fund a further amount of Rs. 9 lakhs, in spite of their considerably increased

burden of taxation during the same period.

Raw Materials

Referring to the raw materials position, the Chairman stated that as a result of emergency a very large portion of indigenous steel was being diverted towards high priority defence requirements; which made the supply position more difficult than ever. Certain categories of steel had been de-controlled recently on the recommendation of the Raj Committee in the hope that it would help ease the supply position. It had, however, inevitably resulted into some confusion and difficulties in supply as also into steep rise in prices. The Joint Plant Committee appointed on the Raj Committee's recommendation had twice increased the prices and at present the Indian Steel prices were the highest in the world. Mr. Kamani could not over emphasise the need for stabilising these prices at a reasonable level, as they had a very great effect on the economy of the country.

Mr. Kamani further pointed out the difficulties regarding timely delivery of matching sections which were being felt for last two decades and he earnestly hoped that the Joint Plant Committee and the main producers would adjust the production programme to the demands of the industry. He also hoped that the export oriented industry like this would get steel at concessional prices as was the case in every exporting country in the world.

Further, the Raj Committee had recommended import of certain quality of steel particularly some special sections, to ensure timely availability of matching sections keeping the prices at a reasonable level. Mr. Kamani hoped that this recommendation will be implemented. He further suggested that the industry should be given regular quotas to import such matching sections on the basis of individual fabricating capacity and that the Government should permit exchange of controlled categories of steel amongst factories in order to ease, to a certain extent the difficulties of getting time-

ly supply of urgently needed steel sections.

Mr. Kamani also felt that the ultimate effect of the implementation of the Raj Committee Report will be in the interest of the country and of advantage to this company.

Transmission Line Towers and Structures

Mr. Kamani expected the demand for transmission line towers and structures to increase in direct proportion to the rapid increase in generating capacity of electric power, which was expected to be raised from 5.7 million KW in 1961 to 23 million KW in 1971. He, however, cautioned that the installed capacity, including the newly licensed capacity was more than the prospective demand in 1971, and any addition to the existing capacity will be detrimental to the economy of the industry.

'Tractamount' Road Roller

In view of the increased demand, the factory had undertaken a programme of increased production of the improved model of these rollers and it was proposed to add some new items of implements to this line of manufacture.

Erection

The Chairman was happy to report to the Shareholders that the company had completed five major transmission lines totalling to about 600 miles in five states, viz. Gujarat, Orissa, West Bengal, Andhra Pradesh and Mysore, and that it was a matter of considerable achievement that 240 miles of 132 kV trunk lines for Dhuvaram power station in Gujarat and 100 miles of 132 kV lines in Orissa passing through extremely difficult terrain were completed in record time. Construction works were going on in full swing all over the country—in Andhra, Assam, Bihar, Gujarat, Maharashtra, West Bengal, etc.

Mr. Kamani informed that three power generating sets for Trisuli Hydro Electric Project in Nepal were supplied and a transmission line was being constructed for the project. This was a gift to the Government of Nepal from the Government of India.

Yet another notable achievement, as mentioned by Mr. Kamani was the contract for the installation of a Rope-way with a big haulage capacity of 450 tons per hour, secured from Indian Iron & Steel Co. Ltd., in collaboration with the leading German firm of Pohlitz. It would be one of the largest rope-ways in the world and would be operating over a distance of 40 miles. The civil engineering work on this project had already started and the project was expected to be completed by end 1966. The orders on hand for supply of towers and erection were, at present, about 30% more than during the previous year.

Expansion

In order to meet the increasing demand of towers as also to retain the foothold in export market our expansion scheme had been launched in Rajasthan which is expected to be completed within coming two years, when the capacity would increase by 30,000 tons per annum, and would greatly assist in meeting the demands of the northern regions like Rajasthan the Punjab, Uttar Pradesh, Madhya Pradesh and adjoining territories, besides helping increase exports. The Government had already given clearance to the company's application for

CAPITAL, 30th April, 1964.

Import of necessary machinery and plants of the value of Rs. 45 lakhs.

It was rather early to indicate the profitability of the scheme but Mr. Kamani assured the Shareholders that the expansion programme will involve no reduction in the amount to be distributed as dividend and will be to the best advantage of the company. Once the production starts, the profits would proportionately increase.

Railway Electrification

The first contract for Railway Electrification in Eastern Zone having been completed, the company had participated in tenders for similar work in other zones and there were good hopes for securing further substantial business, Mr. Kamani reported.

Exports

In the country today, Kamani were the only exporters of transmission line towers and other structures, and in spite of numerous difficulties all the pending orders were successfully completed. The order from the Nigerian Government for 132 kV transmission line towers was under execution. Mr. Kamani was sure that the Shareholders would be happy to learn that two large orders valued at over Rs. 28 lakhs had been secured from National Power Corporation, Manila (Philippines) in spite of keen competition from well known international firms including the Italian and the Japanese. These orders when completed during the current year would bring the total export efforts of the company to approximately Rs. 88 lakhs.

Referring to the various difficulties felt by the Company in execution of export orders, the Chairman commented that it was a difficult and unattractive proposition as timely delivery of matching section, shipping space at reasonable rates, facilities of prefinancing, etc. were not available. In order that quick delivery and longer credits demand by foreign indentors be met, he suggested that higher priority should be given to steel for export orders and concessional prices should be charged, as was being done all over the world. He earnestly hoped that Government would seriously consider these suggestions in order that not only the export level is maintained but also be substantially raised during the coming years.

Research

Various types of structural designs to effect economy in weights had been evolved, as a result of which Kamani's were the first in India to design, supply and erect 450 ft. high masts for all India Radio.

Agency Business

The Agency business has shown good results with an increase of about 25% over last year's mainly due to very large orders for insulators.

Recently the company was awarded an order for three power generating sets for Hydro Electric Power Station for Kuttidi Project in Kerala.

Lahore Assets

Mr. Kamani referred to the Directors' Report and stated that necessary legal proceedings had been instituted for the recovery of the company's property in Lahore, as the same had been released from the Custodian of Evacuee Property, Pakistan, and he was hopeful of getting it back.

He attributed the progress achieved by the company to the sincere efforts and willing cooperation of the workers and the members of the staff as also encouragement received from time to time from the Central and State Governments and the backing of the Shareholders and thanked them for the same.

NOTE: This does not purport to be a report of the proceedings of the Annual General Meeting.

CAPITAL, 30th April, 1964.

THE CENTRAL BANK OF INDIA LTD.

CHAIRMAN, SIR HOMI MODY'S STATEMENT

The Summary of the Speech delivered by Sir Homi Mody, Chairman, Central Bank of India Ltd., at the Annual General Meeting of the Shareholders on Tuesday April 28, 1964.

"On the whole, it would be correct to describe the year under review as one of economic stagnation", observed Sir Homi Mody, Chairman of the Central Bank of India Limited, at the Annual General Meeting of the Bank on Tuesday, the 28th April. There was a decline of a little over 3% in the total agricultural production, the set-back in the main cereals like rice and wheat being as much as 7.5%, which viewed against the background of a relentless growth in the population, was a matter for much concern. Sir Homi said that this cannot be allowed to be explained away by casual references to natural phenomena. The fault really lay in the doctrinaire land policies forced on the country, mainly for ideological reasons. Some hundreds of crores of rupees had been spent in the last ten years on Community Development and Extension Projects. That they should have yielded next to no results indicated the failure of both planning and execution.

Although industrial production had recorded an improvement of about 8.5%, it was less than the rate of increase envisaged in the Third Plan. The growth of national income was feeble and halting and there was an upward pressure on the general price level. The mid-term appraisal of the Third Plan had come as a rude reminder of the basic defects of Government's planning policies. Undue concentration on heavy industry, Sir Homi remarked had become an obsession with the architects of our Plans and had imposed on the common man a heavy burden of privations, which he was required to put up with in the present, in the fond hope that some day, his progeny would enjoy the fruits of his sacrifices.

Turning to the Budget of the Government, Sir Homi recalled how at the last Annual General Meeting he had emphasised that any scheme of fresh taxation based on the grossly inaccurate estimates which were being presented annually to Parliament could not but be unfair and oppressive. Last year's figures, he said, told the same old tale, an estimated deficit of Rs. 16 crores having been converted into a surplus of Rs. 88 crores! Yet, every Budget ignored this trend and proceeded to levy fresh burdens on the helpless taxpayers. Meanwhile, Government's administrative expenditure, not all of which could be considered productive, mounted, and inflation and the resultant fall in the real value of the rupee continued to inflict greater and greater hardships on the common man.

When the present Finance Minister assumed office, much was expected of him and it was believed that he would make a realistic approach to the whole scheme of taxation and give substantial reliefs. Instead, the present Budget proposals merely rectified some anomalies, but the income-tax rate structure on a somewhat more scientific basis, leaving the totality of the burden alone and actually increasing it by Rs. 40 crores, of which the share of the Corporate Sector was estimated to be Rs. 11 crores. It is impossible to understand how the economy of the country could recover and how the capital market which had dried up could ever come to life in these conditions. "When one comes to the specific proposals of taxation," observed Sir Homi, "one does not need to be an economist to appreciate the dire consequences of some of the burdens the Finance Minister is seeking to impose. The grand design is becoming clear—the further crippling of the Private Sector, and the

elimination, by rapid stages, of whatever remains of the much-abused Capitalist class, to which India owes so much of her economic development. He would indeed be a very foolish person who will not see in these drastic social moves a grave threat to the stability and progress of the country."

Increased Money Supply

Dealing with the monetary and banking spheres, Sir Homi referred to the impressive increase of Rs. 430 crores in the volume of money supply with the public. Scheduled Banks' deposits had also increased by Rs. 210 crores to touch Rs. 2,252 crores at the end of the year, the major portion of such increase being accounted for by Demand Deposits. Similarly, scheduled Bank credit which stood at Rs. 1,422 crores in December 1962 expanded by as much as Rs. 158 crores during the year under review. To enable the banking system to meet the ever-increasing demand for credit from all sectors of the economy, the Reserve Bank found it necessary, at the commencement of the current busy season, to liberalise the borrowing quotas allowed to Scheduled Banks. Unfortunately, this facility turned out to be short-lived. The pace at which Scheduled Banks' advances have moved upwards has been so rapid that the Reserve Bank has now thought it necessary to apply the axe somewhat ruthlessly. Not only have the basic borrowing quotas been reduced, but the rate of interest has been stepped up on each successive slab, that the effective cost of the total borrowings from the Reserve Bank has risen substantially. Coming as it has done, when the busy season has reached the highest peak, this action has placed the Banks in a difficult position.

The suggestion made by the Reserve Bank that, in their efforts to mobilise deposits, Banks should re-examine the pattern of interest rates had created a controversy in banking circles. The Inter-Bank Agreement on maximum rates of interest on deposits had helped working satisfactorily and had helped to keep down the general cost of deposits for the banking industry as a whole and in preventing unhealthy competition. In such a context, the present suggestion of the Reserve Bank, though well-meant, had already given rise to a move on the part of some Banks to opt out of the Agreement, observed Sir Homi, and it was necessary that every effort should be made to check it. The Indian Banks' Association would shortly be meeting at the highest level to thresh out the differences of opinion that had arisen.

The Cry for Nationalisation

Sir Homi then referred to the cry raised in ill-informed quarters in this country for the nationalisation of Banks. It was satisfactory to note, Sir Homi said, that the spokesmen of Government have expressed their opposition to this move for nationalisation which had found little public support, and he hoped that the ghost would soon be laid at rest. He recalled how a similar threat of nationalisation which Banks in Great Britain faced in 1934 was successfully met by the united opposition of the Chairmen of all the major Joint Stock Banks. Sir Homi warned that if any move was initiated in this country to nationalise banks, it would have, among other things, a profoundly distributing effect upon foreign aid and foreign participation in our various industrial projects, whether in the public or the private sector. Indian banking was already under the rigid control of the Reserve Bank, and the recent amendment of the Banking Companies Act had only added to its many fetters. Incidentally, it seemed to be extraordinary that

legislation of such a far-reaching character should have been rushed through Parliament by Government with the help of its cast-iron majority, without any worthwhile consultation with the interests primarily concerned.

Referring to a Note published recently on the inter-locking of directorships of Banks and other companies, Sir Homi felt that no right-thinking person could agree with the inference drawn by the author that it had the effect of consolidating corporate power as against the State and Society. The safeguards that existed at present against concentration of economic power in the hands of a few were more than adequate, and there was no justification for forging fresh weapons so far as Banks were concerned. If there was anything that the Note had brought out, it was the unpalatable fact that we had in this country only a limited number of persons possessing all-round business experience and financial standing. It would be foolish to prevent Banks from utilising this available talent. There was also no substance in the contention that Bank shares were concentrated in the hands of only a few persons, giving them undue power. So far as the Central Bank was concerned, out of a total of 24,828 shareholders, the individual holding of as many as 23,030, that is, nearly 93%, ranged from one share to one hundred shares only.

Sir Homi denied the sweeping charge levelled against commercial banks that they were not responsive to the financial requirements of small-scale industries and pointed out how the Central Bank, for instance, had been increasingly engaged in financing small-scale industries and had every intention of supporting this sector of the economy.

Term-credit for Agriculture

Referring to the complaint that commercial banks had neglected to provide direct term-credit to agriculturists, Sir Homi explained that this allegation failed to take account of the basic facts concerning the role of commercial banking and the inherent deficiencies in the general set-up of our rural economy. In India, agriculture had been looked upon more as a means of subsistence than as an economic or commercial proposition. Some of the factors which stood in the way of Indian commercial banks venturing into the field of farm credit were the diversity of inheritance laws and land tenures in various regions, the fragmentation and uneconomic size of individual holdings, the incapacity or unwillingness of the vast majority of agriculturists to keep regular and separate accounts and the absence of a scheme of crop insurance. Where agricultural activities like plantations had been organised on business lines, the larger Indian Banks did not hesitate to finance them. He also pointed out that commercial banks had been providing finance on a substantial scale to agriculturists for marketing their produce, which was quite an important economic function. Commercial Banks were likely to evince greater interest in medium-term agricultural credit, now that the Agricultural Refinance Corporation had been formed, if they had the backing of crop insurance and provided the State Governments helped them actively in the follow-up and recovery of such advances, as in the case of co-operative institutions.

Referring to the Balance Sheet and the Audited Statement of Accounts of the Bank, Sir Homi pointed out that although the total Deposits had crossed the Rs. 250-crore mark, the rate of increase was lower than in the previous year, due partly, to the closure of the Bank's Rangoon branch following

nationalisation of banking in Burma. The Central Bank's share in relation to the total deposits of all Scheduled Banks, however, continued to remain at over 11%.

The closing figure of the Bank's Advances at Rs. 187 crores represented an increase of over Rs. 12 crores, compared to the previous year. The Bank's share in the total volume of Scheduled Bank credit was nearly 12%. The demand for Bank finance remained relatively subdued till almost the end of December, but thereafter, it came with a rush, placing the banking system under a heavy strain.

Sir Homi invited the attention of the shareholders to the fact that the previous year's gap of Rs. 27 lakhs between the market and book value of the Bank's holdings of Government Securities which had operated against the Bank had now been converted into a difference of Rs. 75 lakhs in the Bank's favour at the end of the year.

Higher Earnings

The improvement of Rs. 1.36 crores in the Bank's gross earnings over the previous year had been more or less neutralised by the increase of Rs. 68 lakhs in payment of interest and of Rs. 59 lakhs in staff emoluments, exclusive of bonus. Sir Homi observed that the rate of increase in salaries and allowances of the staff had been disturbingly high, and expenditure under these heads continued to absorb a large share of the Bank's total earnings, the proportion being as high as 34% in 1963.

Sir Homi also voiced his concern at the rate at which overtime allowances paid to the Bank's staff were going up in spite of additions to the staff. In Western countries, Banks had achieved a considerable measure of advance by modern methods and machinery. In India, apart from the difficulty of importing accounting machines and their components in sufficient quantities, there was a stiff resistance on the part of large sections of Bank employees to any attempts at mechanisation. The fear that machines would displace men and result in the retrenchment of staff arose from a short-sighted view. Banking business in India is constantly expanding and acquiring new dimensions, and even if mechanisation was introduced on a substantial scale, there would still be a growing demand for more and more men. Sir Homi hoped that the staff would give dispassionate consideration to this aspect of the matter and co-operate with the Management in introducing new methods so essential for the streamlining of the Bank's manifold operations.

Besides the interim dividend of Rs. 2.40 per share already paid out, it was recommended that a final dividend of Rs. 2.60 per share, subject to tax, be paid out of the Special Reserve, as was done last year.

Sir Homi paid a glowing tribute to the services rendered by Mr. N. K. Karanjia who had retired after a long and distinguished career of 45 years. He welcomed Mr. F. C. Cooper who was appointed General Manager on Mr. Karanjia's retirement and wished him a successful term of office. Sir Homi also expressed his warm appreciation of the very valuable services rendered by the Vice-Chairman, Mr. C. H. Bhabha, in looking after the affairs of the Bank and in developing its business. Sir Homi ended by observing that "the contribution which a Bank of our size and status can make to the economic growth of the country is immense, and if we continue to enjoy the confidence of the business community and if all of us give of our best to the service of the institution, we have every hope that the Central Bank will long continue to occupy the proud position it holds in the banking system of the country."

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



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INDIAN SUGAR MILLS ASSOCIATION

THE CHAIRMAN'S REVIEW

NEED FOR A FLEXIBLE SUGAR POLICY TO STEP UP

SUGAR OUTPUT: SUGAR MARKETING BOARD WILL INHIBIT PRODUCTION AND RETARD DEVELOPMENT

In his Presidential Address delivered at the 31st Annual General Meeting of the Indian Sugar Mills Association held at New Delhi on the 27th April, 1964, Rai Bahadur Seth G. M. Modi said:—

Importance of Food and Agriculture

The food and agricultural sector of which sugar is an integral part embodies efforts and aspirations of a vast majority of our people. In the matter of Plan priorities also which reflect the country's basic approach towards planned economic development, this sector has been accorded highest priority. The problem of food and agriculture is really complex. Land which has been neglected for years together without replenishing its fertility has to be exploited. Our agricultural operations at present are mainly dependent on the vagaries of nature. Only 16% of the land is irrigated and production mainly depends on the bounty or fury of nature. In these days of scientific development, we should not merely be exposed to the mercy of nature but should take positive steps to provide adequate supply of water, fertilisers, drainage, etc. The funds earmarked for the development of agriculture and irrigation over the First, Second and Third Plans have not been fully utilised. This is not desirable because, for development of agriculture and irrigation foreign exchange hardly presents any problem and all requirements in this behalf can be met from internal resources.

Cane Development

Cane Development has also suffered, especially in the North due to dependence on whether conditions. There is urgent need for provision of adequate water supply in sugarcane areas through tubewells. The rate of supply of water from the tubewells at present works out to nearly Rs. 70 per acre in U.P. against Rs. 32/- for supply of water through canals. This high rate has prevented the growers from taking full advantage of the tubewells already installed by the State Government. Cost of chemical manure being about Rs. 46/- per bag, its utilisation is beyond the reach of cultivators. The price should be reduced through an appropriate subsidy by the Government. Adequate drainage facilities should also be provided.

The basic problems of cane development have been with us for all these years but have remained unsolved. Without effective participation of the Central Government this problem may not be satisfactorily solved. Since sugar is a Central subject, it is most appropriate that larger and direct responsibility is assumed by the Government of India in the matter of cane development also to ensure quick results. The Central Government's participation in the intensive cane development schemes initiated in U.P., Bihar and the Punjab is welcome.

Smaller Units

Most of the existing factories were put up during 1932-33 with a daily cane crushing capacity of 600 to 800 tonnes and their subsequent progress has been entirely dependent on the availability of quality cane. Since cane cost accounts for 70% of the cost of sugar production, such of the factories as were fortunately placed in the matter of cane supplies expanded their plants while others located in areas of cane shortage have been marking time and have not been able to keep pace

with the general development. They continue to be small size units with higher cost of production and are sometimes classified as uneconomic. Cane yields per acre and sucrose content continue to stagnate around the level obtaining when the factories were put up. Functioning under such handicaps if some factories have not been able to expand, it is hardly desirable to call them uneconomic or obsolete. While revising the price for the current season on the basis of actual working results of factories, Government should take into account the uneconomical working of the small units and compensate them adequately. The taking over of such units by the Government will not solve the problem. Provision for rehabilitation of such units in the price structure itself, as allowed in the case of cement factories, should solve their problems.

Sugar Output

It is estimated that sugar output in the current season 1963-64 will be around 26 lakh tonnes which is less than what we need and had hoped for. Last year though sugar production was only 21.6 lakh tonnes, due to a very large carry over of 10 lakh tonnes from the preceding season, it was possible to export about 5 lakh tonnes and also distribute internally about 26 lakh tonnes; but the carry-forward stocks at the end of last year were very nominal being barely 1.5 lakh tonnes.

Government, therefore, rightly decided upon various measures to maximise sugar production during the current season. Cane price was generally raised to Rs. 1.75 per Md. and factories in gur competition areas were authorised to pay a minimum cane price of Rs. 2/- per maund. Rebate in excise duty was granted to factories to enable them to start early and this concession also applied for the remaining part of the season. Simultaneously, Government also imposed restriction on interstate movement of gur and khandasari and assumed powers to regulate cane supplies principally to the factories. This integrated policy embracing the three sweetening agents was indeed boldly conceived.

Initially the aforesaid measures had their desired effect on gur and khandasari prices which tended to decline. By November 1963 as many as 129 factories had started against 86 during the corresponding period last year and production was higher by 70,000 tonnes. But as the season progressed, gur and khandasari prices again resumed their upward trends and the failure of winter rains and draught in certain areas of the North caused damage to the standing cane. There was large scale diversion of cane from factory areas to gur and khandasari and it is estimated that the industry lost about 5 to 6 crore maunds of cane as a result of such diversions. It is appreciated that the Food Ministry has been vigilant and has taken prompt measures from time to time to enable the factories to counteract competition from gur and khandasari. In March 1964, factories in U.P. were authorised to raise cane price by another -/8/- per maund. This helped the factories, particularly those in certain districts of West U.P., to prolong their crushing operations for some time and produce an additional output of about 50 to 60 thousand tonnes of sugar.

The measures taken by the Government have a limited impact and are

not broad-based. They do not provide a lasting solution to the problem of securing equitable distribution of available cane supplies among the three users. For this, it is essential that the factories should be ensured freedom and flexibility in their working comparable to that enjoyed by gur and khandasari. Since the factories have no resources of their own, this freedom and flexibility to factories is possible only through an appropriate sugar policy by Government.

Sugar Marketing Board

The setting up of a Marketing Board in Sugar will perpetuate controls on the sugar industry and will upset the parity between the alternative users of cane which would inevitably affect sugar output adversely. The conditions under which a Sugar Marketing Board operates in Australia are basically different to Indian conditions. In Australia sugar factories consume all the available cane and there are no alternative users. Moreover, here we have wide disparities in the operating conditions of factories and consequently evaluation of their costs will not be simple. Its creation would result in a shaded market for the industry and will destroy all initiative to improve efficiency and the quality of sugar. With its restrictive effects on production, interests of the consumers will also suffer and they will be required to pay higher prices. It will also sap initiative in the industry for expansion and extension which will again go to hamper production in the long run. The Indian Sugar Delegation, which visited Australia and Indonesia in 1955 recommended that the question of setting up a Central Body for sugar should be postponed until economic conditions reached a certain degree of stability. Conditions prevalent today are far from stable and do not justify the introduction of the Marketing Board.

Cost Increases

An economic price structure is equally important for maintaining production and ensuring development of the industry. The Government are adopting the regional Tariff Commission Cost Schedules for computing control rates. Costs have gone up in diverse ways since the preparation of the schedules on the basis of the cost data for the season 1957-58. Unless all such cost increases are taken into account and provided for fully in the cost structure, the industry cannot be assured of a fair price. The Indian Sugar Mills Association has submitted a detailed memorandum to the Government with necessary data in support of each item of cost where increases have taken place. Government should examine the data expeditiously to be able to provide for the same in the price finally fixed for the current season 1963-64. This is of vital importance to the industry.

Low Profitability

The uneconomic price structure generally allowed to the industry has undermined its financial stability. The level of profits presently accruing is far from satisfactory. The Reserve Bank Study published in its monthly Bulletin of June 1963, the Analysis of 1962-63 Financial Results of a large number of sugar companies in the North and the Financial Express Index Number of Equities reveal that the

CAPITAL, 30th April, 1964.

sugar industry is making extremely meagre profits by any standards. It is beyond the means of factories to set apart adequate funds for rehabilitation, expansion, etc. Were it no so, we would not be confronted with the acute problem of small units. Adequate profits must be assured to the industry.

Sugar Exports

The emergence of India as a sizeable exporter of sugar in the World Market has been a most welcome feature of the sugar economy in recent year. Sugar exports are no more conducted to merely balance demand and supply within the country. They form an important part of our export drive to earn foreign exchange. In 1963 about 5 lakh tonnes were exported and the foreign exchange earnings are estimated to be over Rs. 32 crores. Raw sugar was produced in the country only last year. The immediate success that we achieved in producing raw sugar is indeed heartening. About 40 factories produced nearly 2.60 lakh tonnes in the last season and most of it was shipped to Japan, U.S.A. and Canada. We are now recognised as important suppliers of raw as well as white sugar.

In the current year, however, there is likely to be a setback in the export performance. This is entirely due to lower production in the country. It is likely that our total exports this year may be less than 3 lakh tonnes although the World Sugar Market has been quite firm for sometime past and this was the best opportunity for us to earn the maximum amount of foreign exchange. This slight set back is, however, a temporary phenomenon and with production increasing appreciably in the years to come, exports would be stepped up to at least 5 lakh tonnes per year if not more.

Future Prospects

Bright prospects lie ahead of the sugar industry. Demand for sugar in the country is continuously rising. During the Third Plan period the rate of increase in demand has been placed at 1 lakh tonnes per annum while during the Fourth Plan it is expected to go up to 2 lakh tonnes. In keeping with this increasing demand, the Development Council has placed the 4th Plan production target at 45 lakh tonnes and there are indications that this may further be stepped up to 50 lakh tonnes. We have a vast export market to absorb surplus output and the industries dependent on sugar for raw materials such as alcohol based industries, are steadily progressing.

In the above context, it is regretted that while the Finance Minister has allowed certain important industries a rebate in corporate tax, sugar has not been included in the list of industry in whose case this concession would be applicable. This concession must be allowed as the development in this industry has a direct impact on the agricultural economy and sugar is a sizeable foreign exchange earner.

Next Season's Sugar Policy

Government should announce the next season's sugar policy as early as possible. Cane price for the next season has already been announced and it is hoped that the Government would give favourable consideration to the request for authorising the factories in the Northern and Central regions to pay a minimum price of Rs. 2/- per maund as in the current season. Equally necessary is the announcement of Government's Policy with regard to other connected matters like early start, etc. This would facilitate prior planning which is necessary to achieve the best results.

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

CAPITAL, 30th April, 1964.

New Delhi

CEMENT OUTPUT WILL REMAIN SHORT OF DEMAND

(FROM OUR NEW DELHI CORRESPONDENT)

CEMENT production in 1965-66 is expected to be not more than 12.5 million tonnes. First the whole of the additional capacity of 3 million tonnes which is planned to be set up during 1965-66 is unlikely to be available for production throughout the year. Secondly, the production of new factories is not likely to go beyond 80 percent of the capacity in the very first year. There may, therefore, be a gap of nearly 1 million tonnes between demand and supply during 1965-66.

The demand for cement by 1970-71 is expected to increase to 23 million or 24 million tonnes, necessitating a capacity of 26 million or 27 million tonnes a year in the industry. Accepting a 12.5 percent annual increase during the fourth plan period, the demand, it is expected, will rise as follows:

1966-67	15.75
1967-68	17.72
1968-69	19.94
1969-70	22.41
1970-71	24.21 or 24.00

The following capacity, it is expected, will be available for producing cement-making machinery during the fourth plan:

Name of the party	Annual capacity in terms of standard plants of 500 tonnes a day	Total Number of plants expected to be delivered during the fourth plan
A.C.C.-A.V.B.	4	20
K.C.P.	3	15
Utkal Machinery	3	15
Walchandnagar Industries	1½	7
Adian Sugar and General Engineering Corporation	2	10
McNally and Bird	2	10
	15½	77

On the basis of this installed capacity, it may safely be assumed that the machinery industry will be able to deliver at least 50 plants corresponding to a capacity of 10 million tonnes during the fourth plan period (1966-71).

PLANNING

Projections and Targets

The Perspective Planning Division of the Planning Commission has put out a certain-raiser for the fourth plan. The main idea is the target of growth, which it has modestly placed at 7 percent. Considering the vast and growing needs of this country this growth target of 7 percent cannot be regarded as too ambitious. Once this target of 7 percent is accepted, the strategy to reach the goal has also to be accepted. Figures are carefully worked out, supported by imitated steps which would be necessary to usher in "the classless society." Regardless of the base, projections have been made, particularly for steel, heavy engineering and food production, the total cost of which, at the 1964 level of prices, is placed at Rs. 20,000 crores, as against the

outlay, based on 1960 prices, of Rs. 11,800 crores fixed for the third five year plan.

The fourth plan, according to the Division, should seek to establish a social order which "ensures equality of opportunities, prevents disparities in income and increases the employment potential to a considerable extent." Some comments are called for. Firstly, the Planning Commission, which was largely guided by some of the progressive members of this Division in drawing up the third five year plan, once claimed that India would reach the take-off stage by 1966. The Chinese aggression two years ago did not affect the resources for the plan, because of the heavy additional taxation to find funds for defence. The first question, therefore, is whether the implementation of the third plan, which has not been materially affected at least as far as the finances are concerned, will take India to the promised take-off stage in 1966. The second question asked here is about the rate of growth: what has been achieved annually and what it will be in 1966? If, for example, the rate of growth by 1966 is 2 percent over that of 1961, will there be any leap-forward technique to reach a 7 percent growth rate by 1971?

It may be added here that the full balance-sheet of the second five year plan has not yet been made available to the country. The mid-term appraisal of the third plan was complimentary neither to the Government nor to the Planning Commission. Since then, the principal actors have changed their rôles. The deputy chairman of the Planning Commission has become the Minister for Home Affairs and the Minister for Food and Agriculture has been compulsorily retired. The country's attention is now being focussed on the millennium to be reached in 1971, when there will be perfect equality of opportunity and no disparity in incomes.

As far as the Rs. 20,000 crores or so of resources are concerned the Finance Minister does not expect larger aid than India has been getting from friendly countries and has been pleading for encouragement to foreign private capital to finance the fourth plan. Some leading U.S. business men visited New Delhi last week. The communists and the Congress "progressives" are basically opposed to foreign capital, unless it comes from the communist bloc, and the Minister for Heavy Engineering has deprecated the "craze for foreign collaboration."

The Mahalanobis Committee Report, which was extensively quoted by the communist leader, Mrs. Renu Chakravarty, who told the Lok Sabha that she had a copy of the report, has enumerated the various factors which have led to the concentration of wealth. The Committee has blamed the policies of the Government for this development. The Monopolies Commission will hold a further enquiry in this field. Planning for a mixed economy, it should be conceded, is directly responsible for this development. Planning has created a protected seller's market which remains unsatisfied. Such a development is bound to create disparities in incomes, concentration of wealth in the hands of a few and un-

accounted money. The Division has suggested no measures how this development might be arrested.

COAL

Transport Study

A coal transport study team which made its first report in 1963, is now on the capital discussing its draft for the final report with the Government of India. The final report is expected by July this year.

SURTAX BILL

Measure Explained

The Finance Minister, T. T. Krishnamachari, told the Lok Sabha last week that he proposed to amend the Companies (Profits) Surtax Bill so as to provide for "the inclusion of moneys borrowed directly from the Government also in the capital base." Another change suggested is to provide that borrowed moneys will be allowed to be included in the capital base subject to the condition that the minimum term of their repayment should in all cases be seven years and the purpose of the borrowing should be the creation of capital assets in India.

Mr. Krishnamachari, who was moving for consideration of the Bill, explained that as a corollary to this amendment, the interest payable on such amounts would have to be added back to the chargeable profits in order to avoid double taxation. Giving reasons for the proposed changes, he said under the existing provisions the moneys borrowed from a banking institution be included in the capital base only if they were repayable in not less than ten years, and moneys borrowed from abroad were allowed to be included only if they were borrowed for the creation of any capital assets in India. None of these conditions are, however, applicable for moneys borrowed from the Industrial Finance Corporation or the Industrial Credit and Investment Corporation of India or from any financial institution approved by the Government.

Mr. Krishnamachari pointed out that in line with the general scheme of corporate taxation in the Finance Bill, a specific incentive had been provided in the Surtax Bill to encourage investments in priority industries. This is in the nature of a special rebate of 20 percent of the normal amount of surtax payable by a company on any profits derived by it from the generation or distribution of electricity or manufacture or production of articles specified in the third schedule to the Bill. Mr. Krishnamachari said the basic objective of the Bill was to generate greater savings in the corporate sector, to provide adequate investment for higher-priority industries and to attract foreign private investment.

When all these projects were implemented, an export potential of over 25 to 30 million tons was likely to be developed. This capacity would represent an increase of 14 million tons over the third plan export target of 16 million tons, including the current level of exports from Goa of about 6 million tons. A total outlay of Rs. 250 to Rs. 300 crores was needed for this additional target. Over and above the cost of the schemes already approved for execution in the third plan, the foreign exchange component of this outlay

Parliamentarians last week, by Mr. Manubhai Shah. He said that in 1962-63, iron ore exports were of the order of 9 million tons from the whole of India. During 1963-64, with the development of an additional 500,000 ton railway capacity on the Hospet-Hubli line and other measures in hand or under contemplation, it was estimated to increase these exports to about 11 million tons.

IRON ORE

Steps to Raise Exports

Various measures proposed to step up iron ore exports from the current figure of 12 million tons a year to the targeted figure of 25 to 30 million tons by 1972, were explained to a meeting of

was estimated at about Rs. 60 crores to Rs. 70 crores.

The Minister emphasised the necessity for a detailed survey of the iron ore deposits. Some work had already been done in the case of some of these deposits. Areas would be investigated according to a dovetailed programme, first, by the Geological Survey of India and later by the Indian Bureau of Mines.

Referring to manganese ore, the Minister stated that the decline in India's share in the manganese ore trade was due to several factors, the chief among them being the emergence of new sources of supply and lesser dependence on manganese ore in steel production due to technological advances. Also overseas buyers were obtaining their requirements from their own captive sources. This year, the Government had successfully carried out the export of manganese ore under barter and link arrangements. A number of barter deals had been negotiated. Excepting for the sudden world spurt in the manganese ore market in 1957 when India sold 1.7 million tons, this country's present sales of 1.1 to 1.2 million tons of manganese ore this year were the peak of manganese ore exports. He added that efforts were being continued to maintain and develop this further by helping to reduce the cost of mining and increasing efficiency.

Replying to a question, the Minister admitted that it was a fact that there had been a continuing fall in the price of iron ore in the international market. The reduction varied from 4.92 percent to 10.80 percent depending on the grade of ore.

As for railway freight, iron ore was subjected to a reduced railway supplementary charge of 5 percent on total freight, compared with 12 percent levied on general merchandise. Rebate was also allowed on low-grade iron ore moved for export from Rajasthan to Kandla. The possibility of further relief was being examined.

BANK LABOUR

Advice from Mr. Sanjivayya

Replying to a representation of bank employees, the Central Labour Minister, Mr. D. Sanjivayya, said that he did not favour the demand for setting up a wage board and asked trade union leaders to give up the tendency of fighting today's battles with the weapons of yesterday. The traditional attitudes and methods for advancing workers' interests had become somewhat out of date, he said. The working class should realise that a change of strategy was necessary and that trade unions had a respon-

sibility to help achieve the economic progress of the country.

Disputes and differences would arise, whether an industry was managed by private employers or by a State agency, but these must not be allowed to lead to stoppages of work. Mr. Sanjivayya said that the health of the whole economy depended on the efficient functioning of the banking system. Bank employees had a duty to the nation to ensure that nothing holds up the running of the economic machine.

The Government had been conscious of the need for stabilising industrial relations in banks. A number of bodies had gone into the question of settling bank disputes. Now that the position in banks had been stabilised through awards, "I think we have a right to expect that nothing will be done to disturb it by pursuing a path of unconstitutional agitation." Constitutional procedures were available for the redress of grievances.

Mr. Sanjivayya said: "Everybody in India must remember that we are now under a double stress: we have to build up our defences and also carry on our development activities. Any disturbance in the banking sector might result in a serious setback to all that we hold dear."

How far the Labour Minister's advice has been accepted is not yet known. What is known is that go-slow tactics by the bank employees still continue. In doing so, neither the bank employees, nor the communists, who are behind them, have realised that they are antagonising some of their best friends, namely, the bank customers. A newspaper correspondent who has done useful research to write on labour problems for his paper says: "The situation is aggravated by the intrusion of policies into the labour movement which has encouraged the growth of a multiplicity of unions with different party affiliations. The result has been built-in conflict, inter-union rivalry and competitive demands on plant managements often in extension of party-political platforms and quite unrelated to the particular unit or even industry concerned."

The central labour organisations all have distinct political attachments: I.N.T.U.C. and the Congress, A.I.T.U.C. and the communists; H.M.S. and the P.S.P., U.T.U.C. and the Forward Bloc, the R.S.P. and certain other leftist groups. More recently, the Socialist Party and the Jan Sangh have formed their own central labour organisations while regional parties such as the D.M.K. have also begun to extend their activities into the field of trade unionism. Many unions describe themselves as

independent, but not all of these are genuinely so.

"Thus there are five unions in the Rourkela steel plant (I.N.T.U.C. H.M.S., A.I.T.U.C., an A.I.T.U.C. splinter group allegedly sympathetic to the pro-Peking wing of the C.P.I., and the North Orissa Workers Union). None of these is recognised. H.E.L., Bhopal, has an I.N.T.U.C. union and at least two others with reportedly communist and Jan Sangh affiliations. The Heavy Engineering Corporation, Ranchi, has three registered unions, I.N.T.U.C., U.T.U.C. and independent and a fourth, A.I.T.U.C. affiliated union, in the making. There are I.N.T.U.C., A.I.T.U.C., D.M.K. and independent unions in Neyveli. The Mysore Iron and Steel Works, Bhadravati, has an H.M.S. and I.N.T.U.C. union. The contractors' labour at the Barauni oil refinery is organised in rival A.I.T.U.C. and I.N.T.U.C. unions. There are I.N.T.U.C. and A.I.T.U.C. unions at the N.C.D.C.'s deep shaft mine in Sudamdih. At the Nangal fertiliser factory, too, there are I.N.T.U.C. and A.I.T.U.C. unions and, as elsewhere in Bihar and Madhya Pradesh, the I.N.T.U.C. is split.

"The existence of inter-union rivalries is almost inevitable in these circumstances. According to one estimate, about 30 percent, of the stoppages in the N.C.D.C. mines has been on this account. What is involved is not so much trade unionism or genuine workers' rights, but inter-party struggles to capture the labour movement by the promise of more radical action to wrest larger benefits from the management. Extraneous political demands adopted by the parent political party are also often voiced at plant level. Thus A.I.T.U.C.-affiliated unions have propagated the Communist Party's 12-point charter adopted in January 1964, demanding the nationalisation of banks, oil companies and foreign trade, price support for agriculture, a 25 percent reduction in prices and a reduction in taxation.

"Inner party struggles are also reflected in the affiliated unions. The C.P.I. split has divided the A.I.T.U.C. into two wings and the Rourkela fertiliser plant, for instance, has a Socialist Unity Centre union with allegedly pro-Peking sympathies. Likewise the I.N.T.U.C. the Kamaraj plan, which led to a change in the Bihar Ministry, accentuated the schisms within the party. The fight has been carried into the I.N.T.U.C. and some of the stoppages in Bihar during the past few months, can be traced to this power struggle. Similarly, in Madhya Pradesh, the I.N.T.U.C. split created serious labour tensions in Indore and elsewhere earlier this year." This is what was courageous-

CAPITAL, 30th April, 1964.

ly assailed by the Minister of Heavy Engineering in Parliament two weeks ago.

FERTILISERS

U.S. Loan to India

Agreements were signed providing two U.S. development loans totalling Rs. 23.6 crores for one of India's largest fertiliser plants to be built in Visakhapatnam, Andhra Pradesh. The loans are being extended to Coromandel Fertilizers Ltd., a new company organised by an Indo-American consortium. The new plant, expected to be in operation late in 1967, will produce 365,000 tons of ammonium phosphate and 16,500 pounds of prilled urea annually. When in full production, the factory will supply more than one-third of the estimated fertiliser consumption of Andhra Pradesh and also meet some of the requirements of Mysore, Madras, Orissa and Madhya Pradesh.

Coromandel Fertilizers Ltd. has been organised by the Parry Company of Madras, the California Chemical Company, a wholly-owned subsidiary of the Standard Oil Company of California, and International Minerals and Chemicals Corporation of Illinois. The two American companies will invest \$6.08 million in foreign exchange (Rs. 2.8 crores) in the shares of Coromandel. The remainder of the finance, Rs. 9.29 crores, will come from the Parry Company and the Indian public which will own a majority of shares in the new company.

U.S.A.

Gift for Rajasthan

The Government of India and the United States have concluded an agreement covering of 25,000 tons of milo to be given by the people of the United States for use as supplementary feed for livestock in the scarcity-affected area of west Rajasthan. The State Government, through the Central Government, will be responsible for feed distribution to work-bullocks and camels, selected breeding stock and such other economic priority types of livestock as may be agreed upon.

HEAVY ELECTRICALS

One More Managing Company

The Heavy Electrical (India) Ltd is at present managing the existing heavy electrical factory in Bhopal and the new units, namely, the heavy electrical equipment project, Hardwar, the heavy power equipment project, Hyderabad and the high-pressure boiler plant, Tiruchi. Its responsibilities are growing and the problems of administration, labour, construction and production are diverse. A single management may not prove equal to the task of administering all these big units. It has, therefore, been decided to entrust the implementation of the new heavy electrical projects in Hardwar, Hyderabad and Tiruchi to a new company to be formed. The board of directors of this company has not been finalised yet. The Minister for Heavy Engineering told the Lok Sabha last week that the recent labour trouble in the Bhopal factory had been engineered by the pro-Peking-wing of the Communist Party.

ORISSA

Ferro-chrome Plant

A letter of intent has been issued to the Industrial Development Corporation of Orissa for the setting up of a plant in Orissa for the production of low-grade carbon ferro-chrome with a capacity of 10,000 tons a year.

CAPITAL, 30th April, 1964.

London

U.K. EXPORTS TO COMMONWEALTH NEED TO BE RAISED

(FROM OUR LONDON CORRESPONDENT)

AN examination of British exports during 1963 shows that, although they were satisfactory in some respects, they showed no clear sign that the decline in Britain's share in the imports of Commonwealth countries had been halted. The decline has persisted for over a decade and has, of course, not escaped attention. It has only recently, however, caused widespread concern since for a long time it was argued that it was inevitable. The exceptionally favourable position of the immediate postwar years could not be expected to continue, and Britain has had to face increased competition in the Commonwealth from other countries.

It will be unfortunate if the "inevitable" nature of this decline is to be taken as implying that the trend is something to be passively accepted. Competition should be a spur to action, and trends are things of the past, not "inevitable" guides to the future. The important question is what can be done to halt or reverse the trend? Barclays Bank D.C.O. is one of the parties actively campaigning in the search for ways means. In the latest issue of its *Overseas Review* it deals with the question editorially.

The simple and indeed obvious answer is that British exports to the Commonwealth must be rendered more competitive in the broadest sense. Competition extends to many factors besides the obvious ones of price and quality of goods. There were signs in 1963 that, for the first time in many years, British goods in world markets were becoming more competitive in relation to those of many other countries. This is a continuous struggle, however, not a pitched battle, and victory is never assured. The troops in the field are provided by private enterprise and it is doubtful whether they are much assisted by harangues from their generals or staff officers, still less from non-combatants. They do, require proper support, and the Government's economic and fiscal policies play a vital part in their task.

Turning to the narrower question of increasing exports to the Commonwealth, the Bank thinks one step may be taken forthwith. The establishment of a Commonwealth Exports Council could be undertaken without the preliminaries of consultations with the other Commonwealth countries. Similar Councils exist for the Western Hemisphere and for Europe and have done valuable work. The suggestion appears to have been rejected by the Government on the ground that the countries of the Commonwealth are so dissimilar in their requirements; it was thought better that the Government should assist the various Chambers of Commerce to mount special campaigns. A joint campaign by Government and industry is being undertaken in Australia at present and others are planned in Nigeria and in Canada. There is much to be said for this specialised type of approach, but it does not seem to provide any reason why there should not be a Council to co-ordinate efforts and perhaps enable more campaigns to be mounted simultaneously, so that the smaller markets are not neglected.

There remains another argument in favour of the creation of a Commonwealth Exports Council. It has to be generally recognised that exports

to the Commonwealth are at least of the same importance as those to foreign countries. The idea that exports which earn foreign currency are more valuable to the nation than those to the sterling area lingers from the immediate postwar years. At that time many of the sterling area countries had surplus balances in London, which were used to pay for imports from Britain: but even then these "unrequited" exports were serving the not unworthy cause of paying off British debts to countries which had assisted the war effort. Furthermore, the world shortage of dollars made exports, which earned dollars, of more immediate value than others. Since the restoration of the convertibility of currencies over five years ago, there has been no truth in the idea that the value of exports to the nation depended on the currency earned. If Britain loses a market within the sterling area it is as certain, and probably as immediate, a loss to the reserves as the loss of any other market.

The sterling area is not the same thing as the Commonwealth, but their resemblance is sufficiently great to have caused this misconception. It is possible to establish certain criteria by which to judge which exports are most valuable: which have lowest import content, which provide maximum invisible earnings and which maintain or secure markets in developing countries. It is extremely difficult, however, to apply these criteria to practical policy except to make a vague generalisation that Britain should concentrate her efforts on exporting goods containing the highest degree of skilled processing and to countries providing the most promising markets for the future. This suggests that the most valuable exports for Britain are those of machinery and capital equipment to

developing countries, many of which are in the Commonwealth.

Other suggestions of how to stimulate exports to the Commonwealth boil down to asking member-countries to grant some kind of preferential treatment to Britain. As the largest Commonwealth countries are independent nations and as many of them are much poorer than herself, Britain has neither the legal nor the moral right to ask for unilateral concessions and must be able to offer something acceptable in return. Most of the developing Commonwealth countries have made it clear that they are not in favour of increasing trade discrimination, except in favour of developing countries as a whole group and that the industrialised countries cannot expect reciprocal advantages in return. It is difficult to see what Britain has to offer except on this basis; she may fairly claim that she has already gone farther than other industrialised countries in opening her market to the products of low-cost manufactures, particularly textiles from India, Pakistan and Hong Kong, and that the other industrialised countries should take the next step, but she cannot expect fresh arrangements of direct benefit to herself from these or any other Commonwealth countries for doing what is regarded as her duty. The United Nations conference now in progress in Geneva is largely concerned with this subject and it would be a particularly bad time at present for Britain to seek for anything in the way of trade preferences.

Commonwealth Export Body

This does not rule out other steps for greater Commonwealth co-operation in many spheres not directly concerned with trade, though they form the background to trade. Above

all there is scope for real Commonwealth co-operation in economic development. Possibly due to leaning over backwards to avoid charges of neo-colonialism, Britain has made no attempt to give a lead in this direction. Co-operation in drawing up national development plans and a standard code of incentives and safeguards for investors would benefit all concerned; Britain should at least discover how fair, non-discriminatory proposals of this nature are acceptable to the Commonwealth.

The House of Commons discussed exports the other day and how Government services can best help the people who are cultivating overseas markets. The verdict of a somewhat depleted House was apparently "British exporters are doing a fine job, but..." While paying all tribute where tribute was due, the debate splashed a certain amount of cold water on the Government's tendency to bask in the latest trade figures.

Mr. Gordon Matthews (Tory) provided a list of what he called the "seven deadly excuses", only one of which he was willing to accept as reasonable. The six snags about which he considered too much fuss was being made were inadequacy of information, financial risk, burden of taxation, too much complicated form-filling, translation difficulties, and the "I'm too small" complex. The seventh and strongest excuse was about the imperative demand of the home market, and it seemed to Mr. Matthews that more needed to be done to persuade manufacturers that it is in their own long-term interests to export.

Inevitably one heard more about those "league tables" which people invariably bring up in any debate involving trade. A strong protest against this sport was registered by Mr. Peter Emery, but it soon emerged that league tables are wrong only if they support the opponent's case and all right if they support one's own. For no sooner had Mr. Emery damned the Opposition's favourite tables, protesting that they are constructed out of hypocrisy for political purposes, than he added that he could himself construct a persuasive league table showing how well British steel companies have done in the competitive export field.

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<u>Liabilities</u>			<u>Assets</u>		
	1963	April 12, 1962		1963	April 12, 1962
	Rs.	Rs.		Rs.	Rs.
Capital	2,500	2,500	Cash	33,993	27,992
Reserves	7,032	6,656	Investment	160	120
Deposits	94,503	80,382			
Other Liabilities	5,954	3,198	Loan & Discta.	74,069	63,006
Contra A/cs.	10,940	7,958	Contra A/cs.	10,940	7,958
Profit & Loss	699	790	Other assets	2,466	2,408
	<u>1,21,628</u>	<u>1,01,484</u>		<u>1,21,628</u>	<u>1,01,484</u>



ESTATE DUTY SIMPLIFIED

by S. A. L. NARAYANA ROW

Here is a book out of ordinary that will prove useful to assesses and officers who have to deal with Estate Duty Assessment.

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RATIONALISING THE SMALL SAVINGS CAMPAIGN

By D. S. Kushwaha
(Allahabad University)

The small savings drive has not achieved the desired results as the rates of interest are not realistic and many of the schemes compete with one another. The author suggests a plan to rationalise the system according to which different forms of small savings can be made to attract people without imposing needless hardship as the compulsory deposits scheme did in the past year and the annuity deposit scheme does now.

WITH the launching of India's five year plans, small savings have assumed great importance. The Government has created a National Savings Organisation to encourage small savings and make people thrift-minded. Occasionally, one sees news in the Press that the savings drive in certain parts of the country has achieved a miraculous success, but unfortunately, these successes are sporadic, and the drive as a whole has failed to achieve the desired result.

No precise definition has been made of the persons who can be grouped under the category of small income earners. The Direct Taxes Administration Enquiry Committee, however, defined persons with small income as those falling in the income group of Rs. 3,600 to Rs. 7,500 annually. For purposes of small savings, one may, however, say that the class consists of persons with an annual income of Rs. 7,500 and less.

Rural Savings Survey
Recently, the Reserve Bank conducted a survey of rural savings and debts. The main findings have been published in the issue of the December 1963 *Reserve Bank of India Bulletin*. The survey covered 2,057 villages of the sample, spread over all the States, and collected data for the period July 1961-June 1962. According to the findings, nearly 62 percent of the rural households reported outstanding loans in cash at the end of June 1962. The proportion varied in different States, and in some, namely Rajasthan, it was as high as 70 percent. The average debt a household was Rs. 654. The average debt a cultivator-household was Rs. 719 and for as non-cultivator household Rs. 429. Lest it may be thought that the figures relate to past debts and that the rural sector is now in a position to save more, the findings of the survey provide information to clear all misunderstandings on that score. The average borrowing of the rural household for the period July 1961-June 1962 was about Rs. 180. The respective figures for cultivator and non-cultivator households were Rs. 205 and Rs. 111. Repayments all over India were about 50 percent of the borrowings. In the light of the above findings of the survey, does any one hope that the rural sector has an income which leaves a surplus to be put into small savings after meeting all essential requirements? The rural sector is in debt

and is continually borrowing. It would be wrong to assume that it will be able to pay back its borrowings from a source other than current income. And out of the current income, can a villager really manage to contribute to small savings when after meeting his bare requirements he can pay off just 50 percent of his annual debts?

Turning to the urban sector which consists mainly of labour and professional classes belonging to the same income group, one finds that the position is far from satisfactory. The Government has already given up its scheme of compulsory deposits for the non-income tax paying group, which indicates its implicit acceptance of the proposition that people in the lower income brackets have no margin for savings. As for the income tax paying group falling between Rs. 3,600 and Rs. 7,500 a year, the rates of income tax, surcharge, additional surcharge are still so heavy that they take away a good part of their income. Apart from deductions on account of provident fund, premiums for insurance policy also take away a certain part, say 20 percent. The result is that people in this income group are left with approximately 70 percent of their income to meet their requirements of consumption after payment of taxes, compulsory deposits, provident fund and insurance premiums. The percentage figure has been worked out with reference to earners with an annual income of Rs. 7,500 keeping in mind cases of mere salary earners and persons with other and unearned incomes. In view of rising prices, it is too much to expect that this income group of people is left with any balance to contribute to small savings.

Percentage of Savers

It may be contended that although the majority of the households in the rural sector—the percentage being as high as 70 in certain States—are indebted, the remainder can contribute towards small savings. Similarly in the urban sector, there may be a small percentage, although it may be a microscopic one, of small-income earners (as defined in this article) who may be in a position to save, and the small savings movement could justifiably tap them. All this may be true, but does it serve the purpose? The current rate of saving is in the neighbourhood of 8 percent, which will have to be raised to 12 percent in keeping with the targets under the third plan. The rise in savings will come about partly by increases in incomes due to economic development and partly it has to be forced in a poor country where the people are likely to spend on consumer's goods all increases in their incomes. The latter consideration in pushing up the rate of savings assumes importance in view of the fact that the manner of distribution of the increase in the national income is not definitely known, and, therefore, an attempt must be made to cover even the persons with small incomes.

The Government requires funds for financing the plan. Everyone

must play his or her part. Persons in the small income group will not fail to do so provided they are fitted into a rationalised scheme of savings. Piecemeal efforts will not produce the desired result. One has to recognise that saving is made out of the balance available from current income after consumption. The capacity to save, other things remaining the same, can be expected to increase with an increase in income. Therefore, a scheme, which prescribes a graduated rate of savings for different small income groups, has to be devised and enforced savings being permissible in any form, insurance policy, savings certificates, deposits in savings bank, contributions to provident fund, etcetera, and a person who has saved the prescribed percentage of income in any one or more forms should be considered to have done his duty and given relief in income tax, if he happens to fall in the income tax paying group. The rates of saving may vary from 1 percent to 25 percent of income to bring about an average of 12 percent of saving of the national income. It would be unrealistic to expect more than 25 percent of saving from current incomes from any group.

A Rational Plan

A rational plan for savings, such as outlined above, would collect a sizable amount in the form of savings and become a regular source of funds for the plans. It will be a source upon which the Government can rely and be sure that the funds will be available. As things stand today, various savings schemes of the Government compete with one another. A person who has to make a compulsory deposit forgoes an insurance policy which he would have very much liked to have. And persons who would like to invest in industrial scrip may do so in the units of the proposed Unit Trust of India which promises a return of 8 to 10 percent, instead of buying National Savings certificates. The net result is, and would continue to be that the Government is not in a position to raise a definite percentage of national income as savings,—which should be the idea underlying all small savings schemes. The opportunities which the Government has been offering to the public will only alter the existing pattern of holding the savings, but they are unlikely to influence any increase in the total amount.

It is, of course, not suggested that the saving capacity should be fixed for ever in terms of definite percentages. Suitable modifications should be made according to changes in the price level. If the Government fails to prevent price rises from outstripping increases in income, then it would be impossible for the people to save at old rates, as it is obvious that savings would have to be related to the income of a person and the prevailing price level. The rate of interest would have to be linked with the price level also. The rate of interest offered to small savers should be attractive. Ultimately, a savings campaign means "buying the savings" from the people, and an attractive price, namely, an

attractive rate of interest, can certainly improve matters. Like a graduated rate of saving for various groups of income earners, there should be a plan providing for a graduated rate of interest at various price levels, primarily to offset the adverse effect of a rise in prices.

Raising Average Savings Rate

It is high time that the Government gave serious thought to the rationalisation of its savings drive, and to the formulation of a comprehensive savings plan to step up the average rate of savings. It may contemplate compulsory insurance (a subject which is being discussed these days), it may ask for compulsory deposits or investment in savings certificates or units of the Unit Trust keeping in mind that the obligation on a person is to save a fixed percentage of his income in any of these forms of savings, or in as many of them as he considers proper. As it is, the compulsory deposit scheme has caused hardship to those small income earners who have got themselves adequately insured. If the Government follows a plan on the lines suggested, much of the hardship of the compulsory deposit scheme would disappear and at the same time, it would succeed in raising a fixed percentage of savings. If a person, however, voluntarily saves more than the percentage prescribed for his income group, so much the better. The Government would get the credit of having inculcated the habit of thrift, without imposing needless hardship. It would sustain the people's enthusiastic interest in small savings and the plans.

NEW U.K. BUSINESS DEGREE SUGGESTED

A new nationally recognised qualification in business studies at honours-degree level is recommended in a report just published by the British Ministry of Education. The report, *A Higher Award in Business Studies*, (Stationery Office, 1s 9d) follows a study of existing awards by a sub-committee of the National Advisory Council for Education in Industry and Commerce. The committee, set up in 1961, visualises an advanced qualification equivalent in standard to the present diploma in technology. It recommends the establishment of sandwich training courses combining academic work in college with practical experience "as soon as is practicable." A minimum standard of entry, the report says, should be five passes in the G.C.E., including at least two at A level, or a good Ordinary National Certificate or diploma.

The committee searches in vain for a crisp, accurate and comprehensive definition of "business," but concludes that the basic disciplines must be economics, sociology and mathematics. Existing awards are reviewed and the gap to be filled by the advanced qualification is revealed. "Without them the business of the country will, in our view, fail to attract its fair share of able and well-equipped school-leavers." The report adds that, although difficult to assess, the demand for such a qualification from industry and commerce, "both actual and potential" is sufficient to justify its early establishment.

BOOKS RECEIVED

The Strategy of Economic Planning. By Mahbub ul Haq. (Published by the Oxford University Press. Review copy received from the Oxford University Press. Mercantile Buildings, Calcutta 1. Price Rs. 31.25, pages 266.)

The Avadi Socialists. By Vigneshwara. (Published by B. G. Paul and Co., 4 Francis Joseph Street, Madras 1. Price Rs. 5 + Rs. 1.25 for postage, pages 392.)

Jute

BRIGHT PROSPECTS FOR A BUMPER CROP

THE jute crop is thriving due to the alternate sunshine and rain in the early-sown, low-lying areas in northern Bengal, lower Assam valley, south-eastern Bihar and Tripura. Following regular afternoon and night showers all over Gangetic West Bengal, brisk soil-preparation work is in progress in the Burdwan, Midnapur, Howrah, Hooghly, Nadia, Murshidabad and 24 Parganas districts. Due to the drought in these areas up to the middle of March, almost the entire tillage is available for sowing jute. Reports from upcountry centres indicate that the acreage under the fibre during the 1964-65 season will be as large as in the past two seasons. The fact that farmers have been receiving a fair return for their crop since the introduction of the price-support scheme should encourage them to maintain the acreage.

Reports from East Pakistan indicate excellent progress of sowing in that country. The early-April showers have helped complete all sowing so far. As in the previous two seasons, the Government's efforts to restrict the acreage are not likely to be very effective. Hence jute circles foresee a bumper crop in both India and East Pakistan.

Role of Co-operatives

An official review of the rôle played by jute co-operatives in supporting fibre prices during the current season states that the societies purchased a total of 160,700 maunds from markets in the interior up to the first week of April 1964. They bought from the primary and secondary markets only when prices tended to sag below the operational minimum levels. The biggest purchase of 50,000 maunds was made in Andhra Pradesh, followed by 30,000 maunds in Orissa, 25,500 maunds in West Bengal, 24,000 maunds in Assam, 20,000 maunds in Bihar, 6,200 maunds in Uttar Pradesh and 5,000 maunds in Tripura.

Under the scheme, the State Trading Corporation is required to purchase raw jute through the rural co-operatives. There were 96 primary marketing societies. Arrangements were made for their operation in 89 secondary markets and in about 300 feeder centres in the important jute-growing States. As fibre prices in upcountry markets remained stable around the official floor levels and their derivatives the societies were not required to buy on an extensive scale. No specific purchase quota was issued to them. It is stated that the arrangements made by them to enter the markets, if prices softened below the operational minimum levels, helped arrest any drift in prices. The heavy purchases by mills against their monthly quotas helped too. In a few centres where prices tended to sag, the co-operatives promptly commenced buying and checked the fall.

THE JUTE MARKETS

Manufactured Goods: Divergent trends prevailed in the Calcutta gunny market during the past week. Sentiment suffered a setback in heavy goods due to mills emerging as keen sellers for all positions. Reports of a Burmese Government tender for 12,000 bales of heavy Cees and an Indian Government tender for 2,500 bales of B Twills for mid-May delivery combined with scattered cover-

ing against ready and near positions, failed to arrest the drift. There was little change in the pattern of overseas buying and offtake. The industry and the trade seemed to have reconciled themselves to this type of hand-to-mouth trading; the former continued to run its installed capacities at the maximum level. Conditions were better in the shed berth position, there was hardly any detention of vessels at Sandheads. The threatened lighterage workers' strike, which was to have commenced at the end of April, was also deferred for a month, pending investigation of the grievances by the Government. This induced some spot purchases and covering by shippers. They were keen on completing their ready and near-term commitments. So circles close to them believed that end-April bookings for River Plate destinations were satisfactory. Continuing interest from the U.S.A., the Argentine, Russia and Australia—though only for small lots of hessian generally for the ready and near positions—helped maintain the price trend. Fluctuations were wide in the week, the hedge market looked up on scattered bear support, though cautious bulls took their profits at the bulges. After Monday, there was a reversal of the trend on reports of a drift in spot sacking when tired bulls began selling. Bears too took advantage of the situation and started hammering prices down. Towards

the close, sacking for May and August was marked down after wide fluctuations. Hessian escaped a setback in view of the firm trend in the spot market. Price movements were narrow. Turnover was fair in sacking and small in hessian. The closing undertone was easy in the former, and cautious but steady in the latter.

Wednesday's quotations were as follows:

	April	May	June	July-Sept.	Oct.-Dec.
40in. 7½oz.	33.50	33.75	33.90	34.20	34.10
40in. 8oz.	36.50	—	—	—	—
40in. 10oz.	45.40	45.85	45.90	46.25	46.15
B Twills	113.50	114.10	114.40	115.05	115.50
Cornacks	115.00	115.90	116.25	116.75	117.25
Heavy Cees (Plat)	113.75	113.85	114.00	114.50	115.00
A Twills	134.00	135.00	135.50	136.50	137.75
Liverpools	127.50	128.00	128.00	128.25	128.25

Raw Jute: Trading was interrupted by holidays during the past week. With daily arrivals in the upcountry markets shrinking to around 25,000 maunds, there was a shortage of selected grade fibre. The floating stocks of such grades were negligible, and holders were inclined to squeeze a higher price since mills were selective in completing their current quota of 200,000 bales. So prices tended to harden somewhat in narrow fluctuations. Turnover was small, generally confined to better-grade jute for longer positions in the mofussil markets. Good crop prospects induced nervousness among holders of lower-grade jute and mesta. They were inclined to discount prices below the official minima. But mills showed little interest even at

such levels. As a result, the selling pressure continued throughout the week. In the futures market, Upper Assam White Bottoms for June enjoyed brisk bear-support earlier in the week, which helped prices after a see-saw battle between bear and bulls. But after Monday bulls started unloading in an effort to lighten their month-end commitments. Bears took advantage of this and resorted to aggressive short-selling, pushing the price to the lowest level for the month. The lower levels attracted fresh bear-covering against their short positions. Towards the close, prices hardened somewhat from the week's lows. Turnover was fair, and the undertone hesitant at the close.

Wednesday's quotations were as follows:

	Landed at Mills (Basis Bottoms)		T.S.D Minimum Prices	
	Rs. A Qtl.	Rs. A Md.	Rs. A Qtl.	Rs. A Md.
Assam-Agartala	84.39	31.50	80.38	30.00
Jute	84.39	31.50	80.38	30.00
Northern Jute	81.72	30.50	79.04	29.50
Western Desal	76.38	28.50	73.68	27.50
Selected	89.75	33.50	85.74	32.00
Daissee	83.74	32.00	83.05	31.00
Assam-Agartala	—	—	—	—
Tossa	—	—	—	—
Mesta:	—	—	—	—
Assam-	—	—	—	—
Northern	68.32	25.50	72.34	27.00
Local Daissee	68.32	25.50	72.34	27.00
Bihar Dist.	64.39	24.00	68.32	25.50

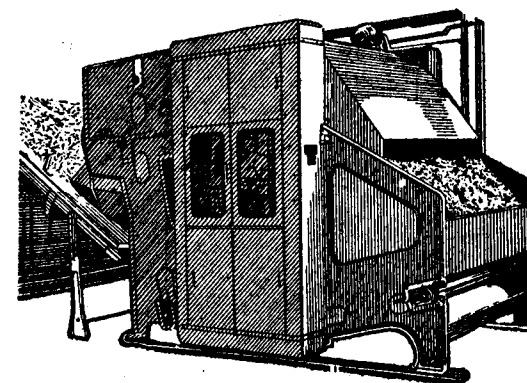
THE U.K. JUTE MARKETS

FIBRE QUIET

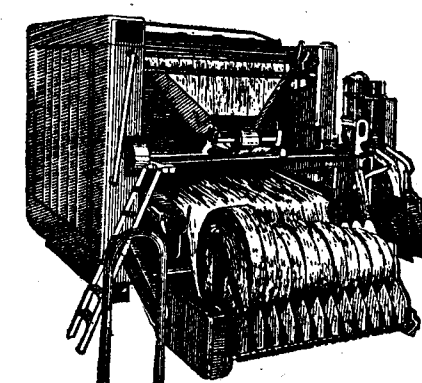
(FROM OUR DUNDEE CORRESPONDENT)

THE raw jute market in Pakistan last week was very quiet and the E.P.C. values of the higher grades of both White and Tossa jute were reduced by £1 to £5 a ton. The E.P.C. values of the lower grades were un-

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changed as they have been at minimum levels all season. The official prices of cuttings and mesta have also been reduced. With the easier trend in prices, Dundee spinners kept out of the market except for small quantities on spot and some very low prices were accepted by sellers. Demand from Continental countries was of small size and this lack of business was weakening the market.

The new crop in Pakistan is making satisfactory progress, and the position appears to be normal for the time of year. However, practically no offers of new crop are being made here, possibly because old crop prices are so low and spinners are refusing to pay a premium for forward shipment.

Old crop prices are lowest at £142 for Mill Firsts, at £109 10s for Mill Lightnings, at £94 10s for Mill Hearts and at £78 for Grade Hearts, c.i.f. U.K., for April-May shipment. Grade Tossa-2/3 was available at £123 10s and Grade Tossa-4 at £105. There were sellers of Output Tossa-2/3 at £91 10s and of Output Tossa-4 at £81, April-May. Cuttings were also quieter at £59 for S.N.C. and at £51 for N.C. Mesta prices were irregular with offers at £84 for A, at £74 for B, at £67 for C and at £49 for cuttings, c.i.f. U.K., for April-May shipment.

The Siam jute market became easier for top qualities, but unchanged for others. This was due to a certain amount of buying interest shown by Japan in grades B and C. Offers were at £77 for grade A, at £69 for grade B and at £66 for grade C, delivered mill Dundee for April-May shipment.

The Calcutta goods market was quiet in hessians but steady for sackings. Some buying interest was shown here during the past week. Prices were at 69s for 40in. 10oz. and at 51s for 7½oz. a 100 yards f.o.b. Calcutta for April shipment, at 69s 7d and 51s 5d May and at 69s 8d and 51s 6d June. B Twills were at 172s 4d, 173s 5d and 173s 11d for the respective shipment periods.

Commodity Markets

SOUTH INDIAN TEA OUTPUT AND EXPORTS RISE

(FROM OUR SOUTH INDIAN CORRESPONDENT)

IN 1963, south India produced 87.7 million kilograms of tea, according to the latest estimate of the United Planters Association of Southern India. The production shows a smart gain over the previous year's crop. This was inclusive of the estimated production of factories without estates. Their contribution was to the tune of 7.9 million kilograms. Estates in Madras State produced 36 million kilograms, Kerala 41 million kilograms and Mysore 2 million kilograms during 1963. Over a period of seven years, tea production in south India increased by 19.5 million kilograms from 68.2 million kilograms to 87.7 million kilograms. But the prolonged drought since the beginning of this year has been threatening to cause permanent damage to the crop. A few showers received recently have eased the situation but the rains are not considered enough by the planters. The crop to the end of March is estimated by the trade at 14 million kilograms, against 16 million kilograms of the first quarter of 1963, and 16.8 million kilograms of the same period of 1962.

The sale average for the first quarter of 1964 does not show that the fall in crop has been made good by the price realised. Leaf grades actually realised 2nP a kilo less than the price of Rs. 5.15 realised during the first quarter of last year in the Cochin auctions. Dust grades which account for a much smaller volume, realised Rs. 4.55 a kilogram, representing a gain of 20nP over that of the same period in 1963. South Indian teas offered through London were markedly smaller in volume than

those in the first quarter of 1963 and also fetched a lower price.

South Indian tea exports touched a new peak in 1963, according to the official figures which are available now. Some 108 million lbs. representing roughly 60 percent of the year's crop, were exported as against 103 million lbs in 1962 and 89 million lbs in 1961. Russia which took 15.3 million lbs of tea from Cochin during 1963, as against 8.4 million lbs in 1962, was by and large responsible for the gain. There was a marginal increase of about 1 million lbs in the shipment to Britain which took as much as 46.4 million lbs. Exports to the U.S.A. had fallen from 7 million lbs in 1962 to 5.6 million lbs in 1963. Australia and Canada also reduced their purchases of south Indian teas from Cochin in 1963. The present buying pattern in Cochin discloses a preference for low mediums and mediums. Demand is generally satisfactory and where quality is maintained, prices are firm to dearer.

COFFEE

Drought Worries Growers

According to reports from certain planting areas, coffee growers there are worried about the impact of the drought earlier this year on the new coffee crop. Crop prospects have been rendered dull by the drought, according to these reports. However, any firm conclusion is difficult in the absence of reports from all districts. There are people who think that the crop prospects cannot be bad because

CAPITAL, 30th April, 1964.

several places have had fairly satisfactory blossom showers.

In the meanwhile, pool receipts of the 1963-64 crop have well exceeded the previous level. According to the latest report from the Coffee Board, receipts into its pool to the end of March 1964, were to the tune of 65,643 tonnes, compared with 45,230 tonnes of the previous season. This 65,643 tonnes consisted of 28,267 tonnes of Plantation, 9,325 tonnes of Arabica Cherry and 28,051 tonnes of Robusta. There was 100 percent increase in robusta harvest, when compared with the 1962-63 season. Robusta has been enjoying good demand for sometime now in the foreign market, so much so this increase in the production of this inferior grade is not a thing to be regretted. In the last export sale robusta had buyers at prices varying between Rs. 195 and Rs. 200, a 50 kilograms. The price range for the best grade Plantation "A" was Rs. 231 to 256 a 50 kilograms.

Brazilian coffee crop for 1964-65 is currently estimated at 6 million bags, against the export quota of 18 million bags allowed to that premier world producer by the International Coffee Agreement. The deficit is to be made good by drawing from the carry-over stocks from the previous crops. With clear indications of increased world consumption and decreased production, the U.S.A., along with some other major consumers, is pressing for an increase in the export quotas under the I.C.A. The two leading producing countries currently suffering from crop failures are opposed to this demand. A possible collusion between these two opposing views within the International Coffee Organisation might bring to a crucial head the question of success of the regulatory mechanism by August this year. It is said that the reluctance of the U.S. Senate to pass the relevant laws to implement the Agreement has been increasing with the rising price of coffee within the country.

While the import of tea into Britain has fallen from 529 million lbs in 1961

CAPITAL, 30th April, 1964.

to 510 million lbs last year, coffee import by this confirmed tea-drinking nation has increased by 32,773 tons from 42,045 tons in 1958 to 74,818 tons in 1963. It is said that tea consumption seemed to have reached its saturation point in the U.K., and the Britishers are fast developing a liking for coffee.

SPICES

More Earning from Exports

India's export earning on spices during the period April 1963 to January 1964, rose by Rs. 91 lakhs, when compared with that of the previous corresponding period. The items that contributed to this increase were chillies, cardamom, turmeric, etcetera. On the other hand, earnings on pepper, coriander seed and garlic registered a fall. According to the Spices Export Promotion Council, which gives this information through the latest issue of its bulletin, there was a decline to the tune of Rs. 1 crore in the export earnings on black pepper during the period under review. The fall in quantity was to the extent of 2,590 tonnes. The decline was principally in the export to the U.S.A. Exports to Russia, on the other hand, registered an increase during this period. Cardamom export fell by 148 tonnes, but export earning was higher to the tune of Rs. 22 lakhs. Chillies registered increases both in quantity and value. Export earning on this item has increased from Rs. 81 lakhs to Rs. 2.28 crores. In ginger there has been a decline quantitatively, but due to higher prices, export earning was higher to the tune of Rs. 1 lakhs. There was an increase both in quantity and value in the case of turmeric. While the quantity has increased by 421 tonnes, value has gone up by Rs. 2 lakhs. Curry powder and paste have continued to keep up the rate of increase as in the previous years. They made a gain of Rs. 2 lakhs during the period under review.

recommended that the planters should be allowed the grant of subsidy and loans under the Industrial Housing Scheme available to industrial employers, but from which the planters were so far excluded. If the entire plantation labour were to be rehoused in a 12-year period according to standards of construction laid down under the Plantation Labour Act, it would involve an investment of Rs. 240 crores in fixed assets which will earn no income for the investors. The industry had a total capital investment of around Rs. 116 crores as estimated by the Plantation Inquiry Commission in 1955. The housing group, however, concedes that the needs of the industry for development may be considered on par with the needs of the labour housing according to standards laid down.

TEA

Prospects for Tea Crop Good

(BY A SPECIAL CORRESPONDENT)

SOME Calcutta tea experts consider that crop forecasts from northern India indicate an early opening this season. An average over the past few years would also suggest that more favourable climatic conditions are due this year. Fairly large areas have been planted or replanted in the past ten years and these new or renovated plots should show the benefit from scientific application of irrigation and fertiliser. So by and large, there is the possibility of another reaped production, or, at any rate a crop to equal 1961's when 273.4 million kilograms of tea was manufactured.

Coming back to the prospects for 1964, a recent tour of Darjeeling shows that although there has been very little rain this year, the first flush has burst out with rather more than normal force. Unfortunately, the stronger growth has not helped quality and samples to hand in Calcutta are considered rather disappointing. The anomaly of a strong flush without rain is explained by the fact of last year's autumnal rains. These came later than usual, and it is reasoned that the very deep tap roots which grow on bushes planted on hilly sections allowed the tea to tap the moisture left in the soil by the late rains throughout the cold spell. Anyway, Darjeeling has made an early start in quantity. Second flush samples have not yet come to hand Assam and the Dooars are expected to open early this year, and

the new railway bridges will probably expedite despatches. There is already more activity reported in forward freight bookings from Calcutta.

News from Cachar is more encouraging, as it is learnt that changes in ownership have almost always resulted in more economical working of estates in that district. Moreover, the produce from many gardens has been fully up to standard.

Australia Encourages Imports

Australia and New Zealand have exempted tea from import licensing and the latter has decided to renew Customs duty on bulk tea. Switzerland also proposes to abolish all Customs duties on tea. A campaign to promote consumption of Indian tea in Switzerland is being started.

Although tea continues to be the cheapest beverage, it is noteworthy that more expansive refreshment are on offer in increasing quantities. Instant coffee has helped to stage a considerable advance in consumption, particularly in the U.K. A study shows that in recent years, expenditure on coffee drinking has risen by about 50 percent, while tea, cocoa and chocolate have all lost ground. The peak of tea consumption was 10.1 lbs a head some years ago. Coffee is already consumed at 2.7 lbs a head.

Another interesting comparison is expenditure on food in the U.K., which rose by one-fifth between 1955-61 whereas on coffee it advanced by two-fifths, but expenditure on tea was slightly less. In the U.S.A., propaganda is concentrated on young people, but in England, that section of the population is moving away from tea.

There is much talk of a bumper crop from north India this year, but there is still time for hail, cyclones, floods, pests and diseases to work havoc. However, an early and favourable start seems assured, and on average, it is expected that north India should hit the 1961 crop output. South India may reasonably expect to produce at least the same as in 1963, but will probably make more. Added to the supply from Russia, there is another new producer in Turkey. An experimental invoice has already been sold in London—at a profit, of around 2s 7d a lb. In places, the Turkish border runs contiguous with Russian Georgia, and conditions are reported favourable for tea cultivation there, particularly with reference to soil.

COTTON TEXTILES

World Output Declines

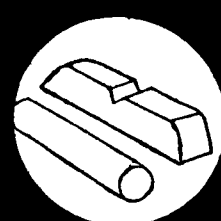
IN 1963, cotton textile production in the non-communist part of the world fell for the second year in succession. In those countries for which regular statistics are available, according to the Cotton Board's latest *Quarterly Statistical Review*, cotton yarn output was about 1 percent less than in 1962 and about 24 percent less than in 1961. Production in the U.S.A., continental Western Europe and Japan was less than in 1962, while production in India increased; there was little change in the U.K.'s output. World production turned upward in the course of the year, however. Whereas output in the first half of 1963 was about 4 percent less than in the same period of 1962, output in the second half of 1963 was about 2 percent greater than a year earlier. In the fourth quarter of 1963, cotton yarn output in the U.K., the U.S.A., Japan and India was greater than a year earlier, and the same may be true of output in continental western Europe.

World trade in cotton piecegoods has been declining since 1960, and the 1963 total of exports from the main non-communist exporting countries is estimated to have been about 4 percent below the 1962 level. Much the heaviest fall was suffered by Japan, while shipments from the U.K. and the U.S.A. were also less than in the preceding year. On the other hand, exports from the continental west European countries, India, Pakistan and Hongkong seem to have been rather greater than in 1962. In the fourth quarter of 1963 total exports from the main non-communist exporting countries still seem to have been about 4 percent less than in the corresponding period of 1962, with the U.K. and Japan showing decreases compared with a year earlier and the U.S.A., India, Hongkong and the continental west European countries as a whole probably showing increases.

Exports of man-made fibre fabrics from the principal non-communist exporting countries in 1963 were about 2 percent below the comparatively high 1962 level. The fall was more than accounted for by the sharp drop in Japanese shipments, whereas exports from the U.K., the U.S.A., and the continental west European countries as a whole were greater than in 1962. In the final quarter of 1963, total world trade in these fabrics seems to have been about 3 percent less than in the corresponding period of 1962, with Japan still accounting for much more than the whole of this decrease.

Cotton yarn production in India expanded strongly in the course of 1963, so that by the final quarter it was running at nearly 5 percent above the level of the corresponding period of 1962. Most of the increased production went to the handloom and independent power-loom sectors of the cotton industry, while mill production of cotton cloth did not exceed the previous year's level until the last quarter of the year, and then by less than 2 percent. The plans to increase the number of spindles and looms in the mill-sector of the industry seem to have been making slow progress. The industry blames the Government for failure to issue the necessary import licences.

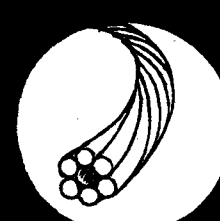
Indian exports of cotton piecegoods expanded strongly, probably seasonally, in the last quarter of 1963. They probably exceeded the level reached in the final quarter of the previous year, with increased shipments to the U.K. and Ceylon partly offset by a smaller trade with the U.S.A. and the Sudan. In the year as a whole, exports were slightly greater than in 1962, but were barely back to the unsatisfactory 1961 level.



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Gopalkrishnan Flour Mills' Compound,
Ahmedabad.

PUNJAB
DELHI ALUMINIUM HOUSE,
5-K/144, New Township, Faridabad.



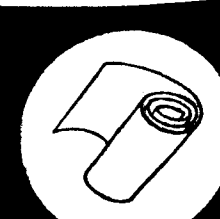
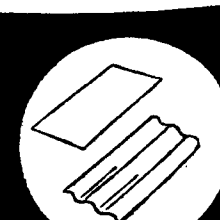
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SOUTH INDIA
K. K. CORPORATION,
George Oakes Building,
Sri Narasimharaja Square, Bangalore 2.



AC/G/19

PLANTATION LABOUR

Housing Target

The working group on plantation housing appointed by the Government of India has recommended that the construction of houses should be maintained at 8 percent a year and no relaxation of this rate was possible unless there was shortage of building materials. No allowance has been made for loss suffered by the employer. The group has also

MIDDLE CLASS COST OF LIVING INDEX NUMBER FOR CALCUTTA

(Base: August 1939)

THE Middle Class Cost of Living Indices, by groups, have now been brought up to March 1964. As compared with February, the March index for Food reveals a rise of 7

points. The indices for Fuel & Lighting, Clothing and Miscellaneous remain unchanged at 308, 609, and 321 points respectively.

Combining all the factors, the Middle Class Cost of Living Index for Calcutta shows that the cost of living increased by 4 points during March 1964.

Middle Class Cost of Living Index Number for Calcutta. Prices in August, 1939=100

Groups	Weights	GROUP INDICES											
		Mar. 1963	Apr. 1963	May 1963	June 1963	July 1963	Aug. 1963	Sept. 1963	Oct. 1963	Nov. 1963	Dec. 1963	Jan. 1964	Feb. 1964
Food	53.6	563	578	578	586	591	598	606	608	598	591	584	576
Fuel and Lighting	4.4	307	304	308	308	308	308	308	308	308	308	308	308
Clothing	12.4	598	602	602	602	602	602	609	609	609	609	609	609
Miscellaneous	29.6	314	317	317	317	317	317	317	317	321	321	321	321
Combined Index	100.0	482	491	492	496	499	502	507	509	505	501	497	497

Compiled and constructed by the Statistical Department of "Capital"

COMPANY AND PUBLIC NOTICES

KUMARDHUBI ENGINEERING WORKS LTD.

NOTICE is hereby given that an Annual General Meeting of KUMARDHUBI ENGINEERING WORKS, LIMITED, will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta, on Friday, the 29th May, 1964, at 3-40 P.M., for the following purposes:—

1. To consider and approve the Audited Accounts of the Company for the year ended 30th November, 1963, and to receive the Directors' and Auditors' Reports thereon.
2. To declare the Dividends recommended by the Directors.
3. To appoint a Director in the place of a retiring Director.
4. To appoint Auditors and fix their remuneration.

As Special Business

5. To consider and, if thought fit, to pass the following resolution which will be proposed as an Ordinary Resolution:—

"WHEREAS by a Debiture Trust Deed (hereinafter called "the Principal Deed") dated the 30th July, 1946 and made between the Company of the one part and the Trustees of the other part named of the other part several properties of the Company as therein fully described were mortgaged and/or charged in favour of the said Trustees (including their successors in office) to secure the issue of 2,000 4% Redeemable Bearer Debentures of Rs. 500 each

(hereinafter called "the First Debentures") which were thereupon issued and remain outstanding;

AND WHEREAS the Company has embarked on an expansion programme increasing the production capacity of its Foundry and Structural Shops;

AND WHEREAS a part of the finance required to implement the said expansion programme is proposed to be obtained by long term borrowing upto the extent of Rupees forty lakhs;

AND WHEREAS it is *inter alia* provided in clause 4 of the Principal Deed that the Company is at liberty to issue a second series of Trust Mortgage Debentures upto Rupees five lakhs but such provision is neither considered suitable nor sufficient for meeting the purposes aforesaid;

AND WHEREAS the required long term borrowing upto Rupees forty lakhs as aforesaid is proposed to be effected by the creation and issue for cash at par of upto 8,000 Registered Debentures of Rs. 500 each carrying interest at the rate of seven per cent per annum of an aggregate nominal amount of Rupees forty lakhs redeemable at par by the 30th November, 1979 (hereinafter called "the Further Debentures") to be constituted by a separate Trust Deed or otherwise and secured by a mortgage and charge of the same properties as are

comprised in the Principal Deed and ranking *pari passu* in point of security with the First Debentures for which necessary consent of the Controller of Capital Issues has been obtained;

AND WHEREAS it is proposed to increase the rate of interest on the First Debentures from 4% per annum to 7% per annum with effect from the date when the Further Debentures or any part thereof are created and issued;

RESOLVED that subject to such approval of the holders of First Debentures as may be necessary or required in the premises approval be and is hereby accorded to the matters and things aforesaid, and in particular, pursuant to the provisions of Section 293 (1) (a) of the Companies Act, 1956, so far as and to the extent that the said provisions may be or be deemed to be attracted, to the creation of a mortgage or charge over the whole of the immovable property and other fixed assets of the Company both present and future (including uncalculated capital) to secure the creation and issue of the Further Debentures at par for cash and that the Board of Directors of the Company be and is hereby authorised to do or cause to be done all such matters and things as may be necessary or required in the premises;

6. To consider and, if thought fit, to pass the following resolution which will be proposed as an Ordinary Resolution:—

"RESOLVED that pursuant to the provisions of Section 293 (1) (d) of the Companies Act, 1956, the Board of Directors of the Company be and is hereby authorised to borrow from time to time such sums of money in excess of the aggregate of its paid up Capital and free reserves in addition to temporary loans obtained from the Company's bankers in the ordinary course of business as may be necessary, subject to a maximum limit of Rs. 150,00,000/-"

The Share Transfer Registers of the Company will be closed from the 15th to the 29th May, 1964, both days inclusive.

By Order of the Board,
BIRD & COMPANY (PRIVATE) LIMITED,
Managing Agents.
Registered Office:
Chartered Bank Buildings,
Calcutta, 20th April, 1964.

Notes: (a) A member entitled to attend and vote at this meeting may appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.

(b) The Dividends, if declared, will be paid on or after 22nd June, 1964, to those Shareholders so entitled whose names appear in the Company's books on the 29th May, 1964, or to their mandatees. No application for Dividend Warrants will be necessary.

(c) The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, is being sent to all members.

CAPITAL, 30th April, 1964.

THE INDO-BURMA PETROLEUM COMPANY LIMITED

Registered Office:
Gillander House, Netaji Subhas Road,
Calcutta-1.

NOTICE is hereby given that the Fifty-sixth Annual General Meeting of the Members will be held at the Registered Office of the Company on Tuesday the 26th May, 1964, at 11-00 a.m. to transact the following business:—

1. To receive and adopt the Directors' Report and the audited Balance Sheet and Profit and Loss Account for the year ended 31st December, 1963.
2. To sanction the declaration of a dividend.
3. To appoint a Director in place of Mr. P. Sen Gupta who retires by rotation and, being eligible, offers himself for re-appointment.
4. To consider and, if thought fit, to pass the following Resolution for which a Notice as required by Section 257(1) of the Companies Act, 1956, has been received by the Company:—

As an Ordinary Resolution

"Resolved that Mr. D. Mansson be and is hereby appointed a Director of the Company."

5. To consider and, if thought fit, to pass the following Resolution for which a Special Notice as required by Section 261(2) of the Companies Act, 1956, has been received by the Company:—

As a Special Resolution

"Resolved that Mr. A. K. Gupta who is an employee of Messrs. Steel Brothers and Company Limited, the Managing Agents of the Company be and is hereby appointed a Director of the Company."

6. To appoint Auditors including Branch Auditors and to fix their remuneration.

NOTICE is hereby given that the Ordinary Register of Members of the Company will be closed from the 7th May, 1964 to 26th May, 1964, both days inclusive.

By Order of the Board,
STEEL BROTHERS AND COMPANY LIMITED,
Managing Agents.

24th April, 1964.

Notes: (1) A member entitled to attend and vote at this Meeting is entitled to appoint a proxy to attend and, on a poll, to vote in his stead. Such proxy need not be a member.

(2) An Explanatory Statement concerning items 4 and 5 as required by Section 173(2) of the Companies Act, 1956, has been posted to Members.

MACHINERY WANTED

Cylindrical Rotary Dryer preferably nine feet approximately diameter twelve feet or more in length preferably with driving gear. Please send description with price required to Box No. 4811, c/o 'Capital', P.O. Box 14, Calcutta-1.

CAPITAL, 30th April, 1964.

JESSOP & CO. LTD.

NOTICE is hereby given that in compliance with the provisions of the Preference Shares (Regulation of Dividends) Act, 1960, the Board of Management has sanctioned the payment of an Interim Dividend on 3% Cumulative Preference Shares for the half-year ending 30th April 1964, at the rate of Rs. 3.25 per share subject to deduction of tax in accordance with the Finance Act currently in force.

The Preference Share Transfer Register will be closed from 19th May 1964 to 23rd May 1964, both days inclusive.

Dividends will be paid only to the Shareholders whose names are registered in the Books of the Company on the 23rd May, 1964 or to their Mandatees.

By Order of the Board,
K. S. BASU,
Secretary.

63, Netaji Subhas Road,
Calcutta, 28th April, 1964.

THE GOUREPORE COMPANY, LIMITED

NOTICE

NOTICE is hereby given that the Board of Directors of this Company has sanctioned payment of an Interim Dividend of 10% on the Ordinary Share Capital of the Company for the year ended 31st March, 1964.

Payment will be made on or after 1st June, 1964 to those Ordinary Shareholders whose names appear on the Company's Register on that date or in accordance with their instructions.

The Ordinary Share Transfer Books of the Company will be closed from the 26th May to the 1st June, 1964, both days inclusive.

By Order of the Board,
MACNEILL & BARRY, LIMITED,
A. N. MITRA,
Secretary,
Managing Agents.

2, Fairlie Place,
Calcutta-1, 29th April, 1964.

THE CALCUTTA ELECTRIC SUPPLY CORPORATION LIMITED

(Incorporated in England)

NOTICE is hereby given that the Board of Directors of this Company have declared payment of a Final Dividend on the Company's Preference Stock for the year ended 31st March, 1964 at the rate of £2-14-8.16/49d. per cent less Income Tax at 7s. 9d. in the pound equal to £1-13-6d per cent. Payment will be made on 29th May, 1964 to those stockholders whose names are registered in the Company's Stock Register on 11th May, 1964.

Applications for transfers received in this office before 12 O'clock noon on Monday, the 11th May, 1964 will, if otherwise satisfactory, be registered at that date for the purpose of participation in the above dividend.

By Order of the Board,
D. P. M. KANGA,
Agent.

Victoria House,
Calcutta, the 24th April, 1964.

THE PUNJAB NATIONAL BANK LTD., NEW DELHI

NOTICE

NOTICE is hereby given that the next Annual General Meeting of the Shareholders of the Punjab National Bank Limited, New Delhi, will be held at the Registered Office of the Bank, Parliament Street, New Delhi, on Monday, the 18th May, 1964, at 4-00 P.M. Notice of the Meeting setting out the ordinary and special business to be transacted thereat and the Explanatory Statement attached therewith will be sent by post to the Shareholders at their registered addresses.

By Order of the
Board of Directors,
R. L. TULL,
General Manager.

N.B.

1. The Transfer Books and the Register of Members of the Company will remain closed from 14th April to 28th April, 1964 (both days inclusive).

2. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. Such proxies on the form should reach the Registered Office of the Company at least 48 hours before the time fixed for the Meeting.

3. The dividend when declared will be made payable, subject to the provisions of the Articles of Association of the Company, at the Registered Office of the Company on or after 19th May, 1964, to those shareholders whose names stand on the Register of Members as on 28th April, 1964, and in respect of the shares standing in their names as on that date.

4. Shareholders are requested to intimate the change of address, if any.
5. The date of the Annual General Meeting is 18th May, 1964, and not 11th May, 1964, as published earlier.

BRITISH PAINTS (INDIA) LIMITED

32, Chowringhee Road, Calcutta.

THIS is to notify that the Board of Directors of this Company has recommended the payment of a Final Dividend of 7½% subject to deduction of Income Tax on the Equity Share Capital of the Company held by Members as on date of the next Annual General Meeting.

The proposed Final Dividend of 7½%, together with the Interim Dividend of 7½% paid on 2nd December, 1963 makes a total of 15% payable out of the profits for the year ended 31st December, 1963.

By Order of the Board,
S. R. ROY,
Director Secretary.

Dated at Calcutta
24th April, 1964.

THE NUDEA MILLS COMPANY, LIMITED

NOTICE

NOTICE is hereby given that the Board of Directors of this Company has sanctioned payment of an Interim Dividend of 4% on the Ordinary Share Capital of the Company for the year ended 31st March, 1964.

Payment will be made on or after 1st June, 1964 to those Ordinary Shareholders whose names appear on the Company's Register on that date or in accordance with their instructions.

The Ordinary Share Transfer Books of the Company will be closed from the 26th May to the 1st June, 1964, both days inclusive.

By Order of the Board,
MACNEILL & BARRY, LIMITED,
A. N. MITRA,
Secretary,
Managing Agents.

2, Fairlie Place,
Calcutta-1, 29th April, 1964.

KUMARDHUBI ENGINEERING WORKS LTD

THE Director of the above Company have decided to recommend the payment of dividends for the year ended 30th November, 1963, subject to deduction of tax as under:—

On Cumulative Preference Shares @ 6.5% p.a.

On Ordinary Shares @ 50 nP per share.

By Order of the Board,

BIRD & CO. (PRIVATE) LIMITED,
Managing Agents.

Registered Office:
Chartered Bank Buildings,
Calcutta.
20th April, 1964.

HIDES AND SKINS

The market was quietly steady. Stocks were higher than in the previous week.

Bazaar Sales

(Between 21st April and 27th April, 1964)

Cowhides: Wet salted (Ord.) 10,000 pcs. on the basis of Rs. 7.50 to Rs. 9.37; Wet salted (Slaughtered) 9,500 pcs. on the basis of Rs. 10.50 to Rs. 16.50 and Rs. 19.50 to Rs. 28.50; Wet salted (Ord.) 3,000 pcs. on the basis of 68 nP a lb.

Goatskins: Wet salted (Daissee, Kustia) 17,200 pcs. on the basis of Rs. 325 to Rs. 340 and Rs. 370 to Rs. 380; Wet salted (he-killed) on the basis of Rs. 4.12 and (she-killed) on the basis of Rs. 3.87 a piece.

Bazaar Stocks

(27th April, 1964)

Cowhides: Wet salted 1,15,300 pcs.
Goatskins: Wet salted (Daissee, Patna, Kustia, Killed) 51,000 pcs.; Assam-Dimaipur 1,86,000 pcs.; Muzafferpore-Patna-Pakur - Furneah-Kisenganj 3,60,500 pcs.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	L.S.T. Hours
Dhuner Tea Co. Ltd.	14-5-64	2-30 p.m.
Bengal Flour Mills Co. Ltd.	19-5-64	3-30 p.m.
Soorah Jute Mills Co. Ltd.	27-5-64	2-30 p.m.
Philips India Ltd.	28-5-64	11 a.m.
Punjab National Bank Ltd.	18-5-64	4 p.m.
Kumardhubi Engineering Works Ltd.	29-5-64	3-40 p.m.
Indo-Burma Petroleum Co. Ltd.	26-5-64	11 a.m.

DIVIDENDS DECLARED OR PROPOSED.—Bengal Flour Mills Co. Ltd.—15 p.c. (f), subject to tax; Savamalai Estates Ltd.—17½ p.c., subject to tax; Nuddea Mills Co. Ltd.—4 p.c. (Int) (o); Gourepore Co. Ltd.—10 p.c. (Int) (o); British Paints (India) Ltd.—7½ p.c. (f) (o), subject to tax; Kumardhubi Engineering Works Ltd.—50 nP per share (o), subject to tax.

THE CENTRAL BANK OF INDIA LIMITED

(Established—December 1911.)

HEAD OFFICE:

Mahatma Gandhi Road, Fort, Bombay-1.

Authorized Capital	Rs. 10,00,00,000
Subscribed Capital	Rs. 5,78,53,600
Paid-up Capital	Rs. 3,15,51,800
Reserve Fund and other Reserves	Rs. 5,51,80,373
Deposits as at 31-12-63	Rs. 2,51,18,72,978

DIRECTORS:

Sir Homi Mody, K.B.E. (Chairman),
Cooverji Hormusji Bhabha, Esq. (Vice-Chairman),
Dharamsey Mulraj Khatau, Esq.,
Nityanand Manjesh Waghe, Esq.,
Chimanlal Bapalal Parikh, Esq.,
Nawab Prince Mukarram Jah Bahadur, Esq.,
Sir Jamsetjee Jeejeebhoy, Bart.,
Jaykrishna Harilalabhai, Esq.,
Shivav Soraaj Khambata, Esq.,
Nariman Kalkhushru Karanjia, Esq.,
Akbar Hydari, Esq.,
Mr. F. C. Cooper General Manager.

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CALCUTTA MAIN OFFICE:

33, Netaji Subhas Road.

LOCAL BRANCHES:

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Branches in West Bengal:—Asansol, Bankura, Burdwan, Durgapur, Jalpaiguri, Kalimpong, Furruli, Raiganj, Siliguri.

Branch in Assam:—Gauhati.

Branches in Bihar:—Arrah, Bettiah, Bhagalpur, Chapra, Darbhanga, Deogarh, Forasganj, Gaya, Jamshedpur, Jaynagar, Jharis Katihar, Khatrasa, Kishanganj, Laheriasarai, Lakhisarai, Mothari, Monghyr, Muzaffarpur, Patna, Patna City, Ranchi, Ravul, Samastipur, Sahibganj, Sasaram, Sitamarhi and Sevan.

Branch in Orissa:—Sambalpur.

B. C. SARBADHIKARI,
Chief Agent, Calcutta.



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CO., PRIVATE LTD.
77, NETAJI SUBHAS ROAD, CALCUTTA-1



"CAPITAL" STOCK AND SHARE LIST THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

Official quotations of the Calcutta Bombay, Madras, London Stock
Exchange Associations and other sources.
Figures given after stroke (/) mean Naye Paise.

Wednesday, 29th April, 1964.

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GOVERNMENTS LOANS										PORT TRUST LOANS										IMPROVEMENT TRUST LOANS									
Outstanding Amount	Interest per cent	Year of issue	Repayable	Market quotations	Outstanding Amount	Interest per cent	Year of issue	Repayable	Market quotations	Outstanding Amount	Interest per cent	Year of issue	Repayable	Market quotations	Outstanding Amount	Interest per cent	Year of issue	Repayable	Market quotations	Outstanding Amount	Interest per cent	Year of issue	Repayable	Market quotations	Outstanding Amount	Interest per cent	Year of issue	Repayable	Market quotations
GOVERNMENT OF INDIA										CALCUTTA										BOMBAY									
2,48,91,06,000	3	1946	1986 or later	63/55	80,24,300	4	1914	1974	98/25	36,50,000	4	1904	1964	98/00	50,00,000	4	1934	1964	98/25										
			At the option of the Government of India after a months notice		78,90,100	4	1915	1975	98/25	35,00,000	4	1905	1965	98/00	35,00,000	3	1935	1965	96/00										
8,93,33,000	3	1896-97		63/00	68,02,300	3	1921	2nd 1981	82/00	15,00,000	4	1908	1967	96/00	30,00,000	3	1936	1966	92/50										
					1,50,00,000	6	1921	2nd 1981	144/00N	44,00,000	4	1907	1968	96/00															
14,77,48,000	2 1/2	1946	1976	83/00	2,892,000	5	1923	1953-53	261	75,00,000	4	1908	1968	96/00	20,00,000	3	1938	1963-68	92/00										
1,10,11,78,000	3	1943	1968-68	98/15	2,901,000	5	1924	1954-54	261	40,00,000	4	1908	1970	92/00	80,00,000	4	1952	1962	100/00										
30,33,10,000	3	1950	1964	99/60	1,24,00,000	4 1/2	1957	1987	99/50	58,00,000	4	1910	1971	92/00	1,02,00,000	4	1958	1968	98/80										
1,15,05,83,000	3	1948	1970-75	90/40	50,00,000	4 1/2	1958	1988	99/00	75,00,000	4	1911	1972	92/00	75,00,000	4 1/2	1958	1968	101/00										
1,58,17,94,000	3	1954	1964	99/90	50,00,000	4 1/2	1961	1971	98/75																				
1,53,67,92,000	3 1/2	1953	1965	99/75	90,00,000	4	1951	1961	93/00																				
82,55,41,000	3 1/2	1950	1966	99/65																									
86,63,53,000	3 1/2	1956	1974	99/75	60,00,000	3 1/2	1956	1976	93/50	2,901,000	5	1924	1954-54	263	80,00,000	4	1904	1963	98/25										
86,99,30,000	3 1/2	1957	1967	99/03	50,00,000	3	1948	1978	83/50	2,901,000	5	1924	1954-54	263	80,00,000	4	1904	1963	98/25										
1,97,40,92,000	3 1/2	1958	1967	99/03																									
70,00,000	3 1/2	1958	1968	98/10	50,00,000	3	1945	1-2-2005	72/00																				
1,56,64,22,000	3 1/2	1958	1968	99/50																									
1,90,85,42,000	3 1/2	1959	1969	96/85																									
1,54,70,22,000	3 1/2	1957	1972	98/95	25,00,000	3	1958	1963-68	93/00																				
94,51,44,000	4	1958	1973	98/80	50,00,000	3	1948	2008	72/00	28,48,275	3 1/2	1947	1977	A															
81,08,39,000	4	1959	1973	98/40	50,00,000	2 1/2	1947	1977	78/50	9,88,000	3	1947	1977	A															
98,05,17,000	4	1960	1980	98/50	50,00,000	3	1948	1978	83/00	8,00,000	3	1949	1979	A															
68,96,55,000	4	1961	1981	98/50																									
84,12,53,000	4	1963	1969	99/55	30,00,000	3	1950	1980	81/00																				
28,07,95,000	4 1/2	1962	1972	100/20																									
52,01,71,000	4 1/2	1963	1966	100/03	50,00,000	3	1951	1981	80/50																				
1,14,03,37,000	4 1/2	1962	1965	99/93	50,00,000	4 1/2	1953	1963	98/75																				
					50,00,000	4 1/2	1953	1963	97/80																				
					50,00,000	4 1/2	1953	1963	97/80																				
8,40,34,300	4	1952	1964	99/95	50,00,000	4	1953	1963	97/80																				
6,97,22,800	4 1/2	1957	1969	98/40	90,00,000	4	1955	1965	97/25																				
6,58,20,700	4 1/2	1958	1970	98/75	77,50,000	4	1956	1966	97/25																				
6,35,25,000	4 1/2	1958	1971	98/70	1,00,00,000	5	1963	1993	99/50																				
MADHYA PRADESH										MADRAS										UTTAR PRADESH									
2,03,28,800	3	1948	1964	98/50																									
5,24,81,200	4	1952	1964	99/95																									
6,55,57,300	4 1/2	1958	1970	98/70																									
1,55,31,200	3	1936	1961-66	93/25	66,88,000	3 1/2	1951	1966	98/50	20,00,000	4	1913-18	1974	95/00	13,00,000	3 1/2	1951	1961	107/00										
5,89,13,900	4	1952	1964	99/95	33,91,000	3 1/2	1953	1965	100/75N																				
7,65,58,900	4 1/2	1958	1970	98/70	72,50,000	4 1/2	1954	1979	100/00	10,00,000	5	1920	1980	101/00	15,00,000	3 1/2	1952	1962	107/50										
2,00,00,000	4	1952	1964	99/95	80,00,000	3	1936	1966	93/00	2,00,34,000	3 1/2	1951	1966	89/00															
7,58,72,200	4	1955	1967	99/05	47,50,000	3	1938	1968	92/50																				
7,11,46,100	4	1956	1968	98/70	21,10,000	3 1/2	1942	1972	92/00	8,25,00,000	3 1/2	1947	1977	82/00															
5,10,49,700	4	1958	1970	98/75	97,36,000	4	1952	1962	99/75																				
7,69,68,400	4	1959	1971	97/75																									
7,00,00,000	4	1960	1969	98/40	2,22,72,000	4	1955	1965	97/25N	2,13,14,500	3 1/2	1949	1979	82/00															
73,07,21,000	4 1/2	1961	1972	98/80																									
7,00,00,000	4 1/2	1962	1974	99/50	1,07,32,000	4 1/2	1958	1970	101/00N																				
2,95,85,200	4	1933	1953-53	100/00	73,38,000	4 1/2	1958	1968	100/50	4,00,00,000	3 1/2	1950	1965	95/00															
					57,72,000	4 1/2	1961	...	...																				

JOINT STOCK COMPANIES' DEBENTURES

Amount Authorised	Amount Outstanding	Rate of Interest per cent	NAME OF COMPANIES	Year of Issue	MARKET PRICE		A year ago	Interest payable	Principal Repayable	Remarks
Rs.	Rs.				29-4-64	22-4-64	Rs.			
(CALCUTTA)										
COAL										
60,00,000	60,00,000	6½	Bengal	1961	98/00	98/00	98/00	1st May 1st Nov.	31-10-75	(X)
30,00,000	30,00,000	6	Bharat Collieries	1944	90/00	90/00	90/00	30th April 31st Oct.	30-6-64	
20,00,000	20,00,000	4½	Burrakur	1947	82/50	82/50	85/00	30th June 31st Dec.	30-6-67	(G*)
50,00,000	50,00,000	5½	Equitable	1953	98/00	98/00	98/00	1st July 1st Jan.	14-12-68	(r*)
COTTON MILL										
4,00,000	4,00,000	6	Bengal Nagpur	1897	80/00	80/00	85/00	10th May 10th Nov.	15-11-66	(I)
JUTE MILLS										
15,00,000	12,00,000	5½	Agarpara	1939	92/00	91/00	92/00	1st Oct 1st April	31-3-69	..
15,00,000	15,00,000	4	Auckland	1945	90/00	90/00	78/00	30th June 31st Dec.	31-12-64	(F)
9,00,000	6,00,000	5½	Alexandra	1939	93/00	93/00	91/00	30th June 31st Dec.	30-6-69	(G)
10,00,000	10,00,000	5½	Bengal (2nd Mortgage)	1940	95/50	95/50	95/50	30th June 31st Dec.	30-6-65	(b)
12,00,000	10,69,000	5	Chitavalshah	1951	90/00	90/00	88/50	30th June 31st Dec.	30-6-66	(e)
25,00,000	17,73,000	5½	Dalhousie	1954	89/25	89/25	90/00	31st March 30th Sept.	31-3-69	(u*)
10,00,000	8,86,000	5	Empire	1951	98/00	98/00	90/00	15th Jan 15th July	15-7-66	(e*)
25,00,000	8,87,000	5	Fort Gloster	1952	98/00	98/00	98/00	31st March 30th Sept.	30-9-66	(Q*)
30,00,000	30,00,000	5½	Howrah	1955	93/00	93/00	92/50	31st March 30th Sept.	31-3-70	(N)
25,00,000	25,00,000	5	Kinnison	1949	93/00	93/00	90/00	30th June 31st Dec.	31-12-64	(*)
25,00,000	12,04,000	5½	Kamarhattay	1955	97/50	97/50	89/00	30th June 31st Dec.	30-6-70	(h*)
25,00,000	25,00,000	5½	Naihati	1952	96/00	96/00	90/00	30th June 31st Dec.	31-3-67	(*)
5,00,000	5,00,000	6½	Nellumaria	1939	92/00	92/00	92/00	14th Nov 14th May	14-3-74	(d)
20,00,000	20,00,000	4	Northbrook	1945	85/25	85/25	85/00	30th June 31st Dec.	31-12-64	(B)
25,00,000	25,00,000	5	Reliance	1950	90/00	90/00	81/00	31st March 30th Sept.	30-9-65	(M*)
12,00,000	12,00,000	5½	Union	1937	95/50	95/50	95/50	31st March 30th Sept.	31-3-67	..
10,00,000	10,00,000	6½	Waverley	1925	90/00	90/00	80/00	31st Jan. 31st July	31-7-72	..
MISCELLANEOUS										
30,00,000	18,80,000	4½	Associated Hotels of India	1948	850/00	850/00	850/00	1st Jan. 1st July	31-12-62	(v)
10,00,000	9,96,000	7	Aluminium Corporation of India Ltd.	1948	92/00	92/00	92/00	1st Jan. 1st July	31-12-65	(U)
5,00,000	5,00,000	4½	Bareilly Electric Supply Co. Ltd.	1949	93/00	93/00	88/00	30th June 31st Dec.	31-12-64	(m*)
12,00,000	12,00,000	4½	Benares Elec. Ltd. & Power Co. Ltd.	1949	93/00	93/00	90/00	30th June 31st Dec.	31-12-64	(m*)
1,00,00,000	90,00,000	5	Buckingham & Carnatic Co. Ltd.	1952	100/00	100/00	100/00	1st April 1st Oct.	1-3-72	(C*)
5,00,000	5,00,000	5½	Britannia Engineering	1945	94/00	94/00	94/00	30th June 31st Dec.	31-12-69	(g)
8,00,00,000	8,00,00,000	5½	Burmah-Shell Refineries Ltd.	1954	93/00	93/00	90/00	1st March 1st Sept.	1-9-69	(K*)
2,68,00,000	2,32,89,400	5	Calcutta Electric Supply Corporation	1950	90/75	90/75	92/00	1st Jan. 1st July	1-1-70	(*)
£350,000	£325,280	4½	Calcutta Electric Supply Corporation	1900	£66/00	£66/00	£66/00	1st Jan. 1st July	1-1-70	(w)
£250,000	£157,788	4	Calcutta Tramways	1933	£74/00	£74/00	£74/00	1st April 1st Oct.	1-10-74	(y)
19,50,000	17,50,000	5	Calcutta Tramways	1938	98/00	98/00	98/00	1st Jan 1st Oct.	1-6-63	(s)
5,50,000	2,46,000	6½	Carew & Co.	1941	95/00	95/00	95/00	1st March 1st Sept.	28-2-70	(i)
21,00,000	21,00,000	5½	Carew & Co. (2nd Mortgage)	1915	85/00N	85/00N	85/00N	1st Feb. 1st August	1-2-64	..
26,00,000	10,69,000	5	Chowringhee Properties	1945	90/00	90/00	80/00	1st Feb. 1st August	1-2-64	..
25,00,000	15,03,000	4½	Chowringhee Properties (2nd Mortgage)	1936	82/00	82/00	82/00	1st July 1st Jan.	1-7-86	(A)
1,00,00,000	1,00,00,000	6½	Clive Buildings	1946	86/00	86/00	86/00	31st March 30th Sept.	1970	(p)
1,30,00,000	1,04,55,000	6½	Dalmia Cement	1950	99/00	99/00	100/00	1st Jan. 1st July	1-1-73	(b*)
1,00,00,000	1,00,00,000	6½	Dunlop Rubber Co. (I) Ltd.	1958	99/00	99/00	100/00	1st Jan. 1st July	1-1-73	(w*)
1,00,00,000	91,80,000	5½	Dunlop Rubber Co. (I) Ltd.	1954	94/25	94/25	98/00	1st Jan. 1st July	30-6-69	(t*)
20,00,000	20,00,000	5½	Indian Cable Co. Ltd.	1954	92/00	92/00	92/00	31st Dec.	31-12-68	(D*)
10,00,000	10,00,000	4	Kumardhubi Fireclay & Silica Works	1946	90/00	90/00	84/00	31st May 30th Nov.	31-5-71	(O)
6,50,000	6,50,000	6	Kumardhubi Engineering Works Ltd.	1945	85/00	85/00	85/00	30th June 31st Dec.	31-12-74	(*)
45,00,000	39,70,000	4	Katakhal Lala Bazar Railway	1947	352/00 P note	352/00 P note	410/00 P note	30th June 31st Dec.	31-12-72	(I*)
1,00,00,000	74,75,000	5	McLeod & Co. Ltd. (Con Notes)	1951	85/00	85/50	85/50	1st April 1st Oct.	1-4-71	(P*)
12,00,000	12,00,000	5	Macneill & Barry Ltd.	1946	87/00	87/00	85/00	30th June 31st Dec.	30-6-66	(S)
20,00,000	20,00,000	4	National Tobacco Co. India Ltd.	1949	93/00	93/00	90/00	31st May 30th Nov.	1-12-64	(V)
1,00,00,000	50,50,000	6	Patna Electric Supply Co. Ltd.	1946	96/00	96/00	95/00	30th June 31st Dec.	31-12-69	(a*)
4,00,00,000	4,00,00,000	5½	Rohas Industries Ltd.	1953	93/25	93/25	91/00	1st May 1st Nov.	1-5-68	(E*)
10,00,000	10,00,000	5½	Esso Standard Ltd.	1944	95/00	95/00	95/00	Jan & July	15-7-66	(E*)
£200,000	£200,000	4½	Shree Gopal Paper Mills Ltd.	1944	£64N	£64N	£64N	1st Jan 1st July	..	..
15,00,000	11,40,000	5	Shahdara (Delhi) Saharanpur Rly.	1905	91/00	91/00	91/00	1st Jan 1st July	30-6-76	(*)
30,00,000	30,00,000	4½	Sijua Jherriah	1951	93/00	93/00	90/00	31st March 30th Sept.	31-12-64	(C*)
UNITED PROVINCES Elec. Supply Co. Ltd.										
TEA										
2,50,000	2,50,000	6	Baitakhal	1943	95/00	95/00	95/00	30th June 31st Dec.	1-7-63	..
(BOMBAY)										
1,00,00,000	98,28,000	4	Andhra Valley Power Supply	1940	98/50	98/50	98/50	1st April 1st Oct.	1952	..
60,00,000	50,00,000	4	Tata Power	1941	86/00	86/00	86/00	..	1951-55	..

JOINT STOCK COMPANIES PREFERENCE SHARES

Dividends are cumulative and shares carry a Preferential claim on the property for the payment of capital and on the profits for dividend except in case of companies marked otherwise. Months against names of companies indicate approximately time of payment of dividends. T means that dividend tax is deducted at source.

Year of Issue	NAMES	Amount Issued in 000's	Rate per cent	Paid-up per Share	Market Quotations 29-4-64	Year of Issue	NAMES	Amount Issued in 000's	Rate per cent	Paid-up per Share	Market Quotations 29-4-64	Year of Issue
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
BANK												
1901	Allahabad Bank (May Nov.)	15.00	6	100	94/50	1895	Bengal Assam Steamship (Nov.)	3.00	7	60	57/00	1895
COALS												
1896-97	Borra (June Dec.)	4.00	6	100	84/00	1896	Bengal Chemical (Aug.)	6.25	7	10	11/50	1896
1901-19	Burrakur (Jan July)	22.98	7	100	84/00	1896	Bengal Paper Mill (Mar. Sept.)	2.00	7	60	11/00	1896
1946	Burrakur (June Dec.)	4.50	6T	100	5/21	1899	Bengal Paper Mill "A" (Mar. Sept.)	4.00	7	100	98/00	1899
1895	Equitaba (May Nov.)	4.00	6	100	90/00	1923	Birds Investments (Dec.)	24.00	5	100	52/50	1923
1931	Khas Kaira (March Sept.)	1.93	5	10	10/62	1926	Braithwaite & Co.	40.00	8T	100	106/00	1926
1920	New Beerhoom (Jan July)	2.00	7	10	6/87	1918	Britannia Biscuit (Feb. Aug.)	15.00	8	10	11/00	1918
1898-00	Ondal (June Dec.)	2.00	5	100	10/25	1920	British India Corporation (Feb.)	81.00	8	100	110/00	1920
COTTONS												
1902	Ahmedabad Advance (Apr. Oct.)	10.00	5	100	77/00	1905-99	Burn Eng. (1st & 2nd) (Feb. Aug.)	13.00	7	100	111/75	1905-99
1894	Bangalore (Jan July)	6.00	6	100	71/50	1903-5	Burn Engineering (Feb. Aug.)	15.00	6	100	103/50	1903-5
1938	Basant (Oct.)	8.00	6	100	7/19	1909-11	Calcutta Electric Supply (Mar. Sept.)	£1,900	5	£1	7/85	1909-11
1896	Bengal-Nagpur (Apr. Oct.)	3.00	7	100	111/00	1937	Calcutta Silk Manufacturing (July Jan.)	2.00	6	100	70/50	1937
1900	Bowrah "A" (Apr. Oct.)	6.00	8	100	88/00	1906	Calcutta Tramways (Jan July)	£250	5T	£1	8/25	1906
1900	Bowrah "B" (6 (1) (Apr. Oct.)	6.00	7	100	60/50	1938	Carew & Co. (Jan.)	8.00	6	100	73/50	1938
1919	Bradbury "B" (Jan Dec.)	14.85	7	50	109/00	1940	Cawnpore Sugar Works (Feb. Aug.)	10.00	8	100	110/00	1940
1920	Buckingham & Carnatic (Jan July)	21.30	7	100	114/00	1937	Chrestien Mica Industries Ltd.	30.00	5	100	39/00	1937
1928	Cambodia (July)	1.00	7	100	43/63	1916	Dalmia Cement (Bharat)	35.00	6	10	8/00	1916
1912	Central India (Apr. Oct.)	20.00	4	100	83/63	1916	Delhi Flour Mills (Oct.)	90.00	7T	100	101/00	1916
1912	Delhi Cloth & General (Oct.)	50.00	5	100	114/00	1935	Deshgarh Power Supply "A" (Jan.)	16.00	5	100	69/50	1935
1943	Elain "B" (May Nov.)	10.00	5	100	422/50	1926	Duncan Brothers & Co. Ltd.	45.00	4	100	57/00	1926
1919	Elphinstone (May Nov.)	25.00	7T	100	16/63	1897	Dunlop Rubber "First" (Jan July)	30.00	8	100	103/00	1897
1919	Kesoram (June Dec.)	20.00	7	100	113/00	1908	Dunlop Rubber "Second" (Apr.)	40.00	5	100	67/50	1908
1925	Khatu Mankaji (Nov.)	10.00	6	100	6/44	1908	East India Distilleries (Jan July)	£200	7	20st	18/25	1908
1937	Kothari (Nov.)	12.00	6	100	74/00	1946	General Investment & Trust (Feb. Aug.)	1.00	5	100	56/00	1946
1900	Muir (Feb. Aug.)	30.00	6	100	106/00	1946	General Investment & Trust (Feb. Aug.)	1.00	5T	100	48/00	1946
1913	New Great Eastern (Mar.)	18.06	6	100	81/50	1946	Gillanders Arbuthnot (Apr. Oct.)	25.00	5T	100	56/50	1946
1920	New Victoria (Apr. Oct.)	15.00	5	100	107/00	1946	Gladstone Loyal & Co. Ltd.	15.00	6T	100	60/00	1946
1933	Palani Andavar (Mar.)	2.00	7	50	88/00	1946	Godfrey Phillips India Ltd.	30.00	5	100	59/75	1946
1933	Swadeshi (Bombay) (May)	15.00	5	100	87/00	1946	Gowallur Sugar (Redeemable) (Dec.)	6.75	7	100	62/00	1946
1927	Swadeshi (Cawnpore) (Mar.)	35.00	6	100	87/00	1946	Gowallur Sugar (Dec.)	5.00	7	100	62/00	1946
1931	Vasanta (Apr. Oct.)	3.00	6	100	82/00	1936	Humayan Properties Ltd. (Nov.)	12.00	6	10	67/00	1936
1908	Vishnu (Apr.)	18.00	7	500	390/00	1936	Indian Aluminium (Mar. Sept.)	40.00	5T	100	66/75	1936
JUTES												
1927	Agarpara (Jan July)	10.00	7	100	85/50	1936	Indo Burma Petroleum (Jan July)	50.00	7T	100	65/87	1936
1905	Alexandra (Feb. Aug.)	9.00	7	100	85/50	1899	India General Navg & Railways	£244	6	£10	83/50	1899
1895	Alliance (March Sept.)	15.00	6	100	88/00	1923	Indian Cable Co. (Nov.)	12.88	6	10	31/75	1923
1917	Anglo-India (May Nov.)	40.00	7	100	88/00	1918	Indian Standard Wagon (Aug or Sept.)	19.66	7	100	113/50	1918
1909	Auckland (July Jan.)	10.00	6	100	89/00	1936	Indian Iron & Steel	2,69.95	5	100	79/00	1936
1945	Auckland (July Jan.)	20.00	7	100	90/00	1936	Investment and Finance (Feb. Aug.)	2.00	5	100	69/00	1936
1898	Bally (Jan July)	£200	5T	£5	41/50	1936	Investment and Finance (Feb. Aug.)	2.00	6T	100	60/00	1936
1898	Barnagore (Oct. Dec.)	10.00	6	100	85/00	1936	James Wright (Jan July)	1.30	6	60	14/00	1936
1919	Birla (June Dec.)	23.64	7	100	85/00	1936	Jardine Henderson Ltd.	50.00	5	100	55/00	1936
1894	Budra Budge (May Nov.)	9.00	7	100	85/00	1936	Jessop & Co.	10.00	5	100	76/25	1936
1934	Calcutta (Jan July)	6.00	6	100	85/00	1936	Kumardhubi Engineering (June)	12.00	5	100	72/00	1936
1915	Caledonian (June Dec.)	10.00	7	100	85/00	1936	Martin Burn Ltd.	30.00	5	100	80/00	1936
1919	Cheviot (June Dec.)	6.00	7	100	85/00	1936	McLeod & Co.	10.00	5T	100	43/50	1936
1928	Chitavalah (Mar. Dec.)	8.00	7	100	85/00	1936	Methur Chemical & Industrial (Sept.)	20.00	6	10	9/25	1936
1900	Clive (First) (May Dec.)	8.00	6	100	85/00	1936	Metal Box Co. of India Ltd.	40.00	6T	100	75/00	1936
1903	Clive "A" (Second) (May Dec.)	8.00	7	100	85/00	1936	Mysore Chemical Mfg. (Sept.)	6.00	2	100	7/85	1936
1903-13	Dalhousie (July Jan.)	11.76	7	100	85/00	1936	National Tobacco (June Dec.)	25.00	5	100	70/00	1936
1897	Delta (June Dec.)	8.00	6	100	85/00	1936	National Tobacco (Jan Dec.)	20.00	4	100	57/50	1936
1912	Empire (Jan July)	10.00	7	100	85/00	1936	Poona Electric Supply Co. Ltd. (June Dec.)	4.00	7	100	99/50	1936
1890-93	Fort Gloster (Jan July)	7.00	5	100	85/00	1936	Premier Construction "First" (Apr.)	10.00	6T	100	75/00	1936
1946	Fort Gloster (2nd)	7.00	5	100	85/00	1936	Premier Construction "Second" (Apr.)	15.00	6T	100	71/00	1936
1911	Fort William (May Nov.)	6.00	7	100	85/00	1936	Purtapore (Sugar) (Oct.)	6.00	10	10	10/56	1936
1916	Ganesh (June Dec.)	6.00	8	100	85/00	1936	Ramnagar Cane & Sugar (Aug.)	4.00	6	100	82/00	1936
1895-04	Gourenore (June Dec.)	26.50	6	100	85/00	1936	Ramnagar Industries (April)	20.00	7	100	103/00	1936
1935	Hastings (Aug Feb.)	25.00	6	100	85/00	1936	Rohas Industries "B" (April)	88.00	4	100	56/00	1936
1913	Howrah (July)	11.76	10	40	85/00	1936	Shaw Wallace & Co. Ltd.	75.00	6T	100	55/00	1936
1890	Howrah (Jan July)	8.75	7	100	85/00	1936	Shree Gopal Paper	7.50	7	100	98/50	1936
1903-06	Howrah "A" (Jan July)	17.50	7	100	85/00	1936	Shree Krishna Gyanodaya Sugar "A" (Oct.)	6.00	6	100	45/00	1936
1919	Hukumchand (June Dec.)	40.00	7	100	85/00	1936	Shree Krishna Gyanodaya Sugar "B"	12.00	5	100	70/00	1936
1900-04	Kamarhaty (Apr. Oct.)	10.00	6	100	85/00	1936	Smith Street (Chemists) (Nov.)	5.00	10	50	20/50	1936
1893	Kedarnath (Jan July)	2.00	7	100	85/00	1936	South Behar Sugar (Oct.)	5.00	9	100	30/68	1936
1907	Kelvin (Mar. Sept.)	10.00	7	100	85/00	1936	Spencer & Co. "A" (Provisions) (Jan July)	23.20	5T	100	9/50	1936
1895-09	Khardah (May Nov.)	9.00	6	100	85/00	1936	Spencer & Co. "B" (Provisions) (Jan July)	36.80	5T	100	9/50	1936
1900-13	Kinnison (July Jan.)	15.00	7	100	85/00	1936	Star Paper (Apr. Oct.)	10.00	5	100	68/50	1936
1905	Landsdowne (July Jan.)	15.00	7	100	85/00	1936	Sural Electricity (April)	5.00	6	100	103/00	1936
1912	Lawrence "A" (July Jan.)	6.00	7	100	85/00	1936	Tata Chemicals (Nov.)	60.00	5	100	91/50	1936
1905-06	Lawrence "B" (July Jan.)	7.50	7	100	85/00	1936	Tata Hydro Electric Power (Sept. Mar.)	89.28	7	100	98/00	1936
1945	Nalhati (July Jan.)	10.00	4	100	85/00	1936	Tata Iron & Steel (First) (Nov.)	75.00	6T	100	123/00	1936
1917	National (May Nov.)	5.00	7	100	85/00	1936	Tata Iron & Steel (Second) (May)	6.93.82	7	100	105/25	1936
1939	Nellmarla (Apr. Oct.)	5.00	6	100	85/00	1936	Tata Power (May Nov.)	86.97	7	100	101/50	1936
1915	New Central (Jan July)	33.00	7	100	85/00	1936	Tata Paper Mills (Mar. Sept.)	11.50	8	100	112/50	1936
1908-09	Norbrook (Jan July)	15.00	7	100	85/00	1936	Titagarh Paper Mills "2nd" (Mar. Sept.)	15.00	4	100	63/75	1936
1935	Rameshwar (Jan July)	7.00	6	100	85/00	1936	Vellore Electric (Sept. Mar.)	1.25	6	40	5/78	1936
1906-12	Reliance (Jan July)	20.00	7	100	85/00	1936	TEAS					
1928	Shree Ambica (Mar. Sept.)	20.00	7	100	85/00	1936	Amluckie (May Nov.)	75.00	7	10	21/96	1936
1920	Soorah (Feb. Aug.)	10.00	7	100	85/00	1936	Banarhat (Jan.)	4.00	6	100	87/00	1936
1901-12	Union (July Jan.)	6.00	7	100	40/00	1936	Birpara (Jan.)	1.00	5	100	104/00	1936
1913	Waverley (Mar. Sept.)	7.50	5	80	40/00	1936	Brooke Bond Estate India Ltd.	35.00	6T	100	55/00	1936
MISCELLANEOUS												
1937	Alkali & Chemical (Mar. Sept.)	31.00	5	100	82/50	1901	Choonabutti (Jan.)	2.00	6	100	90/50	1901
1938	Aluminium Corpn. (Oct.)	20.00	6	100	82/50	1901	Dima (June Dec.)	70.00	8	10	7/00	1901
1944	Aluminium Corpn. (Oct.)	20.00	5	100	63/50	1914	Dunser	1.20	10	10	65/00	1914
1949	Anderson Wright (Dec.)	20.00	4	100	66/62	1916	Glennie (Sept.)	2.00	6	100	89/84	1916
1917	Andhra Valley Power (May Nov.)	49.34	7T	1,000	995/00	1909	Hantapara (Jan.)	50.00	6	100	83/00	1909
1919	Arthur Butler (Mar.)	1.30	7	10	10/00	1932	Hastimara (Mar.)	3.00	7	100	83/00	1932
1910	Assid Hotels of India (Mar. Sept.)	21.67	7T	100	54/00	1922	Kingsley Golaghat (Dec.)	2.40	6	10	4/75	1922

BANKS

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

Paid-up Capital Ordinary	Reserve & other Funds	Cash & Securities	Net Profits including taxation	Carry forward</
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COAL COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Ms. Agts. Secretaries etc.	NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.				1960	1961	1962	Rs.	Rs.	Rs.	A year ago
25,50,000	58,52,284	43,77,890	3,90,484	16,40,057	39,096	12	236	Amalgamated	10	12 1/2	15	10	22/06	22/06	23/56
1,20,00,000	4,10,81,913	2,88,23,173	30,83,212	62,75,084	1,03,409	10	2	Bengal P	25	21	19-10*	100	244/00	249/00	303/00
4,49,350	4,37,982	1,39,442	91,176	43,397	4,411	10	2	Bengal Bhatdee	..	..	..	..	3/48	3/48	3/48
2,25,000	3,06,216	5,45,835	5,19,015	1,55,538	16,129	12	368	Bengal Nagpur	10	26	..	..	22/00	22/00	22/00
15,97,000	23,27,321	4,87,308	63,982	2,62,417	21,275	12	..	Bengalora	..	..	..	..	3/87	3/87	4/87
40,00,000	67,23,620	2,75,000	21,19,681	11,80,816	2,120	9	152	Bharat Collieries P.	..	..	..	..	3/00	3/37	3/53
7,15,000	14,96,845	11,02,872	64,329	3,06,406	-4,92,536	6	335	Bhulanbararee	..	..	..	..	10/00	10/00	11/94
16,00,000	38,87,275	16,18,636	7,185	1,21,936	-79,196	12	362	Bokaro & Ramgur	..	..	..	..	11/19	11/19	11/19
7,50,000	19,13,792	22,77,003	12,32,439	5,26,414	33,647	12	106	Boreea P.	15	15	..	..	20/25	20/25	23/87
90,92,480	2,32,19,267	1,46,53,383	33,70,740	37,97,832	90,768	6	21	Burrakur P.	13	13	13	10	15/75	15/50	17/00
49,97,000	50,93,754	6,86,120	6,35,532	16,11,089	3,58,023	3	166	Central India	8	10	10	10	8/69	8/87	10/47
8,00,000	18,69,439	12,97,490	99,940	6,357	214	12	..	Central Kurkend P.	..	..	..	..	3/44	3/44	3/87
6,00,000	1,55,159	6,05,472	63,765	7,043	12	106	..	Churulia	3	..	..	..	3/06	3/06	3/06
16,00,000	25,01,705	Nil	19,429	-6,45,261	-5,39,034	12	444	Dhemo Main	Nil	Nil	..	..	3/95	3/95	5/75
2,240,000	£368,390	£261,905	£13,858	£288,462	£6,234	4	128	East India	7 1/2	15	20 1/2	£1	29/25	29/25	32/37
29,63,700	1,42,23,054	1,18,76,888	27,65,725	10,14,185	33,594	12	19	Equitable P.	15	10	10	10	22/44	22/44	26/50
15,00,000	21,00,420	41,000	26,500	920	-6,24,344	3	307	Ghusick & Muslia	Nil	Nil	Nil	10	13/25	13/25	13/50
6,50,000	4,21,847	Nil	12,025	10,570	-14,705	12	30	Guzdar Kajora	..	..	..	..	2/47	2/47	2/03
8,00,000	5,43,022	..	16,702	-10,172	-3,65,025	12	393	Hurriladidh	..	..	..	..	5/44	5/44	8/12
15,00,000	23,47,952	27,81,955	39,74,704	3,95,071	1,40,029	12	21	Karanpura Development	5	5	..	100	10/19	10/19	12/62
6,00,000	..	..	..	..	..	..	..	..	15	15	..	10F	..	..	..
20,00,000	34,15,535	9,86,018	3,72,692	8,92,065	32,810	2	21	Karanpura Collieries P.	7 1/2	10	10	10	12/44	12/44	17/00
14,90,460	22,28,867	18,07,072	9,73,401	12,76,204	20,670	1	2	Katras Jherriah	95	40	25-30*	10	30/62	31/00	37/75
1,38,400	6,75,000	95,000	11,80,294	49,776	1,918	8-12	337	Khas Kajora P.	..	..	..	10	17/62	17/62	18/70
8,65,750	5,95,833	Nil	9,780	-1,80,535	-16,47,497	3	372	Mundulpur	..	..	..	10	2/69	2/69	2/69
7,48,240	3,39,261	56,489	7,29,802	1,15,573	74,711	12	347	Nazira	7 1/2	Nil	Nil	10	6/25	6/25	5/00
91,97,210	88,87,936	46,16,139	4,45,645	17,86,837	15,709	10	2	New Beerbhoom P.	16	10	12-10*	10	15/81	15/81	20/12
8,90,340	9,04,373	5,21,710	73,374	4,12,216	43,822	3	202	New Manbhoom	7 1/2	9	12	10	11/94	11/94	15/87
1,15,000	7,03,719	4,31,409	4,364	1,44,042	15,045	12	441	North West	20	20	..	10	19/75	19/75	19/75
1,57,500	..	..	..	..	..	..	..	..	7 1/2	18/00	18/00	18/00	18/00	18/00	18/00
8,50,000	1,33,788	13,22,645	22,85,097	1,91,515	45,080	12	106	Ondal P.	6	7 1/2	..	10	13/50	13/50	12/00
8,34,000	23,69,066	1,52,212	4,78,984	1,79,344	589	12	207	Parasea P.	1 1/2	14	..	10	14/00	14/00	16/00
15,75,000	32,93,192	24,59,125	4,11,055	5,41,674	54,253	3	236	Pench Valley	10	10	10	10	17/37	17/31	18/19
2,50,000	6,62,405	7,900	11,530	2,003	18,581	6-12	5	Pure Sitalpur	..	..	..	..	8/00	8/00	8/00
35,50,000	50,24,723	40,85,000	1,26,141	11,54,576	35,781	3	370	Raneesunge	15	17	17	10	13/75	13/75	16/00
13,50,000	25,32,135	20,80,190	1,89,318	13,18,197	41,523	12	236	Rewa	20	20	..	10	28/50	25/50	28/50
87,50,000	74,38,430	38,61,070	1,69,086	12,37,914	26,993	12	48	Sansa	10	..	..	10	8/00	8/00	10/03
2,50,000	4,47,534	74,281	10,748	-19,279	-4,27,396	1	353	Searsale	Nil	Nil	Nil	2 1/2	1/25	1/25	1/22
8,80,000	11,88,971	13,29,316	9,92,167	5,59,516	15,849	12	2	Seebpore P.	42 6/7	42 6/7	35 5/7	7	34/75	34/75	45/00
8,00,000	..	4,54,648	13,04,470	78,390	1,440	12	106	Sendra	5	5 1/2	..	10	5/00	5/00	6/25
17,50,000	32,03,711	11,77,056	36,734	1,89,147	3,001	8	21	South Karanpura	2 1/2	Nil	Nil-2 1/2*	10	7/12	7/12	9/44
8,00,000	1,30,001	15,48,989	26,78,255	1,84,925	38,908	12	106	Standard	15	10	..	10	10/44	10/44	16/62
8,50,000	4,38,300	3,23,000	36,660	1,37,973	1,77,952	12	..	Union	..	..	..	10	10/25	10/25	10/37
49,98,000	63,57,150	6,09,055	2,80,620	11,72,182	1,19,182	3	166	Western Bengal	6	7 1/2	9	10	8/69	8/69	9/44
7,00,000	26,06,335	Nil	47,091	-6,51,403	-6,23,711	12	444	West Jamuria	Nil	Nil	..	10	3/60	3/60	4/19

* 1963

COTTON MILLS

Paid-up Capital Ordinary	Number on Spindle Looms	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Ms. Agts. Secretaries etc.	NAMES	Dividends per cent	Paid-up Share	Latest Market Quotations as available until	29-4-64	22-4-64	A year ago		
Rs.		Rs.	Rs.	Rs.	Rs.	Rs.				1960	1961	1962	Rs.	Rs.	Rs.		
18,00,000	14,108	356	14,06,883	3,15,002	12,59,541	28,012	12	49	Basanti P.	..	..	..	10	13/50	13/50	12/75	
7,11,280	36,000	932	17,17,120	2,20,369	30,842	3,69,177	3	27	Banga Luxmi	..	..	..	40	30/00	30/00	28/00	
97,00,000	31,476	624	17,77,373	93,872	-6,24,150	-6,56,163	12	223	Bengal Nagpur P.	Nil	..	..	10	2/44	2/44	3/00	
60,00,000	..	1,66,35,360	49,94,800	62,56,090	28,04,759	17,588	12	394	Bharat Commerce P.	5	15	15	10	21/25	21/25	22/75	
89,96,950	38,764	992	60,94,300	1,21,02,782	63,37,204	39,77,025	8	22	Birla Cotton	10	20	20	10	27/00	27/00	26/75	
83,60,000	43,136	841	1,00,69,568	60,37,080	2,04,094	1,94,107	12	138	Bowreah P.	10	20	15	10	22/75	22/75	24/00	
30,00,000	22,000	510	32,89,583	62,22,574	9,41,816	13,74,402	49,055	12	25	Cawnpore Textiles	7 1/2	10	10	5	6/25	6/25	7/44
3,38,36,225	1,97,348	3,307	9,79,20,896	8,21,37,642	91,82,085	2,15,43,206	1,46,548	6	238	Delhi Cloth & Genl. P.	12	13	13-13*	25	45/50	45/25	45/87
38,00,000	43,040	618	61,51,892	54,80,125	1,40,191	32,83,543	1,03,713	12	138	Dunbar	20	20	15	10	27/00	29/00	27/56
65,00,000	64,000	1,200	1,20,30,927	2,33,36,873	87,18,503	41,89,328	5,435	9	389	Elgin P.	11 1/2	17 1/2	17 1/2-17 1/2*	10	18/06	17/85	18/94
8,35,00,000	..	..	4,68,97,571	56,34,321	95,50,731	19,28,764	1,22,795	12	158	J. R. Cotton (Rayon) P.	12 1/2	..	..	10	11/37	10/81	14/37
73,77,250	6,272	202	1,35,97,000	51,88,685	40,70,764	43,21,513	12,265	12	32	Jaya Shree	10	10	10-10*	10	15/00	14/87	16/06
80,00,000	38,000	1,820	47,44,448	62,19,801	92,06,065	18,77,941	-7,77,296	12	208	Mulr P.	..	..	..	100	63/00	63/00	106/00
86,11,583	78,848	1,867	47,49,840	3,96,980	1,09,256	12,73,361	-63,55,495	12	237	New Victoria P.	Nil	..	..	2 1/2	1/41	1/25	1/37
48,00,000	..	..	1,06,10,852	78,144	2,34,188	12,34,741	-22,17,524	3	399	Orissa Textiles P.	Nil	..	..	10	4/75	4/75	9/00
19,47,750	23,196	795	15,49,229	80,778	2,37,475	3,38,087	..	8	4	Rampooria Cotton	Nil	..	..	10	13/00	10/75	12/00
6,00,000	..	..	..	..	..	..	..	..	..	..	..	..	10	3/00	1/50	11/50	
17,50,000	..	..	..	..	..	..	..	..	..	..	..	..	100	11/00	11/00	6/75	
1,97,50,000	1,14,836	2,071	4,48,79,351	2,63,83,071	2,15,81,180	76,20,241	5,044	12	393	Swadeshi (Kanpur) P.	5 1/2	..	..	100	6/82	7/50	8/75

* 1963

TEA COMPANIES

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds	Area Hectares	Outturn and Average Price per Kg. realised for crop	Estimate	Net Profits including taxation	Accounts closed	Ms. Agts. Secretaries etc.	NAMES	Dividends per cent	Paid-up Share	Latest Market Quotations as available until							
Rs.	Rs.	Rs.	Hectares	1961	1962	1963	Rs.			1960	1961	1962	Rs.	Rs.	A year ago				
ASSAM																			
4,45,700	16,40,103	16,37,403	..	4,24,104	4,81	413,012	5,67	4,71,700	2,90,039	12	165	Amuckie P.	Nil	10	7 1/2	10	17/25	17/25	20/00
7,00,000	12,87,204	8,65,004	506 1/2	3,11,077	6,58	301,064	6,71	..	3,50,091	12	88	Anandabag P.	30	32 1/2	20	10	33/25	33/25	33/25
5,50,000	16,63,877	15,34,741	..	5,53,284	5,32	320,928	5,99	3,62,900	1,91,082	12	165	Baghmari	Nil	15	7 1/2	10	13/62	13/62	18/37
1,80,000	..	..	..	..	..	..	..	..	..	12	349	Barduar tea	..	..	..	6	8/50	8/50	8/50
7,65,000	18,61,913	10,56,655	160	3,13,600	6,01	286,800	6,60	2,90,000	3,93,858	12	2	Basmatia	35	25	20	10	24/25	24/25	27/25
4,95,900	..	..	..	4,12,342	4,34	..	..	..	..	12	345	Batei	30	30	..	5	15/25	15/25	18/00
8,40,000	12,12,739	12,28,191	619 1/2	4,08,269	6,56	405,929	6,66	..	5,57,424	12	88	Betpan	40	45	30	10	30/37	30/37	30/56
33,00,000	38,97,401	18,10,167	1,394	16,30,448	5,80	1,517,589	6,71	15,78,600	15,42,968	12	279	Bishnauth	13	15	20	10	17/12	17/12	15/87
1,60,000	11,68,235	5,03,003	194	2,23,909	5,90	209,973	7,12	2,43,125	2,62,960	12	202	Bokakhat	12	13	10	13	13/12	13/12	13/70
7,50,000	13,90,224	11,90,373	..	3,03,655	5,50	300,721	5,85	3,08,400	3,94,885	12	165	Bormab Jan P.	Nil	15	15	10	11/81	11/81	..
4,50,000	..	..	239	2,45,021	5,25	258,733	6,32	2,90,300	1,15,476	12	279	Bor Pukhuri	Nil	Nil	10	10	11/25	11/25	11/11
35,00,000	68,93,654	15,66,180	..	14,26,351	5,27	13,51,189	4,75	..	1,51,721	6	127	Brooke Bond P.	15	10	7 1/2-7 1/2	10	11/25	12/00	11/56
1,20,000	9,24,434	9,51,522	..	1,73,277	5,19	200,496	5,90	1,99,600	2,85,668	12	165	Dejoo Valley	15	20	30	10	45/50	45/50	49/25
8,40,000	13,39,224	9,51,460	535	5,43,624	5,68	597,724	6,12	5,33,773	7,20,815	12	128	Dessal & Parbutia	Nil	10	15	100	181/00	182/00	140/00
17,53,440	..	..	..	2,94,761	6,64	..	..	..	..	12	214	Delakhath	12 1/2	10	..	10	20/81	20/81	19/62
7,00,000	20,46,600	8,35,000	558	6,32,799	4,70	554,700	5,16	6,20,000	2,14,165	12	365	Dunsern P.	20	15	10	10	11/12	11/12	15/00
4,50,000	17,18,470	16,36,695	..	3,05,738	6,23	301,917	6,69	3,30,200	5,85,433	12	165	Dibrugarh	40	40	10	32/00	32/00	31/00	
4,73,400	10,37,090	8,52,500	256	3,01,383	6,81	297,513	6,44	3,08,000	2,71,648	12	279	Dinmsuk P.	20	25	20	25/19	25/19	21/87	
1,00,000	14,88,200	15,53,500	274	4,64,799	5,77	403,594	6,70	4,36,000	5,28,546	12	279	Douffnagur	25	25	30	10	26/12	26/12	26/12
10,00,000	20,32,480	11,26,500	481	5,25,798	5,76	494,612	6,30	5,27,000	2,06,168	12	279	East India	Nil	Nil	10	10	12/69	12/69	13/94
5,03,760	14,00,556	6,32,810	242	3,58,797	..	319,832	..	4,00,000	49,047	12	354	Gillapukri	25	20	15	10	27/56	27/56	25/44
6,76,000	12,41,500	7,48,500	228	2,54,919	5,81	259,394	7,44	2,62,000	4,74,030	12	279	Gohpur	Nil	5	20	10	14/69	14/69	14/75
23,29,085	54,85,603	36,46,798	1,042	10,79,309	4,98	1,039,276	6,17	11,32,167	3,83,294	12	202	Grob	6	6	6	5	6/12	6/37	9/12
5,00,000	11,67,377	7,55,258	..	3,58,885	..	3,45,217	..	..	1,67,965	12	354	Hoograjuli	20	20	17	10	27/62	27/62	27/12
8,70,000	26,52,302	15,02,799	542	4,83,000	5,71	515,500	6,62	3,00,000	4,51,521	12	2	Hoolungoorie	10	7 1/2	20	100	200/00	200/00	195/00
9,00,000	18,88,785	11,65,055	983	5,39,472	5,99	533,423	6,50	..	6,31,655	12	88	Jutlibari	30	30	20	10	27/87	27/87	32/00
2,40,000	..	..	..	5,52,301	5,10	..	..	..	..	12	236	Kingsley Golaghat P.	35	35	..	100	125/00	125/00	212/00
1,80,000	19,59,626	1,45,000	494	5,24,469	4,60	488,346	4,97	5,20,000	1,21,490	12	63	Kotamullai P.	Nil	Nil	Nil	5	9/81	9/81	10/50
5,00,000	11,19,728	30,78,818	140	1,73,581	5,29	166,356	6,02	180,000	1,13,899	12	41	Krishnabehari	15	8	10	10	11/50	11/50	10/38
2,00,000	..	..	..	..	..	..	..	..	..	12	236	Kyada	Nil	..	..	10	8/06	8/06	8/06
6,50,000	14,12,161	9,50,234	268	2,79,777	5,15	281,500	5,30	2,85,000	53,354	12	63	Leda	Nil	10	10	10	13/75	13/75	17/28
30,00,000	11,99,968	13,50,588	275	2,28,707	4,96	210,642	5,26	2,23,167	1,28,716	12	279	Maid Tea & Seed	10	7 1/2	7 1/2	10	12/00	12/00	14/88
10,00,000	16,16,636	14,78,000	262	3,82,580	8,03	374,221	7,12	3,81,045	6,21,941	12	202	Methoni	5	14	20	10	14/00	14/00	17/31
4,80,000	..	..	..	5,15,200	1,92	..	..	..	..	12	..	Moheema	Nil	Nil	..	10	11/50	11/50	11/80
1,50,000	3,24,738	13,65,825	..	83,921	..	122,745	..	..	1,22,731	12	138	Mothola	30	30	35	100	507/00	507/00	507/00
1,75,00,000	14,68,025	9,31,447	160	1,82,900	6,01	171,400	8,41	2,00,000	4,99,564	12	2	Murphulani (Assam)	5	5	25	10	26/50	26/50	26/50
2,00,00,000	..	..	..	..	..	..	..	..	..	10	10	10	10	10	10	10	26/87	26/87	28/75
4,00,000	12,90,728	7,77,459	220	3,19,104	4,51	326,748	5,10	3,40,000	1,24,658	12	143	Naga Hills	10	10	10	10	21/25	21/25	22/69
5,35,000	..	..	..	3,47,154	4,58	..	..	..	..	12	12	Namburnad	12	12	..	10	12/87	12/87	15/68
6,00,000	7,84,102	3,97,500	239	2,90,978	5,99	29,696	7,64	2,90,000	6,86,793	12	63	New Cinnatollah	Nil	Nil	Nil	100	455/00	455/00	302/00
5,00,000	14,50,597	7,57,932	170	2,16,600	5,31	230,700	6,35	2,22,500	6,82,519	12	2	Rajkhar	40	13 1/2	17 1/2	10	18/50	18/50	21/37
13,50,000	25,76,607	15,33,937	..	6,32,808	..	604,795	..	..	140,864	12	354	Sapoi	22 1/2	20	10	10	19/50	19/50	19/87
2,49,000	6,35,900	6,85,000	208	2,42,697	5,56	207,643	7,36	2,21,000	7,35,627	12	279	Seajuli	22 1/2	15	30	10	25/12	25/12	21/12
5,98,000	17,86,091	15,24,544	..	3,73,286	4,99	390,802	5,61	3,81,000	5,06,871	12	165	Teojan	25	25	25	10	21/44	21/44	20/75
8,00,000	12,80,761	7,41,936	345	3,48,111	6,59	338,378	6,81	..	4,19,888	12	88	Tenapani	30	30	22 1/2	10	36/50	36/50	35/00
19,82,800	30,75,956	23,51,846	1,926 1/2	29,72,880*	1,92	2,301,040*	2,62	2,28,000*	8,36,276	12	236	Tezpore	20	12 1/2	..	10	14/69	14/81	14/37
7,50,000	..	..	..	3,15,004	3,96	..	..	..	..	12	85	Tonani	Nil	Nil	..	10	5/31	5/31	6/50
5,20,000	35,17,473	30,30,165	..	5,90,423	5,14	651,147	5,76	6,71,300	7,11,074	12	165	Tyroon	10	15	25	10	27/75	27/75	34/37
CACHAR																			
3,00,000	..	..	..	1,49,850	4,07	139,861	4,03	1,66,500	..	12	..	Arcuttipore	Nil	5	6	10	7/00	7/00	7/00
1,00,000	..	..	..	1,58,348	4,45	..	..	..	..	12	35	Baltakhal	2 1/2	2 1/2	..	10	7/87	7/87	7/31
4,00,000	20,18,349	9,26,687	..	5,45,645	4,26	454,449	4,77	3,52,060	..	12	128	Central Cachar	5	7 1/2	5	100	73/00	73/00	73/00
7,00,000	..	..	..	1,22,864	4,31	..	..	..	..	12	383	Eastern Cachar	Nil	..	..	10	4/50	4/50	4/12
4,50,000	3,31,773	2,80,000	..	1,34,400	4,03	..	..	..	..	12	202	Kailingkhore Khoree	Nil	8	6	10	87/00	87/00	87/00
12,60,000	19,84,808	13,56,132	943	7,23,716	3,84	580,232	3,97	7,25,747	-3,11,563	12	202	Hattikhira	Nil	8	Nil	10	7/75	7/75	8/75
5,60,000	..	..	..	1,53,008	3,89	..	..	..	..	12	63	Kunchunpore	Nil	Nil	..	10	6/00	6/00	6/00
5,63,690	5,22,633	3,68,689	..	1,68,156	3,81	151,283	4,26	1,63,293	23,990	12	202	Loonab	Nil	Nil	Nil	10	4/69	4/69	4/37
12,60,000	22,28,419	11,42,054	2,221 1/2	5,70,970	4,08	518,387	4,33	5,80,000	6,13,497	12	..	North Western	30	20	10	100	160/00	160/00	114/00
2,59,050	5,88,340	1,916	331	7,71,967	3,85	213,805	4,21	2,72,155	-49,494	12	202	Pathemara	Nil	Nil	Nil	10	7/81	7/81	7/50
2,80,000	6,82,448	2,92,663	..	3,26,670	4,40	195,018	4,62	2,50,400	-1,73,960	12	165	Rooapacherra	Nil	10	Nil	10	9/94	9/94	13/62
5,25,000	12,22,431	12,03,600	810	3,07,903	3,94	279,277	4,48	2,90,000	61,192	12	63	Rungamattee	5	5	5	80	49/25	49/25	53/50
4,00,000	..	..	..	2,47,927	3,56	..	..	..	..	12	..	Sonai River	Nil	Nil	..	10	5/08	5/06	9/12
DAEJEEING																			
8,99,750	..	..	..	82,803	8,66	77,090	8,74	84,000	51,557	12	101	Bloomfield	Nil	..	..	10	3/19	3/19	3/00
2,79,800	3,72,700	1,55,000	165	8,05,978	5,22	313,229	5,63	3,08,443	..	12	279	Chamong	Nil	10	10	10	9/00	9/00	9/00
3,75,900	..	..	..	72,236	6,12	..	..	..	..	12	139	Daejeeling Tea & Chn	30	30	30				

TEA COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds	Area Hectares	Outturn and Average Price per Kg. realised for crop				estimate	Net Profit including taxation	Accounts closed	Mr. Asst. Secretaries, etc.	NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
Ra	Ra	Ra	Ra	1961	1962	1963	Ra	Ra	Ra	Ra			1960	1961	1962	Ra	29-4-64	22-4-64	A year ago Rs.
DOOARS																			
27,00,000	62,03,995	32,62,760	1,034	15,51,500	4.51	14,84,400	4.88	15,25,000	11,19,005	12	2	Banarhat P.	22½	21	21	100	230/00	230/00	226/00
12,00,000	27,38,435	23,27,925	436	7,24,364	4.69	6,66,481	5.13	6,64,600	6,59,538	12	128	Baradighi	30	25	25	10	23/25	23/25	23/25
9,00,000	19,19,630	30,59,434	..	5,93,617	4.42	7,00,569	4.68	6,16,885	5,74,696	12	386	Bhatkawa	15	15	20	10	16/31	16/31	18/00
9,00,000	25,07,423	22,16,500	577	6,66,763	4.37	6,69,958	5.01	6,50,000	6,43,459	12	83	Birpara P.	17½	12½	17½	100	160/00	162/00	149/00
6,00,000	12,14,870	10,73,000	244	2,99,250	4.17	2,80,187	4.70	2,95,000	1,58,268	12	63	Carron	5	5	7½	100	117/00	117/00	145/00
9,00,000	24,85,741	14,56,681	365	5,14,200	4.45	5,21,400	4.69	5,30,000	2,82,148	12	2	Choonabhatti P.	32½	20	20	100	211/00	211/00	210/00
3,00,000	5,84,327	5,93,500	197	2,19,480	4.05	2,25,971	4.59	2,03,000	1,33,979	12	63	Ellenbarrie	5	5	10	100	184/00	184/00	184/00
1,20,000	..	..	..	1,62,265	3.73	..	..	..	..	12	397	Engo	60	30	40	100	136/00	136/00	136/00
4,90,000	9,33,182	71,548	..	2,24,026	..	2,64,339	..	..	93,085	12	354	Ethelbari	5	5	7½	10	11/87	11/87	13/12
7,50,000	13,32,430	10,34,583	1,088	5,33,092	4.88	5,04,794	5.46	..	4,67,197	12	88	Gairkatha	25	20	11	10	21/50	21/50	21/50
14,00,000	27,81,035	19,25,521	425	5,21,329	..	5,65,748	..	..	200,689	12	387	Gopalpur	12	2	10	25	19/50	19/50	19/50
36,00,000	50,92,343	42,81,500	1,048	14,33,022	4.07	13,74,053	4.76	13,90,000	7,93,764	12	63	Hantapara P.	15	5	10	100	108/00	108/00	110/00
64,00,000	70,47,491	75,82,749	..	28,49,021	5.54	30,66,464	5.78	30,64,500	30,07,101	3	74	Hantapara P.	17	5	10	100	108/00	108/00	110/00
16,50,000	26,67,650	17,26,078	..	8,89,068	4.02	6,99,826	4.51	961,600	2,06,848	2	74	Hudibari	22½	18	15	100	12/50	12/50	13/19
7,00,000	8,95,117	5,13,133	246	1,90,300	4.48	1,99,900	5.59	..	61,500	12	2	Jaybirpara	10	Nil	Nil	10	8/94	8/94	11/12
9,00,000	18,12,126	21,89,000	375	5,63,337	4.23	5,07,738	4.50	5,20,000	3,57,699	12	63	Killcoti	25	15	15	10	15/06	15/06	16/25
2,00,000	14,67,422	5,58,176	..	2,47,991	..	253,887	..	..	88,005	12	354	Manabarrie	10	6	10	10	59/50	59/50	59/50
9,60,000	20,66,498	24,61,500	..	8,03,619	4.07	5,07,732	4.76	4,90,000	3,31,819	12	63	Nagaisuree	25	15	15	100	175/00	180/00	146/00
14,00,000	34,04,657	21,71,728	471	7,84,700	4.31	6,40,900	5.10	7,50,000	2,30,662	12	2	New Dooars P.	35	20	14½	100	234/00	234/00	230/00
6,40,000	..	..	..	3,07,655	3.89	..	..	..	..	12	363	Oodlabari	12½	7½	..	100	13/75	13/75	14/25
2,50,000	3,90,272	3,37,500	126	1,00,575	4.22	1,26,816	4.64	1,30,000	1,17,963	12	63	Pashkawa	Nil	Nil	Nil	10	125/00	125/00	128/00
6,00,000	9,22,423	11,53,058	..	3,63,864	4.36	3,91,886	4.70	3,62,900	2,08,311	12	65	Raisbhat	Nil	Nil	6	10	9/12	9/12	12/12
7,65,000	17,57,543	17,47,050	..	5,03,638	4.32	4,76,526	5.07	5,33,500	1,63,000	12	165	Ranicherra	15	15	7½	10	12/00	12/00	16/75
14,92,800	36,77,342	30,35,064	727	9,21,964	4.79	9,78,337	5.44	10,10,245	8,77,496	12	128	Rydak	25	20	25	10	24/96	24/96	27/31
3,46,000	10,20,398	10,25,325	..	4,00,500	4.10	3,30,000	4.76	3,73,200	2,40,377	12	44	Sarugaon	40	40	40	10	36/31	36/31	36/25
TERAI																			
4,50,000	..	..	..	2,40,454	3.83	..	..	..	..	12	101	Atal	5	..	..	10	5/50	5/50	6/75
5,00,000	..	..	..	7,94,331	4.01	7,22,909	4.63	730,000	5,50,624	12	345	Beigachi	20	20	..	10	20/25	20/25	20/50
13,44,000	20,65,841	27,42,000	646	..	..	..	..	..	..	12	63	Gungaram	20	12½	12½	100	131/00	131/00	117/00
3,00,000	6,69,527	9,72,507	..	2,75,784	4.10	2,95,710	4.54	2,95,000	2,25,077	2	74	New Chumta	15	..	12 6/7-20*	10	20/37	20/37	24/62
7,20,000	..	..	..	3,14,632	3.63	3,33,644	4.04	3,12,073	..	12	139	New Terai	22½	10	15	10	23/00	23/00	36/00
11,70,000	..	..	..	4,71,480	4.08	4,71,480	4.45	4,89,915	..	12	139	Panargoomlah	20	20	22	10	13/75	14/37	31/12
1,00,000	..	..	..	..	..	..	..	..	..	12	63	Pitnabare	14	14	..	10	45/00	45/00	45/00
2,20,000	..	..	..	3,88,528	4.53	3,84,347	5.05	408,200	..	12	165	Tirrihanah P.	60	60	60	10	49/00	49/00	49/00
CHITTAGONG																			
1,25,000	..	..	..	3,07,360*	1.76	..	..	..	..	12	139	Kodala	Nil	Nil	..	10	9/25	9/25	9/25
2,40,000	..	..	..	3,53,000*	1.64	..	..	..	..	12	139	Kornafuli	Nil	Nil	..	10	9/31	9/31	13/06
2,00,000	..	..	..	2,88,000*	1.74	..	..	..	..	12	139	Oodaleah	Nil	Nil	..	10	8/00	8/00	8/00
SYLHET																			
3,00,000	14,19,689	17,99,706	637	2,76,309	4.48	2,14,907	7.92	254,012	7,17,391	12	..	Chundeecherra	Nil	Nil	Nil	10	26/00	26/00	24/00
6,00,000	9,95,449	12,20,351	230	2,33,890	4.97	2,03,558	8.17	218,000	8,36,913	12	63	Dauracherra	22½	22½	20	10	11/37	11/87	7/56
5,59,930	..	..	..	11,42,720*	1.99	..	..	..	..	12	236	New Samanbagh P.	25	Nil	..	10	18/37	18/37	18/37
98,00,000	69,49,669	63,43,044	1,060	19,52,002	5.02	17,98,140	8.16	1,851,000	90,15,000	12	63	Potrakola	32½	40	15	100	119/00	119/00	140/00
3,20,000	4,21,718	1,48,642	740	4,28,560*	1.83	4,24,800*	3.23	380,000	4,07,821	12	236	Rajnagar	Nil	Nil	Nil	10	9/56	9/56	9/56
9,00,000	21,92,086	22,53,327	483	4,18,826	5.01	3,69,737	8.08	417,000	12,91,452	12	63	Teliapara	22½	22½	10	100	94/50	94/50	99/00

MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares if any Ra.	Cash & Securities	Net Profit including taxation	Carry forward	Accounts closed	MA. Agents Secretaries etc.	NAMES	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until											
Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.		1960	1961	1962	Ra.	Ra.	Ra.	A year ago Ra.							
MININGS																						
22,389,700	..	2,218,681	22,781,590	2,12,559	2,174,204	12	158	Burma Mines	2 3/5	Nil	Nil	3 1/2	0/44	0/44	0/44							
30,00,000	37,08,889	32,54,468	34,05,355	15,96,846	13,914	12	312	Chrestien Mica Industries P.	15	12 1/2	..	100	10/44	10/44	9/85							
15,00,000								25	20	..	50D	6/87	6/87	8/85								
21,871,300								21,758,381	22,25,873	2,765,374	21,057,163	2,72,310	12	58	Indian Copper Corporation	27	27	..	2s	3/40	3/27	4/33
50,00,000								61,72,031	10,43,352	58,971	6,66,976	14,41,622	8	343	Metal Corporation P.	Nil	..	..	100	7/00	7/00	8/37
20,00,000	46,08,415	67,87,431	55,46,956	13,17,757	38,801	6	21	Orissa Mineral Development	36	28	20	10	22/12	22/12	27/6							
CEMENT, LIME, SLATE, ETC.																						
69,90,843	1,58,98,785	17,06,000	2,33,036	4,97,991	10,914	3	381	Ashoka Cement	7	7	7-7*	10	6/87	6/87	7/25							
63,14,800	41,61,412	21,43,429	29,64,772	1,70,813	6,44,676	3	80	Assam Bengal Cement	..	..	..	100	3/50	4/00	3/03							
70,976D								..	..	..	1Dd	0/50	0/50	0/69								
55,23,146								98,02,559	19,77,396	66,723	24,46,663	1,703	12	155	Bengal Potteries	15	..	..	2 1/2	5/00	5/87	
40,00,000								73,55,786	28,31,157	3,76,724	23,10,445	60,122	8	21	Bisra Stone Lime	30	30	10	10	17/69	17/69	35/0
1,66,00,000	1,88,81,933	99,52,704	1,90,71,398	1,16,81,256	..	12	123	Dalmia Cement (Bharat) P.	12	12	12	100	13/44	13/37	13/12							
5,00,000Dd								1Dd	2/81	2/81	2/1											
2,50,00,000	59,43,463	94,05,545	5,54,170	65,02,100	4,94,598	3	335	Jaipur Udyog P.	6	8	8.36	10	11/50	11/25	10/94							
30,00,000	89,55,197	56,55,899	6,48,783	21,48,528	25,499	12	41	Kumardhuli Fireclay & Silica P.	18	18	18	10	18/45	18/45	18/45							
2,25,00,000	3,77,58,590	1,36,03,808	30,93,908	98,75,491	..	12	363	Orissa Cement P.	15	15	10	10	13/31	13/31	13/37							
6,00,000	20,07,006	21,78,065	17,41,738	4,85,806	30,441	2	233	Reliance Firebricks & Pottery	22	22	15	10	22/75	22/75	22/75							
65,00,000	63,53,090	32,76,500	7,167	12,37	2,04,361	16,83,364	12	397	Sone Valley Portland Cement	4	6	8	5	4/31	4/12	4/22						
9,64,520	27,73,209	12,75,390	4,86,376	15,22,913	21,096	12	3	Sutna Stone & Lime	27 1/2	30	35	10	28/31	28/31	35/0							

* 1963

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until				
Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.		1960	1961	1962	Ra.	Ra.	Ra.	A year ago Rs.
CHEMICAL INDUSTRIES															
62,00,000								Alkali & Chemical Corp. of (I)	12	15	15-15*	10	28/75	28/62	36/25
2,48,00,000A	8,04,72,738	2,26,33,273	3,46,012	1,10,87,234	5,671	9	121	Bathgate & Co. Ltd P.	Nil	Nil	..	5	0/84	0/84	0/84
20,00,000	17,39,281	15,681	11,245	-88,949	-9,86,991	12	442	Bengal Chemical & Pharm. P.	7	10	..	100	98/00	98/00	98/00
15,00,000C								Calcutta Chemical P.	18	18	18	10	18/69	18/69	18/00
11,08,900A	76,41,344	68,84,605	21,11,440	18,06,053	1,30,717	3	245	Frank Ross P.	..	..	..	5	3/19	3/19	3/25
22,54,700B								Smith Stanistreet P.	25	25	25-22½*	5	13/25	13/25	12/81
15,00,000	36,34,102	22,82,883	19,49,050	12,04,892	6,978	6	377	ELECTRIC LIGHTING. POWERS							
4,95,000	99,022	Nil	41,554	72,146	2,560	2	129	Agra Electric Supply	11	11	11	100	124/00	124/00	120/00
20,00,000	13,61,137	17,67,251	7,35,789	13,17,366	19,167	6	191	Bareilly Electric Supply	11	11	11	10	11/87	11/87	14/37
								Benares Electric Supply	11	11	11	10	11/81	11/81	12/44
								Bhagalpur Electric Supply	8	10	8	8	6/25	6/25	6/00
								Calcutta Electric Supply	7	7½	7½	21	14/12	14/00	14/37
								Cuttack Electric Supply	7	10	10	10	10/44	10/44	12/62
								Disbargarh Power Supply P.	10	10	10-10*	100	86/00	86/00	88/00
								Jhansi Electric Supply	..	..	..	10	5/90	5/90	5/90
								Jubbulpore Electricity Supply	..	..	..	10	11/87	11/87	11/25
								Mirzapur Electric Supply	..	..	..	9	7/50	7/50	12/00
								Muzafferpore Electric Supply	12½	12½	12½	10	11/19	11/19	12/25
								Muttar Electric Supply	..	..	..	10	11/06	11/06	11/12
								Patna Electric Supply	..	..	..	10	10/12	10/12	10/56
								Shahjahanpur Electric P.	6½	6½	6½	10	6/75	6/75	7/00
								Sijua (Jharkhand) Electric	10	9	9	10	8/58	8/58	8/25
								United Provinces Electric	11	11	11	100	152/00	154/00	119/00
								Upper Jumna Valley Electric	13½	13½	13½	10	21/19	21/19	14/06
								ENGINEERING & METAL							
								Arthur Butler (Muzafferpore) P.	Nil	Nil	10	10	21/25	21/25	14/50
								Bhartia Electric Steel	Nil	10	12½	10	14/75	14/75	13/62
								Braithwaite & Co (India).	25	25	14	10	32/50	32/50	33/00
								Bridge & Roof	30	30	30	10	52/25	52/25	52/25
								Britannia Building & Iron P.	Nil	Nil	Nil	10	3/20	3/20	3/65
								Britannia Engineering P.	10	10	10	10	10/06	10/00	10/19
								British India Electric Cons.	45	20	18	10	29/12	29/12	33/12
								Burn P. (Engineering)	28½	28½	28½-25*	100	280/00	280/00	438/00
								Calcutta Steel	15	15	15-12½*	10	15/12	14/25	13/69
								Dalmia Iron	10	10	10-10*	10	11/00	10/81	10/50
								Guest, Keen, Williams	16	14	14	10	24/56	23/50	33/75
								Hoghtly Docking	Nil	Nil	12½	50	94/00	94/00	108/00
								Indian Iron & Steel P.	15	16	16-16*	10	24/72	23/90	22/16
								Indian Malleable Casting	Nil	..	..	50	6/00	6/00	6/00
								Indian Standard Wagon P.	28½	28½	28½-20*	10	34/75	36/37	29/31
								Indian Steel & Wire Products	23	24	23-18*	100	33/50	33/50	40/50
								Industrial Containers	Nil	10	10	10	20/00	20/00	22/00
								Jay Engineering	17 3/20	17 3/20	15-10*	10	19/75	19/75	24/25
								J. K. Steel P.	20	20	10	10	15/75	15/75	15/00
								Jessop & Co. P.	8.58	8.58	8.58-10*	10	22/58	22/37	22/69
								Kumardhubi Engineering P.	10	11½	15	3	5/69	5/37	8/12
								Marshall Sons (India)	Nil	Nil	Nil	2	2/94	2/81	3/12
								National Iron and Steel	Nil	Nil	Nil	10	5/75	5/75	4/19
								Saran Engineering	8½	10	12½-10*	4	7/12	7/12	8/00
								Steel Containers	30	20	20	10	28/12	28/12	19/75
								Textile Machinery	10	10	..	10	28/30	27/05	23/80
SUGAR BREWERIES ETC.															
								Balrampur Sugar	8	8	4-Nil*	2½	1/75	1/75	2/37
								Balsand Sugar	15½	10	65-34*	10	7/50	7/50	8/30
								Bharat Sugar P.	15	15	15-15*	10	12/56	12/56	13/00
								Carew (Sugar) P.	Nil	Nil	Nil-Nil*	10	12/06	9/70	12/50
								Cawnpore Sugar P.	Nil	Nil	Nil	10	9/75	9/75	10/06
								Champanan Sugar P.	15	12	Nil-Nil*	10	10/62	10/62	15/87
								Durbhanga	4	Nil	8	10	7/19	7/19	7/37
								New Savan Sugar and Gur	..	..	..	10	4/00	4/00	3/62
								Purnabugger Sugar P.	..	..	..	10	8/00	8/00	11/50
								Ramdhani Cane & Sugar P.	30	35	30-15*	10	29/31	29/31	30/37
								Ravan Sugar P.	12½	10	10-10*	10	9/61	9/62	10/62
								Samastipur Central Sugar	..	..	..	10	3/25	3/25	5/75
								Shree Krishnas Gyanoday Sugar P.	15	..	..	10	8/00	7/94	7/06
								Shree Sitaram Sugar	..	..	..	10	7/12	7/12	7/13
								Sitalpore Sugar	4	Nil	Nil-Nil*	10	3/69	3/69	6/12
								United Provinces	15	8	Nil	10	11/25	11/25	10/62
								Upper Ganges Sugar P.	72½	72½	72½	10	60/25	60/25	65/00

MISCELLANEOUS COMPANIES-Cont'd.

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

Paid-up Capital Ordinary Rs.	Net Block Accounts Rs.	Reserve & Other Funds Premiums & Part-paid Shares If any Rs.	Cash & Securities Rs.	Net Profits including taxation Rs.	Carry forward Rs.	Accounts Closed Rs.	As Secretaries etc.	NAMES	Dividends per cent			Paid-up Share Rs.	Latest Market Quotations as available until			
									1960	1961	1962		29-4-64	22-4-64	A year ago Rs.	
MISCELLANEOUS (Contd.).																
60,00,000	6,27,241	59,20,402	91,23,845	14,28,049	24,342	12	321	Octavius Steel P.	10	7½	7½	100	..	..	..	
2,20,00,000	1,99,24,562	59,30,483	25,74,101	1,20,21,148	1,39,632	12	346	Philips India	12	12	13	10	26/94	26/75	26/00	
2,86,200	53,496	6,12,800	1,02,081	4,43,784	48,408	3	166	Publicity Society	10	75	75-80*	4	22/62	22/62	26/19	
2,25,00,000	1,04,24,519	67,80,570	1,53,00,153	73,34,623	5,982	8	332	Rallis India P.	4	84	84-10*	100	118/00	118/00	127/00	
6,80,00,000	7,93,37,818	3,87,81,885	1,16,91,228	1,22,07,255	4,305	3	335	Rontas Industries P.	20	10	8-9*	10	11/44	11/00	11/00	
94,27,380	5,58,48,835	41	14,04,49*	1,69,253	37,513	6	72	Sirsila P.	Nil	..	..	10	8/56	7/75	8/87	
1,35,00,000	2,41,71,538	86,99,991	20,94,175	11,62,162	4,301	9	376	Sen Raleigh Industries P.	15	8	8-Nil*	10	14/62	14/69	14/00	
75,00,000	1,02,89,547	55,43,000	1,78,35,987	41,86,452	5,57,492	12	478	Shaw Wallace P.	15	15	7½	10	15/25	15/50	17/00	
3,00,000	3,33,174	23,199	30,501	17,483	1,738	12	111	Spencers Hotel	2½	2½	..	2	1/25	1/25	0/94	
2,80,00,000	5,43,90,903	3,80,54,275	42,48,951	2,68,66,630	1,93,008	12	301	Union Carbide	18	18	12½-15*	10	31/62	31/25	42/37	
1,10,00,000	..	..	..	..	..	..	..	Walford Transport	20	20	20	10	2/69	2/75	2/44	
8,40,800	7,04,778	29,75,610	9,48,447	11,31,642	5,406	12	195	..	30	30	30	10	3/31	3/25	3/62	
INSURANCE COMPANIES																
12,50,000	6,89,803	61,56,126	1,56,73,630	5,94,228	32,703	12	174	Concord of India	20	20	20	5	10/00	10/00	10/25	
24,00,000	..	95,20,456	1,36,84,067	17,38,669	20,229	12	248	Hercules	22½	26½	26½	10	23/50	23/50	25/00	
52,00,000	27,24,852	1,56,73,464	2,30,92,019	30,35,783	..	..	..	Ruby General	10	13½	15½	8	10/50	10/37	8/56	
8,90,000	..	21,62,072	27,92,606	51,893	12,241	12	..	Standard General	..	..	..	10	6/12	6/12	6/00	
8,75,000	7,133	77,12,554	1,05,52,159	10,09,738	..	..	..	Triton	45	60	50	25	134/00	134/00	132/00	
FLOUR MILLS																
12,00,000	4,11,000	29,55,620	6,63,425	10,87,621	1,80,000	12	24	Bengal	40	25	25	10	34/12	34/12	34/25	
5,00,000	6,51,040	4,47,038	2,17,808	1,08,473	1,28,880	10	97	Delhi P.	..	..	..	10	14/00	14/00	14/00	
48,90,137	47,18,433	77,72,310	56,88,368	33,61,767	4,07,338	9	175	Ganesh P.	..	..	..	12½	13/75	13/75	15/75	
9,00,000	4,53,646	4,52,302	8,883	2,19,375	32,614	12	236	Hooghly	15	Nil	Nil	10	19/75	19/75	19/75	
5,00,000	2,77,355	6,61,791	25,812	2,25,689	6,571	11	236	United	35	10	7½	10	27/81	27/81	30/00	
OIL COMPANIES																
£2,900,001	£2,366,123	£1,875,442	£1,080,797	£1,537,438	£168,520	12	249	Attock Oil	13½	13½	13 1/3	£1	sh. 33/6 sh. 34/-	sh. 32/-	sh. 32/-	
£82,419,080	£35,843,366	£12,750,000	£13,148,421	£18,446,093	£582,661	12	32	Burmah Oil P.	9 2/5	..	..	£1	sh. 68/10 sh. 71/9	sh. 48/6	sh. 48/6	
1,00,00,000	59,29,364	1,75,25,203	2,84,68,306	54,63,502	1,19,330	12	249	Indo Burmah Petroleum P.	30	25	22½	10	21/31	21/00	23/00	
6,00,000	3,08,556	9,90,737	3,38,958	5,47,290	23,403	10	2	Tide Water Oil	30	35	35-35*	10	33/19	33/19	26/75	
PAPER MILLS																
58,50,000	1,09,71,994	63,55,637	10,43,959	47,17,412	50,816	12	436	Bengal P	32	27½	20	10	27/12	27/06	29/81	
83,20,000	1,16,27,906	90,40,934	1,10,010	40,65,122	28,615	3	2	India Paper Pulp	15	13	12-15*	10	18/94	18/75	17/44	
1,90,67,250	6,87,00,000	57,39,270	1,08,97,843	1,40,08,528	93,457	3	22	Orient Paper P	22½	22½	22½-20*	10	37/00	37/05	34/75	
1,25,19,921	3,84,89,789	1,74,04,218	90,74,618	1,15,62,333	73,294	12	140	Shree Gopal Paper P.	17 6/7	17 6/7	17 6/7	10	24/50	25/00	23/50	
2,73,10,050	4,28,25,108	94,29,176	63,90,889	2,93,680	1,08,791	6	22	Sirpur P.	6½	8½	8½-5*	10	11/69	12/00	12/12	
1,00,00,000	..	..	..	..	..	..	..	Star Paper P.	Nil	Nil	Nil-Nil*	10	8/69	9/06	10/06	
10,00,000A	4,04,77,968	8,52,085	2,98,345	34,96,055	10,37,344	9	86	..	10	13	13-13*	2½PO	3/31	3/31	3/78	
4,37,500PO	..	..	..	..	..	..	..	..	25	20	10-10*	10A0	14/31	14/56	17/00	
56,00,000A0	4,87,90,174	3,15,32,295	20,74,443	-20,620	15,112	3	166	Titaghur P.	25	20	10-10*	10B0	14/31	14/56	17/00	
56,04,800B0	..	..	..	..	..	..	..	..	25	20	10-10*	10B0	14/31	14/56	17/00	
1,50,00,000C	4,85,97,051	85,00,000	1,73,752	58,44,186	17,196	6	373	West Coast P.	6	7½	..	100	158/00	158/00	180/50	
PRESSING COMPANY																
4,30,000	1,81,531	1,45,000	5,34,786	65,294	24,928	7	326	Camperdown	11	11	..	100	100/00	100/00	104/00	
REAL PROPERTY STORAGE																
10,00,000A	..	..	..	..	..	..	..	Bengal Bonded Warehouse	11	6	8-9*	A500	900/00	985/00	1,050/00	
1,25,000B	..	..	..	..	..	..	..	..	..	..	..	B62½	125/00	125/00	135/00	
2,00,000C	14,69,589	8,53,120	3,54,870	1,24,262	3,212	4-10	73	..	..	..	..	C100	185/00	185/00	122/00	
25,000D	..	..	..	..	..	..	..	..	..	..	..	D12½	45/00	45/00	14/11	
1,42,150	..	..	..	..	..	..	..	..	..	..	..	100	7/37	7/37	8/90	
1,00,00,7500	11,08,246	4,23,135	33,823	81,259	3,142	3	6	Calcutta Safe Deposit	..	..	..	100	11/00	11/00	11/00	
2,90,000	19,35,008	9,01,590	13,43,272	3,61,778	1,33,593	9	432	Humayan Properties P.	..	..	..	100	3/10	2/10	2/10	
79,90,000	4,080	Nil	13,10,942	-74,850	-19,01,272	4	2	Midnapore Zemindary P.	Nil	Nil	Nil-Nil*	85	18/25	18/25	10/12	
TRAMWAYS & STEAMERS																
20,00,000	40,37,049	33,73,558	9,90,121	5,76,314	54,558	10	2	Bengal Assam Steamship P.	7½	7½	10-10*	100	128/00	128/00	100/00	
1,50,000	4,66,783	7,61,818	9,53,643	79,944	17,786	10	89	Calcutta Landing & Shipping	3½	7½	22-6*	10	19/61	19/81	34/00	
12,00,000	22,18,412	13,83,110	42,995	28,490	42,621	1	300	Calcutta Steam Navigation	19	Nil	Nil	10	6/87	8/87	10/00	
£700,000	£2,93,715	£1,560,682	£315,682	£105,509	£1,407	12	30	Calcutta Tramways P	..	..	..	230	10/42	10/62	11/00	
4,04,580	6,97,987	6,56,766	33,440	1,35,088	-637	3	139	Fraser & Co	Nil	..	..	10	8/94	8/94	8/94	
£253,580	1,970,808	2,322,556	£419,913	£280,988	£24,854	8	631	India General Nav. & Railway P.	Nil	..	..	10	42/00	42/00	42/00	
1,67,50,000	15,80,63,417	1,57,29,464	1,17,13,241	30,02,498	..	3	291	India Steamship P.	10	Nil	Nil-Nil*	10	6/81	6/69	6/37	
14,08,220	13,34,804	74,870	7,951	-62,391	-4,90,480	12	..	Port Shipping	Nil	Nil	..	10	13/67	13/50	22/00	

BOMBAY COTTON MILLS

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Paid-up Capital Ordinary	Number of Spindles Looms	Net Block Account	Reserve & other Funds	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	NAMES
Ra.		Ra.	Ra.	Ra.	Ra.	Ra.		1960 1961 1962	Ra.	28-4-64 21-4-64 A year ago	
40,00,000	48,652	1,016	1,28,56,156	46,70,828	20,69,878	10,39,741	26,620	16 12	100	140/00 140/00 170/00	Ahmedabad Advance P.
50,00,000	48,254	896	20,17,010	9,99,960	10,78,394	1,49,501	2,24,486	12 22	100	176 1/2 2/12	Apollo
40,00,000	41,135	980	43,32,511	11,42,781	4,76,501	1,42,728	3,350	12 19	100	130/00 130/00 76/00	Beharilal Ramcharan
2,50,98,000	2,03,942	4,911	5,87,37,535	3,82,76,018	47,87,842	62,56,837	67,586	14 14	100	61/00 59/80 62/50	Bombay Dyeing, etc.
10,00,000	35,052	848	32,07,778	34,59,612	5,45,173	10,89,180	1,37,996	30 30	100	151/00 151/00 150/00	Bradbury P.
1,27,75,700	1,18,296	2,760	4,98,32,541	1,26,61,468	25,80,077	80,66,350	9,53,042	12 22	100	613/00 603/50 561/00	Century
46,87,500	1,15,188	2,062	2,99,18,629	10,75,722	15,14,712	3,59,283	40,19,762	11 11	100	162/50 162/50 140/00	Central India P.
26,00,000	24,916	719	37,34,829	32,52,434	1,01,653	1,46,029	1,28,151	30 30	100	150/00 152/00 142/00	Coorla
28,00,000	43,512	..	33,97,504	29,03,230	5,19,246	23,98,267	2,06,873	12 26	100	260/00 260/00 325/00	Dawn
34,00,000	49,164	920	74,35,701	49,53,002	1,86,928	9,41,132	5,844	18 59	100	57/00 97/00 104/00	Edward Textiles
29,98,050	47,700	886	1,32,62,451	49,53,002	2,59,089	4,04,302	4,09,432	23 23	100	305/00 306/00 320/00	Elphinstone P.
50,00,000	63,212	784	65,32,658	71,62,852	16,836	4,09,432	37,155	14 18	100	181/00 179/00 171/00	Finlay
39,04,700	77,966	..	19,75,309	43,25,176	23,64,706	12,85,523	85,195	12 56	100	950/00 950/00 810/00	Gokak
12,00,000	40,856	1,116	64,14,595	68,13,239	10,75,932	4,27,954	5,193	30 30	250	21/48 21/24 22/3	Hindustan
2,00,00,000	2,48,870	6,498	4,41,45,022	3,84,70,022	31,82,629	1,32,22,197	5,89,816	12 15	100	21/48 21/24 22/3	India United
50,00,000	50,774	1,202	75,60,490	61,57,161	4,26,274	..	3,305	23 1/5	250	882/50 882/50 761/2	Indian
50,00,000	50,774	1,202	75,60,490	61,57,161	4,26,274	..	3,305	10 10	100	206/25 210/00 186/0	Indore Malwa United
59,85,000	65,260	1,514	1,07,21,545	82,79,165	25,00,707	76,87,297	38,751	16 16	100	186/25 185/00 457/5	Khatav Mankanji P.
1,00,00,000	1,20,504	1,846	1,76,50,904	1,36,17,072	20,69,195	65,91,664	9,095	15 18	100	333/00 331/00 311/0	Kohinoor
89,60,000	49,880	1,369	1,26,36,356	62,49,272	7,11,717	21,14,041	10,60,896	5 6	100	100/00 100/00 101/0	Lakshmi Vishnu P.
51,75,000	71,652	1,620	2,44,04,458	78,75,201	1,68,667	33,39,748	..	21 1/2	250	288/00 382/00 435/0	Morarjee Goculdas P.
39,88,250	50,480	500	55,13,433	39,56,794	22,08,037	2,05,250	Nil	14 24	50	41/00 41/00 46/0	Mysore Spg & Mfg. P.
24,00,000	49,444	432	23,52,760	7,45,700	10,79,000	15,67,753	8,456	12 ..	100	188/75 188/75 142/5	New City of Bombay
30,00,000	46,884	1,029	22,27,098	23,72,444	27,32,568	12,48,697	153	12 ..	100	178/00 178/00 206/0	New Great Eastern P.
49,00,000	54,244	1,228	35,04,222	35,02,899	1,54,21,523	21,027	27,380	12 119	100	223/50 223/50 270/0	Phoenix
10,00,000	9,520	277	13,17,604	2,78,222	9,963	3,22,456	1,07,771	12 257	100	11/00 11/00 12/2	Sassoon & Alliance
75,40,000	96,488	2,127	2,21,73,468	1,58,87,542	13,77,729	28,73,996	3,192	12 339	100	36/00 35/50 50/0	Sassoon Spinning
60,48,000	49,840	1,258	1,34,95,513	34,48,460	1,44,640	22,79,548	24,574	8 379	100	121/50 120/00 143/5	Simplex
1,00,00,000	77,436	1,640	1,62,20,494	88,36,202	95,49,874	35,49,582	51,723	12 327	100	249/00 245/00 242/0	Shree Niwas P.
1,00,00,000	65,040	2,000	1,96,83,714	1,42,81,829	24,73,107	35,08,617	8,176	12 269	100	241/00 242/00 248/0	Swadeshi P.
36,00,000	40,328	549	56,94,838	71,73,334	7,774	4,20,561	28,062	12 341	100	275/00 270/00 300/0	Swan
65,57,875	63,248	1,800	2,12,86,475	1,12,83,538	11,32,192	20,80,953	1,422	12 269	250	53/20 52/00 62/0	Tata
12,00,000	45,508	1,308	62,07,441	12,11,933	31,81,227	52,10,985	8,027	3 205	250	850/00 850/00 785/0	Western India

* 1962

* 1963

BOMBAY MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Cash & Securities	Net Profits including Taxation	Carry forward	Accounts closed	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	NAMES
Ra.	Ra.	Ra.	Ra.	Ra.	Ra.		1960 1961 1962	Ra.	28-4-64 21-4-64 A year ago	
10,06,68,750	28,49,18,158	12,76,85,323	5,86,09,994	5,14,17,638	68,243	7 88	12 12-12*	100	151/75 149/00 145/0	Associated Cement
8,74,77,100	11,61,05,785	1,36,05,785	80,82,878	78,42,905	638	3 146	7 6	100	95/00 95/30 91/5	Ahmedabad Electricity
9,02,77,000	9,34,77,781	1,23,89,917	32,52,570	62,28,395	36,194	3 267	5 5	1000	1,051/25 1,052/50 1,005/0	Andhra Valley Power P.
1,75,00,000	3,95,10,553	1,21,07,263	17,22,898	39,87,421	3,370	3 146	8 8	100	104/25 104/25 101/0	Bombay Suburban Elec.
2,39,99,975	1,17,76,350	1,39,56,841	51,65,971	60,68,908	27,536	3 267	5 5	100	111/25 112/25 104/0	Tata Hydro Elec. Power P.
8,15,36,000	17,59,03,832	8,61,11,341	57,28,733	1,22,80,113	29,988	3 267	5 5	1000	1,112/50 1,110/00 1,042/5	Tata Power P.
33,42,200	17,06,292	44,16,374	1,54,08,311	5,79,666	1,35,820	12 288	17 22	100	297/00 292/00 320/0	Alcock Ashdown
14,75,050	7,99,713	4,61,618	2,25,568	24,763	33,804	3 115	10 10-11*	50	47/00 47/00 98/0	Jost's Engineering
1,65,00,000	1,36,83,136	1,15,74,779	1,09,19,945	48,29,564	11,973	3 351	18 14-14*	10	22/80 22/36 25/2	Larsen & Toubro P.
11,00,000	1,03,70,225	3,35,914	..	..	1,016	7 283	12 14	100	135/00 135/00 140/0	Mckenzie
2,50,000	5,834	1,00,53,052	1,79,52,042	3,35,178	59,102	12 284	33 1/3	300	181/50 173/00 150/0	Premier Construction P.
1,31,250	17,30,38,018	5,09,28,017	13,84,385	3,61,61,616	14,962	3 269	14 14-14*	100	298/50 290/50 299/0	Tata Eng. & Locomotive P.
7,99,97,300	1,03,32,39,005	42,98,94,270	10,44,14,243	10,55,68,012	32,096	3 269	10 10-11*	750	150/00 144/50 135/0	Tata Iron & Steel P.
20,00,000	..	23,84,913	85,96,033	4,24,629	1,18,606	12 297	.. ..	10	12/48 12/48 11/0	British India General
18,74,940	25,01,134	2,88,61,155	2,61,49,442	39,951	4,65,316	12 55	.. ..	15	7/00 7/00 9/0	Jupiter General P.
1,42,42,125	23,46,782	8,80,68,899	9,41,74,741	92,81,250	44,28,397	12 179	38 ..	13	45/50 45/00 61/0	New India
15,99,270	..	29,41,860	59,86,789	6,05,803	3,81,242	12 255	20 ..	10	16/00 16/00 16/0	Vulcan
70,49,650	41,70,604	1,23,53,608	1,09,82,038	67,94,850	3,00,263	9 42	50 ..	50	218/00 219/00 183/0	Belapur Sugar
1,53,59,000	3,34,19,072	2,76,00,447	1,67,73,491	1,13,92,935	2,25,985	5 285	33 33-35 1/5*	25	59/30 58/70 ..	Bombay Burmah Trading
8,24,36,000	6,05,91,222	4,82,83,719	47,53,662	4,30,51,407	..	12 91	26 12-14*	20	46/25 46/25 ..	Hindustan Lever
9,99,99,250	4,754	20,08,796	1,44,31,515	8,97,490	30,418	12 299	12 12-14*	10	35/00 34/75 40/0	Industrial Inv. Trust
11,99,900	13,82,957	7,34,142	14,05,2231	48,232	16,942	8 37	12 ..	100	77/50 77/00 72/0	Kemp (Chemists)
1,41,12,100	7,40,96,031	2,03,71,167	27,33,067	1,69,61,608	4,41,151	12 352	22 ..	200	260/00 260/00 305/0	National Hayon
11,27,98,880	25,25,08,057	1,58,24,547	11,18,89,883	48,75,907	2,82,648	1 198	.. ..	100	361/00 349/00 379/0	Scindia Steam Navign.
21,00,000	47,55,927	1,15,00,000	3,17,927	3,40,349	23,63,858	1 146	Nil Nil-11*	20	15/00 14/04 21/0	Shivrajpur Synd.
3,02,33,815	6,32,84,424	1,44,04,272	23,87,449	89,88,449	3,923	6 269	6 6	10	16/52 15/32 15/0	Tata Chemicals P.
1,05,05,475	2,21,88,319	1,25,42,386	47,74,468	50,73,815	1,187	6 269	23 23-22*	25	18/24 17/80 60/0	Tata Oil P.
2,55,00,000	1,37,35,974	3,64,27,137	85,33,891	1,78,87,313	Nil	8 360	14 14-14*	100	61/70 62/00 271/0	Volta
1,75,00,000	2,71,29,042	2,32,60,865	1,47,82,909	1,39,56,381	82,645	12 274	16 16	100	259/50 260/75 243/0	Western India Match

* 1963

SOUTH INDIA PLANTATION COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Acreage	Output and Average Price realised for crop		Net Profits	Accounts closed	Mr. Attn. Secretaries etc.	NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations (as available until)		
				Lbs	Ra.					1960	1961	1962		Ra.	Ra.	A year ago Ra.
Ra.	Ra.	Ra.				Ra.							Ra.	Ra.	Ra.	
475,000	16,06,067	1,50,000	1,992	7,996cwt	9.68	1,19,757	3	401	Amalgamated P.	10	..	..	10	10/01	10/01	10/36
2,50,000	12,57,785	5,72,253	478	1,12,000	1.43	70,011	12	402	Anandam P.	15	..	..	10	14/50	14/19	15/24
2,25,000	6,09,131	1,50,000	402	1,28,902	1.47cwt	3,501	2	403	Athimattam	Nil	..	..	2	1/20	1/20	0/80
10,98,990	13,96,078	4,83,841	1,630	225,168*	4.34	4,11,290	3	287	Balanor P.	15	12	..	10	12/37	12/37	12/00
8,00,000	3,94,072	2,05,000	319	1,07,785*	3.2	1,11,970	5	404	Balmadies P.	13	5	Nil-5*	2	1/80	1/80	1/90
17,32,230	13,46,711	4,36,253	977	1,07,785*	1.65cwt	3,110	6	270	Be Be P.	Nil	..	..	5	2/30	2/30	2/15
44,00,000	1,23,45,152	25,11,425	1,329	8,53,764*	4.81	12,37,848	6	141	Blue Mountain	12 1/2	10	10-10*	2	2/43	2/43	2/47
14,00,100	27,96,388	14,46,380	4,586	8,36,263*	3.15	6,16,055	2	210	Chembra Peak	20	20	20	2	4/55	4/60	3/60
26,91,278	48,15,377	19,60,914	8,056	11,05,303*	..	8,80,694	8	210	Cochin Malabar P.	17	20	20-12*	3	6/48	6/48	6/00
22,50,000	39,31,709	30,58,661	2,710	19,48,320	..	8,11,249	6	406	Coffee Lands P.	6	..	..	10	17/25	17/12	13/50
1,55,000	1,15,74,494	64,44,278	7,001	60,81,120	..	25,60,562	6	408	Consolidated Coffee P.	20	..	..	10	21/65	21/50	17/25
6,66,730	21,85,500	13,90,424	411	4,52,382	2.25	56,592	9	203	Coonor P.	17 1/2	15	17 1/2-17 1/2*	10	17/57	17/57	18/50
4,80,000	10,36,448	4,76,798	432	3,53,888	1.52	1,19,880	3	407	Coorg P.	20	..	..	2	4/85	4/85	4/45
6,00,000	11,82,506	2,17,781	1,026	1,57,785	1.47	46,942	3	12	Cottanad Plantation P.	10	..	..	10	9/50	9/60	9/31
6,00,000	9,89,831	4,80,155	345	3,25,310*	2.66	1,25,313	12	212	Devashola (Nilgiri)	20	..	..	10	24/08	24/08	24/92
74,650	9,14,594	3,31,040	450	1,38,386*	4.26	1,36,712	3	287	Devon P.	15	12	..	10	11/96	11/96	12/66
1,50,000	3,38,352	1,26,500	197	1,12,936*	2.66	28,121	12	408	Emerald Valley	..	..	..	5	6/10	6/15	5/06
4,50,000	3,69,462	20,000	278	42,830	..	40,424	12	409	Gokul	..	..	..	2	2/00	2/00	1/90
16,00,000	42,82,150	17,77,500	1,465	17,21,560	2.04	2,13,414	12	410	Haleysbury P.	15	..	..	10	12/90	12/80	12/62
11,85,700	28,02,058	10,77,705	1,528	9,59,804	1.67	3,60,461	2	402	Kallar	22 1/2	..	..	2	5/97	5/97	5/56
6,00,000	11,83,359	8,86,159	465	2,92,200*	4.64	4,14,877	3	210	Kalasa Tea Produce	20	25	..	2	4/10	4/10	3/45
17,17,076	27,90,278	9,40,446	741	4,46,673	5.17	5,88,691	10	210	Kil Kotagiri P.	25	25	..	2	4/47	4/75	5/86
6,00,000	9,11,225	1,21,604	267	805,757	2.31	96,485	12	203	Lucky Valley	10	10	..	10	12/50	12/50	11/00
13,50,000	17,31,286	4,85,241	1,691	6,70,174	1.48	2,09,136	5	411	Malankara	15	..	..	10	16/37	16/37	15/56
60,50,000	74,75,217	14,33,242	4,013	740,800*	4.47	13,89,961	3	270	Midland Rub & Prod P.	12 1/2	12 1/2	..	10	11/25	11/20	10/50
14,06,250	33,53,804	7,45,346	1,587	9,98,596	2.90	1,60,000	3	402	Nilgiri P.	8	..	..	10	9/12	9/12	8/99
28,10,000	24,28,291	11,02,621	1,051	7,29,106*	2.92	16,62,532	6	14	Noanuch	20	20	20-20*	10	23/00	23/00	22/15
6,50,000	1,07,991	1,21,464	510	1,35,230*	..	1,41,776	3	210	Onsoor	15	..	..	2	2/58	2/58	2/71
19,45,980	34,53,670	25,53,533	1,498	4,77,573	4.84	6,27,924	10	310	Ouchterlony	13	12	..	8	4/08	4/08	3/80
14,88,960	27,02,359	17,22,983	676	4,13,064*	2.74	7,70,117	6	203	Parkside Neilgherry	22 1/2	22 1/2	27 1/2-25*	10	26/33	26/33	24/00
17,00,000	37,36,576	12,62,318	1,565	10,83,565*	4.20	11,29,858	12	9	Permade P.	27 1/2	25	..	10	21/12	21/12	22/50
6,00,000	1,90,316	4,35,530	1,167	1,83,268	1.50	1,65,244	2	258	Pentinsular	20	..	..	2	3/43	3/45	3/06
97,94,880	78,72,019	20,68,711	2,074	23,46,900	3.88	13,16,954	3	210	Periakaramalai	13 1/2	20	12 1/2-15*	10	21/40	21/25	18/50
18,50,000	48,44,469	13,58,959	952	845,000*	3.16	8,05,161	6	270	Rajagiri Rub & Prod P.	20	20	20-21 1/2*	3	10/42	10/42	9/80
2,00,000	3,14,567	1,53,963	711	3,320cwt	1.32	1,18,791	3	412	Rajendra P.	25	..	..	3	2/68	2/68	2/82
1,25,000	1,90,373	15,000	216	..	..	43,141	3	413	Swinton	12 1/2	..	..	2	..	..	..
10,00,000	20,71,084	2,48,373	1,454	4,30,685	1.51	63,263	3	172	Teekoy P.	Nil	..	..	10	6/60	6/60	6/35
6,15,300	13,14,493	10,80,000	2,227	2,45,549*	3.76	1,27,943	9	210	Thirumbadi	7	12	..	1	1/70	1/82	1/25
6,00,000	6,51,402	46,742	1,307	2,23,794	3.21	90,950	12	414	Travancore Rubber	13	..	..	10	12/00	12/00	8/65
41,00,000	72,63,801	12,63,584	2,535	12,19,484*	..	10,61,172	12	9	Travancore Rub & Tea P.	9	10	10	10	9/90	9/90	8/70
40,00,000	23,48,701	1,38,000	4,028	6,38,402	1.00	4,02,762	12	271	Tropics Plantation	8	..	..	10	21/00	21/00	19/75
15,75,000	24,78,11	16,00,000	1,267	9,63,293	2.16	1,26,658	3	250	Twtfords	21	22	..	10	8/55	8/55	9/10
61,93,280	30,03,223	17,04,089	3,838	8,28,976*	5.11	12,65,658	5	210	Unate Nilgiri	30	..	..	10	23/52	23/52	20/34
4,80,010	9,26,838	2,82,051	852	1,94,400	1.77	2,30,096	12	415	Valkundam	21	..	..	2	35/10	35/10	29/45
47,25,000	78,06,431	21,33,765*	2,214	13,41,277*	3.50	15,22,472	6	157	Waterlall Estates P.	12 1/2	10	10-10*	2	2/35	2/35	2/35
						28,223	3	416	Woodland P.	10	..	..	10	6/90	6/90	7/80

SOUTH INDIA SUGAR MILLS

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net profits	Carry forward	Accounts closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
									1960	1961	1962		28-4-64	21-4-64	A year ago
Ra.	Ra.	Ra.	Ra.	Ra.	Ra.							Ra.	Ra.	Ra.	
80,00,000	62,64,264	26,55,000	5,32,400	10,92,779	22,959	9	417	Andhra P.	11	11	11	10	14/75	14/75	18/20
80,00,000	80,62,883	12,61,424	1,58,472	13,46,266	1,40,987	9	218	Chauvery P.	11	11	11	10	100/00	100/00	99/00
80,00,000	80,95,449	50,28,500	10,91,223	29,00,521	9,587	9	218	Deccan Sugar	11	11	11	10	11/75	11/75	9/00
80,00,000	80,95,449	50,28,500	10,91,223	29,00,521	9,587	9	218	E.I.D. - Parry	21-3/7	21-3/7	21-3/7	10	35/35	35/50	38/70
80,00,000	80,95,449	50,28,500	10,91,223	29,00,521	9,587	9	218	Indian Sugar P.	14	10	8-8*	10	10/00	9/36	9/69
80,00,000	80,95,449	50,28,500	10,91,223	29,00,521	9,587	9	218	Jeypore P.	8	..	..	10	14/68	14/68	15/00
80,00,000	80,95,449	50,28,500	10,91,223	29,00,521	9,587	9	218	K. C. P.	..	..	..	10	24/00	24/00	25/07
80,00,000	80,95,449	50,28,500	10,91,223	29,00,521	9,587	9	218	Kothari	Nil	Nil	Nil-Nil*	10	6/90	6/90	7/85
80,00,000	80,95,449	50,28,500	10,91,223	29,00,521	9,587	9	218	Mysore	30	30	30-30*	10	44/65	44/65	51/30
80,00,000	80,95,449	50,28,500	10,91,223	29,00,521	9,587	9	218	Travancore P.	10	..	..	10	7/20	7/45	6/85
80,00,000	80,95,449	50,28,500	10,91,223	29,00,521	9,587	9	218	United Breweries	60	60	25-Nil*	10	33/00	33/00	95/00

* 1963

SOUTH INDIA MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net profits	Carry forward	Accounts closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
									1960	1961	1962		28-4-64	21-4-64	A year ago
Ra.	Ra.	Ra.	Ra.	Ra.	Ra.							Ra.	Ra.	Ra.	
1,00,00,000	88,99,116	39,83,750	10,36,603	19,80,945	1,52,518	3	421	Aluminium Industries	18	..	..	10	20/90	21/00	18/50
71,03,270	81,97,887	9,97,508	8,37,425	14,43,157	2,172	12	16	Andhra Cement P.	10	10	10-9*	10	10/10	10/10	9/50
8,02,87,658	1,59,93,393	25,63,610	1,84,094	40,01,343	20,076	12	422	Ashok Leyland	8	..	..	10	7/00	7/03	7/55
1,00,00,000	17,47,081	49,33,435	2,75,867	19,86,613	4,39,222	12	423	Binny	12 1/2	..	..	100	282/00	282/00	327/17
7,50,000	5,48,587	56,538	41,650	93,226	1,46,143	12	270	Brunton & Co.	..	..	..	10	4/80	5/00	5/30
24,99,000	40,82,511	3,52,644	62,051	3,35,186	4,810	12	424	Enfield P.	8	..	..	10	10/50	10/75	9/25
2,24,44,750	321,08,642	66,66,496	73,60,475	51,28,679	1,38,608	3	425	India Cement P.	11	9	12	5	5/68	5/72	5/75
25,82,732	16,92,196	2,50,222	93,924	2,16,808	2,977	12	230	Indian Steel Rolling P.	..	..	..	10	9/95	9/95	10/40
1,40,00,000	1,39,97,059	37,48,801	36,09,251	29,82,180	11,631	3	263	Mettur Chemical Industries P.	12 1/2	12 1/2	13 1/2-18 1/2	10	13/30	13/27	12/25
24,81,220	12,89,939	10,47,778	17,48,674	8,48,641	8,514	3	238	Mysore Chem & Fert.	10	10	..	10	7/95	7/90	9/75
8,00,000	6,20,889	4,52,189	2,18,413	2,33,791	85,187	3	151	Mysore Chemical Mfg. P.	10	..	..	10	16/70	16/70	18/28
6,56,250	4,13,585	9,36,696	6,374	1,23,899	3,146	3	226	Mysore Lamp P.	10	..	..	10	30/00	30/00	34/10
85,00,000	55,50,342	37,12,500	2,43,664	14,29,395	36,683	3	226	Mysore Paper	15	15	..	10	12/40	12/40	13/70
10,00,000	7,56,329	3,16,884	29,32,342	75,422	622	3	201	Mysore Tobacco	10	..	..	10	12/00	12/00	9/50
10,00,000	6,54,828	8,02,000	2,60,194	4,84,835	1,51,607	3	218	Parrys Coal	10	..	..	10	3/14	3/14	3/30
60,00,000	82,50,079	1,03,14,883	40,58,627	23,52,432	10,74,117	6	221	Spencer (Provisions)	18	18	18	10	22/37	22/37	21/90
67,00,000	86,53,610	20,65,000	61,902	1,85,966	5,889	12	427	Standard Motors P.	9	..	..	10	10/12	10/12	11/87
11,56,500	5,85,547	14,04,007	16,66,624	4,19,707	41,732	9	428	T. Stanes P.	32 1/2	..	..	10	26/70	26/70	29/05
98,84,400	42,86,650	13,07,789	56,077	6,92,616	932	4	429	Textool	15	..	..	100	142/00	142/00	155/00
8,50,00,000	4,24,61,684	2,14,79,630	72,21,483	85,33,091	50,510	7	430	Tube Investments	10	10	10-10*	100	210/00	210/00	235/00

11963

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Accounts	Reserve & other Funds	Net Earnings	Carry forward	Accounts closed	Mg. Agts. Secretaries etc.	NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
								1960	1961	1962		28-4-64	22-4-64	A year ago
Ra.	Ra.	Ra.	Ra.	Ra.							Ra.	Ra.	Ra.	
17,24,000	18,02,732	12,576	-2,52,424	..	3	165	Ahmedpur Katwa	1.90	1.90	1.75	100	24/87	24/87	29/00
21,69,300	34,93,819	6,11,706	3,03,621	2,818	3	32	Arrah Sasaram	6	5	5	100	29/12	29/12	27/00
34,00,000	35,33,840	21,816	-4,86,034	..	3	165	Bankura Damodar	1.90	1.90	1.75	100	24/87	24/87	29/50
17,80,000	20,25,854	10,772	-3,07,176	..	3	165	Burdwan Cutwa	1.90	1.90	1.75	100	24/87	24/87	29/50
31,00,000	28,10,290	44,298	1,72,713	1,480	3	32	Chaparmukh-Silghat	2.90	2.90	2.80	100	40/00	40/00	35/00
4,75,000	1,48,268	5,33,369	1,35,796	3,891	3	296	Cherra Chhatrakopeway	9	12	12	100	4/62	4/62	5/75
2,47,650	2,28,169	59,790	42,389	4,003	3	101	Deerling Roadway	..	..	..	10	8/50	8/50	8/00
60,00,000	49,60,137	14,51,000	19,14,361	35,951	3	335	Dehri Rohtas	17	20	15	100	11/75	11/75	13/87
11,49,700	15,85,943	8,500	59,013	1,489	3	32	Futwah (Islampur)	1.90	1.90	1.90	100	28/70	28/70	28/70
16,00,000	49,13,938	13,57,712	1,70,485	3,022	3	32	Howrah Amta (P)	6	5	4 1/2	100	34/00	34/00	46/00
6,00,000	13,66,352	5,14,960	62,731	4,225	3	32	Howrah Sheekhala	6	5	4 1/2	100	45/00	45/00	45/00
8,91,100	11,74,348	15,024	73,560	180	3	165	Katakhal Lala Bazar	3.50	3.10	1.90	100	41/00	41/00	41/00
18,00,000	60,91,311	18,08,821	1,11,807	6,893	3	32	Shahdara (Delhi)	6	3	..	100	52/00	52/00	50/00

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

1. Anderson Wright Ltd.-7, Wellesley Place Calcutta.	58. Cowasjee Jehangir & Co. Ltd.-Ready Money Mansion, Churchgate Street, Fort Bombay.	116. K. G. Khanna-Solan Brewery (H.P.),	174. N. M. Cole-8, Clive Row, Calcutta.
2. Andrew Yule & Co. Ltd.-8, Clive Row Calcutta.	59. N. K. Jagan-Kamini Chamber, 32, Nicol Road, Ballard Estate Bombay.	117. Hari Sons-Avur (Cochin State).	175. Satya Narain Gupta-Subzimidai, Delhi.
3. S. N. Beri-6, Middle Road Hastings, Calcutta.	60. Chandrie & Co. Ltd.-Madras.	118. Hornusjee Sons & Co.-805, Girgaum Road Dholi Talao Bombay-2.	176. Mutton & Co.-Maung Pauley Street, Rangoon.
4. Hazareemull, Heeralal-148, Cotton Street Calcutta.	61. Bagaria More Co. Ltd.-5 Clive Row, Calcutta.	119. Ramnarayan Sons Ltd.-Bombay.	177. H. S. Marshall-1, Humayan Place, Calcutta.
5. Amritlal Ojha & Co. Ltd.-"Security House" Netaji Subhas Road, Calcutta.	62. Dayaram & Sons-8, Old Court House Street, Calcutta.	120. Industrial Financing Co.-63, College Street Calcutta.	178. Madura & Co. Ltd.-Cochin.
6. Alcock, N. C.-Hultsdorf Mills, Colombo.	63. Duncan Brothers & Co. Ltd.-31, Netaji Subhas Road, Calcutta.	121. Imperial Chemical Industries (India) Private Ltd.-34, Chowringhee, Calcutta.	179. A. D. Shroff-New India Assurance Bldgs. Mahatma Gandhi Road, Fort, Bombay.
7. Associated Industrial Development Co. (Private) Ltd.-"Nico House", Hare Street, Calcutta-1.	64. Duff Thomas & Co.-2 and 3, Clive Row Calcutta.	122. Indra Singh & Sons Private Ltd.-7, Wellesley Place Calcutta.	180. Matatali Gagalbhai & Sons-Rustam Bldgs 29, Churchgate Street, Fort, Bombay.
8. Agarwala S. L.-Indian Insurance Building Old Cantonment Road, Dehra-Dun.	65. Dass Bros.-29 and 30, Strand Road, Calcutta.	123. Hari Brothers Private Ltd.-Scindia House New Delhi.	181. Murphy C.-Rampart Row Fort, Bombay.
9. Aspinwall & Co. (Travancore) Ltd.-Chavadi Parambu North Commercial Canal Road Alleppey.	66. A. K. Das-15, Netaji Subhas Road, Calcutta.	124. R. Raja Rao-Honnawai Road, Shimoga.	182. Mehta Chunilal V. & Co. Ltd.-Queen's Mansions Prescott Road, Bombay.
10. Aryan Planter Agency-P-12, Chowringhee Square Calcutta.	67. Day, P. E.-Anderson's House, Bishopsgate, London, E.C.2.	125. Iyer I. R. Anantharam & Bros. Ltd.-Pushpagiri Trichur.	183. N. Sirur & Co. Private Ltd.-70, Forbes Street Fort Bombay.
11. Allum Bharucha & Co.-214, Hornby Road Bombay.	68. Hari Brothers Private Ltd.-Scindia House, New Delhi.	126. N. Sirur & Co. Private Ltd.-70, Forbes Street Fort Bombay.	184. Mysore Industrial Development Co.-33 Gandhinagar, Bangalore City.
12. Associated Planters Private Ltd.-25, General Patters Road, Madras.	69. Dadabhai, Sir M. B.-Kampte Road, Civil Lines Nagpur.	127. J. P. Hannay-2, Metcalfe St., Calcutta.	185. Mascarenhas B. M.-Platform Road, Bangalore City.
13. Antony M. K.-Alleppey.	70. N. D. Bangur-14, Netaji Subhas Road, Calcutta.	128. Jardine Henderson Ltd.-4, Clive Row, Calcutta.	186. Naidu, G. Kuppuswamy & Co.-Pappanalkenpalayam, Coimbatore.
14. Harrison And Crossfield Ltd.-Cochin.	71. H. C. Roy-Hindustan Buildings & Chittaranjan Avenue, Calcutta.	129. S. S. Bhimwal-7, Chowringhee Road, Calcutta.	187. Best & Co. Ltd.-The Hyderabad Laminated Products Ltd., Secunderabad-3.
15. Agarwal & Co.-E. D. Sassoon Building Douglall Road, Ballard Estate, Bombay.	72. Duffa, J. C. & Co. Ltd.-National Bank Buildings, Netaji Subhas Road, Calcutta.	130. J. K. Industries (Private) Ltd.-7, Council House Street Calcutta.	188. R. Beema Naidu & Co.-Singanallur, Coimbatore.
16. Andhra Eng. Co. Ltd.-22/422, Dana-Vayipeta, Rajahmundry.	73. C. C. Dey-25, Netaji Subhas Road, Calcutta.	131. Jain, N. K. & Co. Ltd.-"Devashram", Arrah, Shahabad.	189. Naidu A. G. Guruswamy & Co.-Peelamedu, Coimbatore.
17. Amte & Co.-Hubli.	74. Davenport & Co. Private Ltd.-6, Church Lane, Calcutta.	132. J. K. Industries (Private) Ltd.-7, Council House Street Calcutta.	190. Naidu P. S. Govindaswami & Sons-Coimbatore.
18. S. M. Krishnan-Sri Jayachamaraja Wadiyar Road Bangalore-2.	75. Desai, R. M.-14, Nicol Road, Ballard Estate, Fort Bombay.	133. James & Co. Ltd.-25 Netaji Subhas Road Calcutta.	191. H. Roychowdhuri-18, Convent Road, Entally, Calcutta.
19. Macneil and Barry Ltd.-2, Fairlie Place Calcutta.	76. Dodwell & Co. Ltd.-Glennie Street, Slave Island, Calcutta.	134. Jute Industries Ltd.-4, Lyons Range, Calcutta.	192. B. J. Agarwalla-Stephen House, 1, Dalhousie Square, Calcutta.
20. Ojha Brothers Ltd.-Security House, Netaji Subhas Road, Calcutta.	77. Darragh Small & Co. Ltd.-Alleppey.	135. John, V. C.-Kattayam, Travancore State.	193. Kesarnai Manocha-529/1 Hall Bagh, Amritsar.
21. Bird & Co. (Private) Ltd.-Chartered Bank Buildings, Calcutta.	78. Dadabhai B. A. & Co.-Ilaco House, Sir Phirozeshah Mehta Road Bombay.	136. Jones, R. Edwin-Oriental Building, Bombay Elec. House, Ahmedabad.	194. G. V. Swaika-"Pollock House" 13/B, Brabourne Road Calcutta.
22. Birla Bros. Private Ltd.-8, India Exchange Place, Calcutta.	79. B. N. Elias & Co. Private Ltd.-1 and 3, Old Court House Corner Calcutta.	137. John, Kurian-Kottayam, Travancore State.	195. R. R. Aiyer-71, Park Street, Calcutta.
23. Babulal & Co. Ltd.-13, Syed Sailey Lane Calcutta.	80. Eastern Corp. Ltd.-7, Wellesley Place, Calcutta.	138. Kettiewell Bullen & Co. Ltd.-21, Strand Road, Calcutta.	196. Srinivasan, S. D.-7, Council House Street, Calcutta.
24. Baitner Lawrie & Co. Ltd.-21, Netaji Subhas Road Calcutta.	81. Ebelling, A. F.-Rawalpindi.	139. Kibbun & Co. Private Ltd.-4, Fairlie Place, Calcutta.	197. Narandas Jachmandas Ltd.-Rajapurwa Kanpur.
25. British India Corporation Ltd.-Sutherland House, Kanpur.	82. Jddar, P. L.-135, Canning Street, Calcutta.	140. Karamchand Thapper & Bros. Private Ltd.-Thapar House, 25, Brabourne Road Calcutta-1.	198. Dharamsey M. Khatau-Scindia House, Daugall Road, Ballard Estate, Bombay.
26. R. L. Thompson-Agraharam Road, Bangalore-2.	83. Pratapsingh Mathuradas-9, Wallace Street, Fort Bombay.	141. Kothari & Sons Agency Private Ltd.-Armenian Street, Madras.	199. Nowrojee Wadia & Sons (Private) Ltd.-Neville House, Ballard Estate, Bombay.
27. Bengal Textile Agency Ltd.-11, Clive Row Calcutta.	84. S. B. Industrial Development Co. Ltd.-12, Old Court House Street, Calcutta.	142. R. Suryanarayan Rao-Channapattina, Mysore State.	200. Uooduawala & Sons-3, Mukhtarab Babu Street, Calcutta-7.

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

231. Ramamurthy, A.—Ravakhada (Orissa), Koraput Dist.
232. Ratnams Ltd.—Pugalur, Trichinopoly.
233. T. Shamanna—1129, Vani Vilasa Road, Mysore.
234. Bangur Bros. Ltd.—14, Netaji Subhas Road, Calcutta.
235. Soorajmull Nagarmull—8, Dalhousie Square East, Calcutta.
236. Shaw Wallace & Co., Ltd.—4/5, Bank-shall Street, Calcutta.
237. Srivastava, J. P. & Sons—Kanpur.
238. Bharat Ram Charat Ram & Co. Private Ltd.—Bara Hindu Rao, Delhi.
239. A. R. Kalairaja Chettiar—Colombatore.
240. A. K. T. K. M. Narayanan Namboodripad—Kallal Malabar.
241. Singh, Ranjit—Lucknow.
242. N. L. Roy & Co.—9, Royal Exchange Place, Calcutta.
243. Shyamal Agarwal—9, Dalhousie Sq. East, Calcutta.
244. Sovaram Keshavdeo—15, Netaji Subhas Road, Calcutta.
245. Dr. B. N. Ghose—6, Ganesh Avenue, Calcutta-13.
246. Sundaren, S.—Indian Mercantile Chambers, Nicol Road, Bombay.
247. Singhantha Dampat—Kamala Tower, Kanpur.
248. E. K. Srinivasan—16, Hare Street, Calcutta.
249. Steel Bros. & Co., Ltd.—Gillanders House, Netaji Subhas Road, Calcutta.
250. T. Stanes & Co.—Colombatore.
251. Southern India Plantations Agency Ltd.—Coonoor.
252. Saha, Bahuballav—18/11/B, Raja Raj Ballav Street, Calcutta.
253. R. B. Pradhan—Empire House, 214, Hornby Road, Bombay.
254. Sindia, M. Ramchandra Rao—3rd Road, Chamarajpet, Bangalore City.
255. Setalvad, J. C.—73, Oppo. Churchgate Station, Fort, Bombay.
256. Scindia Steam Navigation Co., Ltd.—Ballard Estate, Bombay.
257. Ramnath A. Podar—Podar Chambers, Parsee Bazar St., Fort, Bombay.
258. Swedish Match Co.—Nicol Road, Ballard Estate, Bombay.
259. S. Ramashramony Aiyer—Trivandrum.
260. Purnamal Subna Sons—Indu House, Douglall Road, Ballard Estate, Bombay.
261. N. Sirur & Co. Private Ltd.—70, Forbes Street, Fort, Bombay.
262. Ramnarayan Sons Ltd.—Bank Street, Fort, Bombay.
263. Seshasayee Bros. Private Ltd.—Met-tur Dam R.S.
264. V. Venugopal Naidu—Sir Jayachama-raja Wadiyar Road, Bangalore-2.
265. Shree Hanuman Invt. Co., Ltd.—173, Harrison Road, Calcutta.
266. Talukdar, B. S.—Amlasadarpur, Nadia West Bengal.
267. Tata Hydro-Elec. Agency, Ltd.—34, Bruce Street, Bombay.
268. Turner Morrison & Co., Ltd.—6, Lyons Range, Calcutta.
269. Tata Industries Private Ltd.—Bombay House, Bruce Street, Fort, Bombay.
270. Thomas, A. V. & Co. Ltd.—Alleppey.
271. Thomas, P. T.—Kottayam, S. India.
272. Thomas, M. K. & Co., Ltd.—Trivan-drum.
273. Tayabjee, O. S.—159, Gunfoundry Rd., Hyderabad (Deccan).
274. A. Hydari and S. Gothberg—Indian Mercantile Chambers, Nicol Road, Ballard Estate, Bombay.
275. United Eastern Agencies—Bombay House, Bruce Street, Fort, Bombay.
276. United Agencies Ltd.—Punalur.
277. Villiers Private Ltd.—F-3, Clive Buildings, Calcutta.
278. S. M. Smith—4 Bankshall St., Calcutta.
279. Williamson Magor & Co., Ltd.—4, Mangoe Lane, Calcutta.
280. Whitman M. J. M. C.—Mayo Road, Rawalpindi.
281. N. K. Jhajarha—22, Chittaranjan Avenue, Calcutta.
282. C. Hockley—3, Netaji Subhas Road, Calcutta.
283. P. R. Jhunjhunwala—Sewrie, Bom-bay-15.
284. Waichand & Co. Ltd.—Ballard Estate, Fort, Bombay.
285. Wallace & Co.—9, Wallace Street, Bombay.
287. Young India Agencies Private Ltd.—175/1, Mount Road, Madras-2.
288. Dass Group Private Ltd.—29, Strand Road, Calcutta.
289. B. L. Mathur—4, Clive Row, Calcutta-1.
290. K. S. Basu—63, Netaji Subhas Road, Calcutta.
291. Lionei Edwards (Private) Ltd.—21, Old Court House Street, Calcutta.
292. R. N. Jhunjhunwala & Co., Ltd.—9, Ezra Street, Calcutta.
293. A. J. Zullig—31, Chowringhee Road, Calcutta.
294. R. L. Rampuria—5, Fairlie Place, Calcutta.
295. Premnath & Sons, Ltd.—New Delhi.
296. S. N. Fanta—1 & 2, Old Court House Corner, Calcutta.
297. F. H. Mehta—Mehta House, Apollo Street, Bombay.
298. L. S. Vaidyanathan—Oriental Build-ings, Bombay.
299. Kishore M. Premchand—61, Apollo Street, Fort, Bombay.
300. North Bihar Trading Co. (Private) Ltd.—11, Brabourne Road, Calcutta.
301. J. W. L. Russell—1 & 3, Brabourne Road, Calcutta-1.
302. Mitra Mondal—Khatauli, Dt. Muzaf-farnagar.
303. G. S. Shroff—2, Hardinge Avenue, New Delhi.
304. James Finlay & Co., Ltd.—2, Netaji Subhas Road, Calcutta.
305. Thackersey Mooljee & Co.—16, Apollo Street, Fort, Bombay.
306. Jatta Brothers Ltd.—21, Rupchand Roy Street, Calcutta.
307. Bhatt's Agency Ltd.—18, Netaji Subhas Road, Calcutta.
308. The Hyderabad Constructions Co., Ltd.—Kothagudum Collieries, Singa-reni P.O., Deccan.
309. T. Leslie Martin—12, Mission Row, Calcutta.
310. D. S. Barron—Chakala, Andheri P.O., Bombay.
311. Pyne & Sons—23A, Netaji Subhas Road, Calcutta.
312. Ram Kumar Agarwalla & Sons—4, Lyons Range, Calcutta.
313. Bullion Co., Ltd.—7, Canning Street, Calcutta.
314. Brooke Bond India Ltd.—2, Metcalfe Street, Calcutta.
315. Anderson Wright (Ramgarh) Ltd.—7, Wellesley Place, Calcutta.
316. The Cotton Agents Private Ltd.—14, Radha Bazar Lane, Calcutta-1.
317. Bird & Co. (Pakistan) Ltd.—Narayan-ganj.
318. Shree Krishna Investment Co. Ltd.—1-B, Halwasiya Road, Calcutta.
319. H. V. R. Iengar—Dare House, Parry's Corner, Madras.
320. F. W. J. Penn—32, Grant Road, Bangalore-1.
321. B. Ghosh—14, Old Court House Street, Calcutta.
322. Messrs. Fata Sons Ltd.—New India Assurance Buildings, Mahatma Gandhi Road, Fort, Bombay-1.
323. Anderson Wright & Co.—7, Wellesley Place, Calcutta.
324. Indo Corporation Private Ltd.—3, Swinhoe Street, Calcutta-19.
325. Brian Granger Pearson—Virginia House, 37, Chowringhee, Calcutta.
326. H. L. Pyne—14, India Exchange Place, Calcutta.
327. Marwar Textiles (Agency) Ltd.—Waudby Road, Fort, Bombay-1.
328. John Taylor & Sons (India) Ltd.—Mysore Oorgram, South India.
329. Sri G. D. Bhagat—13, Shib Bhakur Lane, Calcutta.
330. Mahindra & Mahindra Ltd.—Gateway Building, Apollo Bunder, Bombay.
331. N. L. Roy & Sons—Canning Street, Calcutta.
332. A. D. Mango—16, Hare Street, Calcutta.
333. Mungturam Jaipuria—Swadeshi House, Civil Lines, Kanpur.
334. H. Mackay Pallack—2, Fairlie Place, Calcutta.
335. Sahu Jain Ltd.—11, Clive Row, Calcutta.
336. Tulidas Kilachand—Scindia House, Douglall Road, Bombay.
337. Beriwalla & Co.—63, Netaji Subhas Road, Calcutta.
338. D. K. Sons Ltd.—Hornby Road, Fort, Bombay.
339. M. G. Investment Corp. Ltd.—Mafat-lal House, Backbay Reclamation, Bombay-1.
340. K. O. Cherlyan—Travancore.
341. N. L. Kanoria—India Exchange, Calcutta-1.
342. O. N. Chatterjee—2, Royal Exchange Place, Calcutta.
343. Indra Singh—135, Canning Street, Calcutta-1.
344. V. J. Pillani—Victoria Bunder Colaba.
345. The National Tea Corporation—130, Colton Street, Calcutta.
346. Seshasayee Brothers (Travancore) Ltd.—Eloor Factory, Alwaye.
347. Tania Brothers Private Ltd.—1 & 2, Old Court House Corner, Calcutta.
348. M. D. Jalan—62, Ballygunge Circular Road, Calcutta-19.
349. Seth Sohanlal Murarka—19, Circular Garden Reach, Calcutta-23.
350. K. Agarwal—Empire House, Dr. Dada-bhoj Naoroji Road, Fort, Bombay.
351. L. & I. (Management) Private Ltd.—1, C. House, Douglall Road, Ballard Estate, Bombay.
352. Chinal And Co. Private Ltd.—Sadha-na Rayon House, Dr. Dadabhai Naoroji Road, Bombay-1.
353. N. K. Jhajarha—14, Netaji Subhas Road, Calcutta.
354. L. C. Kanol—P-8, Mission Row Exten-sion, Calcutta.
355. T. R. Jalan—16, Strand Road, Calcutta.
356. R. Bajoria—10, Clive Row, Calcutta.
357. A. K. Jain—11, Clive Row, Calcutta.
358. I. P. Goenka—14, Old Court House Street, Calcutta-1.
359. G. D. Kothari—15, India Exchange Place, Calcutta.
360. R. E. S. Falyarkhan—Volkart Build-ing, 19, Graham Road, Bombay-1.
361. N. K. Bose—85, Netaji Subhas Road, Calcutta.
362. Dalmia Agencies Private Ltd.—Raj-gangpur (Orissa).
363. C. L. Nahata—14, Old Court House Street, Calcutta.
364. W. A. C. R. Bosschaart—7, Justice Chandra Madhab Road, Calcutta-20.
365. S. L. Dhanuka & P. L. Dhanuka—5, Mission Row, Calcutta.
366. A. K. Sen—48/1, Diamond Harbour Road, Calcutta-27.
367. Lakshmipt Singhania—4, Council House Street, Calcutta.
368. Kalyanji Mavji & Company—14, Netaji Subhas Road, Calcutta.
369. P. L. Batia—7, Canning Street, Calcutta.
370. Pannalal Sarsagi—8, Lyons Range, Calcutta-1.
371. G. L. Sarsagi—56, Sir Hariram Goenka Street, Calcutta-7.
372. B. K. Newar—9, Brabourne Road, Calcutta.
373. C. L. Maheswari—Shreeniwas House, Waudby Road, Fort, Bombay.
374. Talukdar Law & Co. Private Ltd.—4, Chittaranjan Avenue, Calcutta-13.
375. K. N. Mookerjee—Leslie House, 19, Chowringhee, Calcutta-13.
376. K. D. Ganguli—Mercantile Buildings, Lalbazar, Calcutta.
377. K. C. Dass & B. Maltra—33, Pandita Road, Calcutta-20.
378. R. N. Goenka—18-A, Brabourne Road, Calcutta.
379. S. R. Damani—30, Clerk Road, Bombay-11.
380. British India Corporation Ltd.—Sutherland House, Kanpur.
381. A. K. Jain—Dalmianagar Bihar.
382. B. P. Kedia—7, Wellesley Place, Calcutta-1.
383. W. H. G. Baird—8, Brabourne Road, Calcutta.
384. Punam Chand Batia—19, Circular Garden Reach, Calcutta-23.
385. G. P. Kanoria—3, Clive Row, Calcutta.
386. D. N. Jalan—McLeod House, 3, Netaji Subhas Road, Calcutta.
387. Shibendra Sankar Sarbadhyaksha—Jaipauri.
388. A. V. Siria—9, Kaliprasanna Singhee Road, Calcutta-2.
389. British India Corporation Ltd.—Kanpur.
390. I. Ratan—16/3, Chowringhee Road, Calcutta-13.
391. R. M. Cox—69C, Chowringhee Road, Calcutta-20.
392. R. A. Godwin—32, Chowringhee Road, Calcutta-18.
393. Khatau M. Shethia—14, Netaji Subhas Road, Calcutta-1.
394. B. M. Biria—India Exchange, Calcutta-1.
386. Wilkinson, A.—117/118, Esplanade Road, Bombay.
395. W. F. Malden—Lohat, Darbanga.
396. D. Manson—21, Netaji Subhas Road, Calcutta.
397. N. M. Shuwalka—135, Canning Street, Calcutta.
398. Hoare Miller & Co., Ltd.—5, Fairlie Place, Calcutta.
399. B. Patnisk & Co. Private Ltd.—P.O. Chowdwar, Cuttack.
400. R. K. Kanoria—9, Brabourne Road, Calcutta-1.
401. K. V. Venkatasubramoney Iyer—Seeta-gundy Estate, Sitharkunda P.O., Pal-gnat, Dist. Kerala State.
402. A. V. George & Co., Ltd.—Anchoril Bank Buildings, Post Box 1, Kottayam, Kerala State.
403. Mathew Sebastian—Thodupuzha, Kerala State.
404. Planting Agencies Private Ltd.—Ori-ental Buildings, Armenian Street, Madras-1.
405. The Consolidated Coffee Estates (1943) Ltd.—Pollibetta, Coorg.
406. C. L. Machia—Pollibetta S. Coorg.
407. Srinivas Agencies—Colombatore-2.
408. K. N. Krishna Iyer—22, Royapettah High Road, Madras-14.
409. Yong India Agencies Pvt. Ltd.—Mono-rama Bldgs., K. K. Road, Kottayam (Kerala State).
410. Parkins Private Ltd.—Kottayam.
411. Johnsons Estates & Agencies (Private) Ltd.—Malankara Bldg., Kodimatha Kottayam, Kerala.
412. Associated Planters (Pvt.) Ltd.—25, General Patters Road, Madras-2.
413. J. R. Motishaw—Mercantile Bank Bul-ding, 16, First Line Beach, Madras-1.
414. K. V. Mathew—Kottayam, Kerala State.
415. K. Ramachandran—Patton Palace, P.O. Trivandrum-4.
416. N. Kunjukrishna Pillai—T. C. 6/750, Patton Palace, P.O. Trivandrum-4.
417. Rangoo Rao & Co.—Venkatarayapuram, Tanuku, West Godavari Dist., Andhra Pradesh.
418. The India Sugar Agencies Private Ltd.—139, Meadows Street, Fort, Bombay-1.
419. R. S. Industrial Corporation Private Ltd.—Rayagada, Koraput Dist., Orissa State.
420. V. Ramakrishna Sons (Private) Ltd.—38 Mount Road, Madras-6.
421. Seshasayee Brothers (Travancore) Pvt. Ltd.—1, Ceramic Factory Road, Kun-dala (Kerala).
422. Sir A. Ramaswamy Mudaliar—Ennore, Madras.
423. P. J. M. Leigh—7, Armenian Street, Madras-1.
424. K. R. Sundaram Iyer—Tiruvottiyur, Madras-19.
425. Essen Private Ltd.—175/1, Mount Road, Madras-2.
426. J. L. D'sa—Old Tumkur Road, Malles-waram, Bangalore-12.
427. The Standard Motor Co. (India) Pvt. Ltd.—29 Mount Road, Madras-2.
428. E. H. Stanes—6/33, Race Course Road, Coimbatore-1.
429. Balasundaram & Co.—Satyamangalam Road, Ganapathy P.O., Coimbatore-6.
430. A. M. M. Arunachalam—53/53, Jehad-gir Street, Madras-1.
431. J. M. Parsons—2, Fairlie Place, Calcutta-1.
432. Mahabir S. J. B. Rana—1, Humayar Place, Calcutta.
433. G. N. Sam & Co.—Senthottam Sow-ripalayam P.O., Coimbatore-4.
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437. R. N. Shottika—4, Old Court House St., Calcutta.
438. Siria Gwalior Private Ltd.—Indus-try House, 159, Churchgate Reclamation, Bombay-1.
439. R. S. Bajpai—Kamala Tower, Kanpur.
440. R. L. Jatia—9, Brabourne Road, Calcutta-1.
441. S. K. Agarwalla—24, Netaji Subhas Road, Calcutta-1.
442. S. F. Shoumick—37, 18 & 19, Old Court House Street, Calcutta.
443. Madan Mohan Lall Shri Ram Ltd.—D.C.M. Premises, Bare Hindi, Rao, Delhi-6.
444. T. R. Jalan—2, Brabourne Road, Calcutta-1.
445. A. D. Galloway—7, Armenian Street, Madras-1.



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76th YEAR OF ISSUE

CALCUTTA, 7th MAY, 1964.

Vol. CLII 3809

CONTENTS

Editorials	
The Shortcomings of the Mahalanobis Report ...	705
Poor Outlook for Paper ...	706
Remedies for Inflation ...	706
The Shortage of Cotton ...	707
Current News and Comment ...	707-10
Russian Aid for Bokaro Pig Iron Shortage Affects Foundries	
The Rise in Prices	
Policy for Motor-vehicle Radiators	
Sales Tax Relief for Ex-porters	
Handicaps of Glass Manu-facturers	
The Industrial Development Bank	
Rayon Fabric Exports Rise	
Overstaffing in State Con-cerns	
Developing Managerial Re-sources	
Guide for Investors	713-18
Ahmedabad Jupiter Spinning Asian Cables	
Bombay Dyeing and Manu-facturing	
Burmah Oil	
Century Mill	
Coromandel Fertilisers	
Finlay Textile Group	
Henley Cables	
Isaac Holdens	
Jay Shree Tea	
Kohinoor Mills	
Kumardhubi Engineering	
Mafatlal Textile Group	
Martin Burn Power Com-panies	
Marshall and Sons	
National Rayon	
New India Assurance	
Phillips India	
United Flour Mills	
Western India Match	
Williamson Magor Tea Group	
New Capital Issues	
The Stock Markets	719
Company Announcements	
Coromandel Fertilisers	724
Chairmen's Statements	
Indian Paper Makers As-sociation	725
British Insulated Callen-der's Cables	727
Asian Cables Corporation	728
Special Article	
Revising Inter-bank Pact on Deposit Rates	722
Newsletters	
New Delhi	729
London	732
Sections	
Money	723
Jute	733
Commodity Markets	734
Books	735

THE SHORTCOMINGS OF THE MAHALANOBIS REPORT

THE most charitable comment one can make about the Mahalanobis Committee's report is that it is a research document, and not a prescription for policy. Like any research tome, its study of income distribution and concentration of economic power has taken time to compile—some 40 months. And, also like research studies that pour out of certain universities, it is less concerned with making sense than with the sheer "weight" of its observations. Those who take the trouble to read this massive report—not many will, because the prose is not exactly inviting—can draw whatever conclusions they wish.

Take, for instance, the issue of the concentration of economic power, which has been given a lively political interest by the emotion worked up by the "Kamarajed" Ministers at the last session of the ruling Party in Bhubaneswar. The Committee says that there has been no appreciable reduction in concentration and this is held to prove the inadequacy of the "current strategy of economic development in one of its important aspects". The "aspect" is undoubtedly important—witness the intense interest in trust-busting even in the U.S. citadel of private enterprise—but can concentration be divorced from the logic of technology? In industry after industry, the minimum economic size of a viable unit has doubled or trebled since the war. A one-million-ton steelworks was a fairly large unit 20 years ago, but today 2 million tons is regarded as the optimum for plants producing sections, while the capacity of a flat products plant has to be nearer 4 million tons. This is the result of the shift from batch to continuous production on which hopes of improved productivity and lower costs rest. The trend, which must obviously aggravate concentration, holds good as much in socialist as in capitalist countries, which only goes to show that it is not amenable to ideological correctives.

In a developing country just starting on the long road to industrial maturity, the search for economies of scale leads inevitably to situations where the immediate size of the market does not warrant more than a single unit. It is, of course, open to the policymaker to throw economic caution to the winds and authorise the starting of several units at once, a decision which may not necessarily be disadvantageous to those who make it, however much it penalises the economy. Having made this "bold" bid to checkmate would-be monopolists, the decision-makers will often have to proceed at once to countervailing measures to prop up the uneconomic units against the chilly winds of competition. In India, with her chronic foreign exchange deficits, imports are hardly a threat but even so the life of such units will be insecure without continuous sustenance, taking the shape of cheap official credits in its least objectionable form. Consumer complaints will, of course, go by the board, notwithstanding the creation of so-called competitive units within the same industry.

In fairness to Professor P. C. Mahalanobis and his colleagues, one must acknowledge that they

are not insensitive to technology. After having discovered that the biggest 20 groups in the corporate sector have increased their share of the total paid-up capital from 29.2 percent in 1951 to 32.4 percent in 1958, they thoughtfully add the rider that the growth of big business does not necessarily mean the adoption of anti-social policies. Unfortunately, the enquiry does not proceed beyond judging concentration by this general yardstick to a study of the uses to which new capital has been applied. Had this been attempted, the point would have emerged that the relatively greater share of big groups within the corporate sector reflected only their increasing participation in such capital-intensive branches of manufacture as heavy chemicals and machine-building. Nor has the Committee studied whether the control of big groups has not itself undergone significant changes because of the lumpy investments required in new industries. In many cases, ownership within the groups has been diluted in response to the need to mobilise sufficient resources for large new projects. The fact of the Life Insurance Corporation's holdings in some of the largest units provides a ready illustration of this trend.

As even ardent socialists concede in private, reducing concentration and striving for rapid growth are quite incompatible. There is no alternative to large and economically viable units because the country simply cannot afford the higher cost of creating the same capacity in smaller plants. And since much of the equipment must still come from abroad, the higher cost will largely have to be found in foreign exchange, with effects which are obvious in the present situation. Again, in industries which have either a direct export potential or contribute to exports indirectly by providing starting materials, economies of scale can be ignored only at the cost of making the odds against India even heavier than they already are. It was in recognition of these several factors militating against the dispersal of capacity that New Delhi's leading lights lately began to speak up against the fragmentation inevitable when the issue of regional balance is approached in arithmetical terms. There was, for instance, the note on industrial policy submitted to the Congress Working Committee in the summer of 1962 by none other than Mr. C. Subramaniam who now presides over the Ministry of Steel, Mines and Heavy Engineering.

None of this is intended to suggest that the policy-maker should turn a blind eye where the power derived from industrial concentration is abused. The answer to abuse is not to fly in the face of technological imperatives but to sharpen the right weapons to combat it. These weapons could legitimately include a monopolies commission (as it does in the U.K.) provided it really tried to frame the traffic rules for growth, the function attributed to it in a felicitous phrase by Mr. Asoka Mehta, Deputy Chairman of the Planning Commission. Apart from the general supervision such an agency may provide, the Government already has an armoury at its command in the various regulatory laws. Any alarm at industrial

concentration is in the circumstances unjustified, unless one discounts in advance the Government's capacity to make use of the powers it already has.

In India's present situation, the need clearly is for more concentrated industrial development rather than less. A case in point is provided by the motor-vehicle industry where serious thought has to be given to developing common production facilities to undo the damage done by starting more units than is justified at the present level of output. The merit of the plea for economic common sense is acknowledged in the Committee's report when it says that the need is for a policy of regulation and continuous scrutiny to guard against anti-social consequences rather than an indiscriminate assault on concentration. Since there is no indication in the report itself of the criteria to be used in determining the economically justified size, one can hardly be sure what the Committee really means. It is to be hoped that matters like this will be left for decision, not by politicians and perspective planners, but by competent agencies familiar with the specific requirements of each industry.

Having accepted the rationale of bigness on economic grounds, it is amazing that the Commit-

POOR OUTLOOK FOR PAPER

THE trend in paper shares over the past year has been disappointing. The index for the ordinary shares has dropped from 197.7 to 193.1 (base year 1952-53 equals 100), although the general index for all industrial equities has risen from 163 to 165.8. The unrealistic prices the Government has fixed for paper have largely contributed to the decline. When the prices were last increased in June 1962, they did not fully compensate the industry for the increases in production costs. There has been a further substantial rise in costs since. In his address from the chair at the annual general meeting of the Indian Paper Makers Association in Calcutta last week, Mr. M. L. Zutshi discussed the rises in various items of cost to explain why paper prices in India are higher than the international rates. (A fuller version of the speech is printed on a later page in this week's issue of *Capital*.) The cost of indigenous raw materials and chemicals is at least 50 percent higher than it is abroad. Foreign factories enjoy the benefit of lower overhead costs because their size is bigger. They produce their own basic chemicals, generate their own electricity and have extensive plantations for raw materials. All these lead to economies in production.

Because of the poor profitability, paper mills in India have not been able to plough back enough money for rehabilitation, expansion and diversification. As Mr. Zutshi pointed out, the industry did well some years ago largely because the existing factories were able to finance their expansion schemes from retained profits. But their reserves have now been badly depleted. It is, therefore, not surprising that expansion has slowed down. Not only have the retained profits declined; it has also become difficult for the industry to attract fresh funds from the capital market. The fact that most of the new paper company shares are quoted below par indicates the poor confidence which the investor has in the outlook for the industry.

Judging from the present situation, it is unlikely that the output target of 700,000 tons will be achieved by the end of 1966. The production of paper and boards has risen from 298,000 tons in 1959 to 465,000 tons in 1963; the installed capacity is more than 549,000 tons. With the completion of some expansion schemes and the new projects now being implemented, an additional capacity of about 145,000 tons is expected to materialise during 1964-65. A further capacity of 70,000 tons may be available by 1965-66. The Government has also approved the expansion of some of the existing mills by the installation of balancing equipment, which may provide a further capacity of 120,000 tons. It is thus possible that the third plan capacity target may be achieved by the end of 1966, provided all the schemes are completed on schedule. But even if the projected additional capacity materialises, it is doubtful whether the

tee should seem to turn on the Government for its part in encouraging industrial growth. Expansion—especially in highly capital-intensive fields—has indeed been encouraged by institutional assistance from State-sponsored agencies, but was this wrong? The Committee's note on the assistance provided by them suggests that it has misgivings on this score. But this amounts to facing both ways at once—if economic considerations dictate large units, is not financial aid all the more necessary to facilitate a start on the right scale? The need for help is obvious in a situation where the entrepreneur's ability to mobilise resources has been limited both by the Government's pricing policies and the pre-emption of savings by the Exchequer.

The same illogicality is seen in the lament over the direction of bank credit. Small-scale industries should indeed receive greater support from lending institutions, but any move in this direction will be self-defeating unless the banks can simultaneously balance the risks by substantial investments in the large well-established industries. This is evident from the way the L.I.C. has distributed its investments—not out of special affection for big business but in discharge of its responsibility to policy-holders.

actual production will amount to 700,000 tons in view of the difficulties concerning the supply of pulp, chemicals, stores and spare parts which the industry continues to face.

The Government has been keen to sanction new units, but it appears to overlook the fact that it is more economical to add extra capacity to the existing units than to set up altogether new mills. It is roughly estimated that a capital outlay of about Rs. 3,800 is required to install new capacity for every ton of annual production, while it costs only Rs. 2,000 to install similar capacity in an existing unit. It is, therefore, necessary to encourage existing units to undertake expansion by raising paper prices to a more realistic level. A reasonable return has to be allowed on the employed capital, and also an element for rehabilitation. Since manufacturing costs, as well as Central and State Government levies, keep on rising, a flexible price

REMEDIES FOR INFLATION

THE major countries of western Europe are now demonstrating methods of economic restraint. Italy and France are grappling with internal inflation; West Germany and Switzerland are trying to restrict an inflow of funds; Britain is adjusting a growth-rate that is deemed excessive. Not until late in the year will it be possible to judge whether Britain's April Budget has regulated the economy appropriately, but it is known that last year's Budget provided a stronger economic stimulant than the Chancellor of the Exchequer intended; and it appears that the restraints imposed more recently in Italy may have been too violent. The techniques of fiscal control are evidently far from perfect. However, it is fiscal rather than monetary control that is regarded as appropriate in the present circumstances. The Bank of England expressed a belief that the City of London approved when it said in its latest quarterly bulletin that any further moderating policy "should aim to avoid abruptness and to cause as little disturbance as possible to two activities now essential to the economy—exports and the continuous modernisation of industrial capacity". To promote exports and industrial investment it may be necessary to restrain consumption; and for that purpose fiscal means are more effective than monetary means.

The authorities' task would be easier than it is if policy could be decided by such simple rules. It may be accepted that monetary restraint, operated through Bank rate and bank credit, tends to restrict investment, but it cannot be so readily accepted that fiscal restraints on consumption do not affect investment. Industrialists may invest for efficiency, but they are reluctant to invest for expansion, when demand for their products is

policy is necessary to cope quickly with changes in production costs.

Mr. Zutshi took an optimistic view of the industry's growth prospects. The per capita consumption of paper in this country is low, but the demand may rise to nearly 40 million tons a year "in the not too distant future". The growth of indigenous newsprint production has also been far from encouraging. The present output, which is far below requirements, amounts to only 30,000 tons a year, against the target capacity of 150,000 tons fixed under the third plan. Of the three schemes licensed in the private sector, two are based on bagasse and one on Himalayan fir and spruce. One of the bagasse schemes, it is believed, has been abandoned. Since Himalayan woods provide the right type of raw materials for newsprint, the Government should help the licensed schemes to take shape quickly.

The growth potential of the industry is great, but several problems may come in the way. For example, the shortage of pulp has been growing, and there is an obvious need for encouraging the installation of more pulp mills. Bamboo is in short supply, so it is essential to encourage the production of pulp from fibres and forest products. State Governments adopt irrational policies for leasing forests in their areas. Not only have they discriminated against factories situated outside their jurisdiction, but they have also steadily raised the royalty rates. Some State Governments have given forest leases on the basis of public auctions, with the result that contractors rather than the mills get the leases. Since the former are not interested in the scientific development of forests, they have exploited the resources wastefully. To ensure scientific development, it is necessary to give long-term leases to mills on reasonable royalty terms. Vigorous efforts also have to be made to locate new fibrous raw materials for the production of pulp. To sustain the present output of mills, a liberal supply of foreign exchange is necessary; otherwise it will be difficult to stock the spare parts which are required to ensure uninterrupted working. If adequate foreign exchange is released for the import of balancing equipment, the existing capacity can be increased. As Mr. Zutshi pointed out, paper has been included in the list of industries which qualify for tax rebates under the 1964-65 Finance Act, but the dividend tax and the capital gains tax on bonus shares will almost neutralise the benefit.

restricted. Inflation promotes investment for expansion, thus increasing a nation's real capital; but it is inequitable and distorting and hazardous. The problem is how to promote investment without inflation. But not, indiscriminately, investment for expansion. It is important to distinguish between expansion of assets and expansion of output. Better, because more economical, than building more factories is increasing the output of existing factories. It was modernisation, not expansion, of industry that the Bank of England particularly mentioned. British policy will be observed with special interest because the problem in Britain is not (as, most conspicuously, in Italy) how to deal with inflation but how to prevent it, while maintaining continuous expansion. The risk of inflation, economists warn, is in the tightening of the labour market. Demands for substantial wage increases are difficult to resist when competition for scarce labour is keen; and labour unions have refused to restrict their demands because employers will not accept control of profits.

The solution of this problem was implicit in a recent remark by Sir Norman Kipping, director-general of the Federation of British Industries: "It is productivity that can curb inflation." Productivity can reduce costs and increase the supply of goods to satisfy the demand for them, so that restriction of demand is unnecessary. But, although much existing equipment could be used more efficiently, a big improvement in productivity involves substantial spending on new equipment; and such capital investment is inflationary until it becomes productive. To cure inflation, in countries where labour costs are high, it is necessary to spend a lot of money. To avoid causing inflation by such

CAPITAL, 7th May, 1964.

spending it is necessary to divert resources—unless the financial gap can be filled by external borrowing, which is impracticable on the scale required by a developed country. Social services must be extended rather than curtailed. Restraints on consumption may be unavoidable, but they discourage industrialists in the countries applying them and they inhibit international trade. The communist countries enjoy an advantage in this respect: they allocate scarce resources between investment and consumption, usually in favour of investment. But they have not avoided all the problems of inflation; and they have become aware that consumption, too, is important. Russia, particularly, has acknowledged that the burden of military spending is too heavy.

The West could benefit even more from a big reduction in military spending; for the Western economies are not so tightly controlled and their defences against inflation are, therefore, weaker.

THE SHORTAGE OF COTTON

COTTON production in India has been falling short of the textile industry's growing requirements. This has pushed up prices to well above world parity, and thus seriously undermined the industry's competitive position in export markets. Besides, in order to make good the domestic shortfall, the country has been importing huge quantities of cotton in recent years, causing a serious drain on scarce foreign exchange resources. With production in the third year of the current plan estimated at 5.7 million to 5.8 million bales, it is extremely unlikely that the output can be stepped up to 7.1 million bales by 1965-66. The deficit is likely to increase further when all the licensed spindles are installed. Since self-sufficiency in cotton appears to be out of the question for quite some time to come, the question of blending a suitable staple fibre with cotton has been engaging the attention of the Government as well as of the industry.

At the recent annual meeting of the Southern India Millowners Association, the Textile Commissioner, Mr. R. Doraiswamy, hinted that the Government might have to judge the question of cotton allotment to mills in future on the basis of their staple fibre consumption. He expressed the hope that with assistance of the three textile research associations, the industry would be able to use staple fibre up to 10 percent of its total fibre consumption. While ordinary viscose staple fibre is generally believed to be unsuited for blending with cotton, and in any case, it admits of no more than 15 percent blend, the high tenacity polynosic fibre is said to be admirably suited for blending with cotton even up to 50 percent. The Planning Commission's Staple Fibre Group has recommended the use of polynosic fibre and the Government is considering the question of licensing units for producing it. These schemes will naturally take time to fructify.

Referring to the Government's proposal that some 5 percent of the raw material required by mills should consist of staple fibre, the chairman of the Bombay Millowners Association, Mr. Radhakrishna R. Ruia, has urged that the scheme should be given earnest consideration and should be adopted only after a full trial. The cloth so produced should be acceptable to the consumer from the point of view of durability and quality. Another pertinent question posed by Mr. Ruia in his speech is whether staple fibre can be produced in the country in sufficient quantities to meet the combined needs of the silk and cotton mill industries. Nagda and southern India, the main staple fibre producing areas in the country, turn out nearly 33.5 million kilograms annually, the bulk of which is taken up by the silk industry. It is, therefore, difficult to understand how cotton mills can secure staple fibre if they are to consume it on a scale equivalent to 5 percent of their total raw material requirements. Mr. Ruia has suggested that after carefully examining the scope for using polynosic fibre, the producers of staple fibre should be requested to manufacture it on a commercial scale to suit Indian conditions.

But the search for a suitable blending fibre should in no way divert attention from measures to step up cotton output. Efforts to attain self-

Very significant is the recent statement by Mr. Roswell Gilpatric, former U.S. Under-Secretary of Defence, that the U.S. defence budget may be reduced about 25 percent by 1970 if the improvement in relations with Russia is maintained. A proportionally similar reduction in Britain (equivalent to some £500 million a year) would benefit Britain even more, as Britain's resources are more strained. In the West, a big "reserve" of resources for modernisation and development at home, and for aid to developing countries abroad, exists in the defence budgets. If it is impossible to release any part of this "reserve" it will probably be necessary to transfer resources from consumption to investment. Imprecise monetary instruments such as Bank rate are not appropriate for that purpose. High long-term interest-rates would operate against investment. So, while the politicians work for secure and inexpensive peace, the Treasury experts should work to make fiscal techniques more reliable.

sufficiency in cotton cannot be relaxed. Self-sufficiency is not a Utopian goal, especially when other cotton growing countries have greatly increased their output through higher productivity. The yield in India is the lowest in the world, barely 110 lbs an acre. Even in neighbouring Pakistan, the yield is much higher, around 250 lbs. It should be possible to bring about an appreciable increase in the yield in India provided more systematic and extensive use is made of fertilisers and irrigation facilities, and there is a liberal supply of rural credit. Excellent results are known to have been secured on demonstration plots in Punjab and Madras, the yield in Sirsa (Punjab) and Coimbatore being as high as 670 lbs and 588 lbs, respectively. The industry has suggested that a sub-

stantial improvement in productivity can be achieved if joint-stock companies are encouraged to take up farming activity. At its March meeting, the Indian Central Cotton Committee had touched on the question of the textile industry participating actively in the implementation of schemes for growing more. The Indian Cotton Mills Federation is at present examining the financial implications of such a move.

Cotton is no doubt a major problem. But apart from an adequate supply and a realistic approach to the problem of substitutes, it will be necessary to ensure a regular inflow of foreign cotton and machinery if the sanctioned expansion of the industry (through the installation of additional spindles and looms) is to be effectively implemented. With the indigenous production of textile machinery remaining far short of the industry's requirements, it will be necessary to draw up a regular programme of machinery imports, which should also include items for renovating and modernising the existing machinery. This is a costly step, but there can be no escape from it if the country is to attain efficiency and economy in production, so indispensable for promoting exports. The stagnation in cloth output in the mill sector in spite of a satisfactory supply of raw materials has intrigued many observers. Several factors have contributed, in varying degrees, to the stagnation in production. These include (1) the tendency on the part of some of the composite mills to sell looms because of relative profitability, (2) some under-utilisation of spindle capacity in the third shift and substantially bigger under-utilisation of loomage in the third shift, (3) slow progress in utilising spindles already licensed because of difficulties in raising capital, (4) delay in the supply of card engines and ring frames by indigenous manufacturers and (5) the shortage of foreign exchange for the import of textile machinery.

Current News and Comment

Russian Aid for Bokaro

The Russian decision to underwrite the first stage of the Bokaro steelworks has left Senator Broomfield, author of the Congressional veto which barred U.S. aid, in something of a fix. He has had, therefore, to resurrect the dubious argument that the Bokaro plant does not have a secure raw material base nor dependable transport links. If the Russians wanted to waste their money on a harum-scarum scheme they were welcome to do so, the worthy senator told a news agency interlocutor.

Even when the doubts were first advanced by Mr. Broomfield, it was obvious that he was using these to put a technical veneer over the real political objections against giving aid to a "State-owned" industry spelt out in the clearest possible terms by the Clay Committee. In fact, Bokaro is a project for which far more spade-work has been done than for any of the three steelworks which came up during the second plan. The ore mine which will supply Bokaro is ready, the coal washeries are either under construction or very near that stage, and the major transport links have been built. There is, of course, a great deal more to be done but the task is by no means unmanageable. To ask, therefore, for a better state of preparedness is to miss the central fact of the Indian situation—an underdeveloped economy in which the building up of the infra-structure must proceed simultaneously with the creation of new bases of industry.

What part politics played in the Russian decision to step in where the U.S.A. feared to tread is not easy to determine. Unlike the Aswan dam where the Russians were obviously trying to make political capital by coming in when the U.S.A. withdrew, Bokaro does not seem to have a competitive edge. This is largely because with the present thaw in the cold war, both the U.S.A. and Russia have found better things to do than to score points off each other. In India's case, both the American and Russian commitment to help in

development is already so large that a Bokaro, despite its dramatic overtones, makes no great difference. As the Chinese see it, both are equally "guilty" of aiding and abetting India in her "intransigence".

The polemics apart, there is not all that difference between offering foodgrains assistance and helping to build a steel mill. Both contribute equally to bridging the wide gap between resources and needs. Food may disappear in immediate consumption while the steel mill, a shining monument to its donor, will yield benefits for ever afterwards. This difference notwithstanding, the fact must be recognised that steel mills and other heavy industry now being built to give planning its present orientation will be ruled out altogether if the food deficit was not covered by P.L. 480. In that event, there will be little left of political stability to pursue these ambitious programmes of development. In sum, India needs both surplus food and steel mill equipment; any tendency, therefore, to depreciate U.S. aid must be firmly discouraged.

Russian technology, as one hardly needs to point out after the *Sputniks*, is on a par with the best anywhere. But like any of its competitors there are within the larger picture of achievement several dark spots, as for instance in petrochemicals in Russia's case. This explains why her emissaries are rushing to London and Bonn in search of chemical plants for which the total value of orders may run into hundreds of million pounds. In steel, Russians are very good indeed in blast furnaces, but their accomplishment in L.D. steel-making is limited as is evidenced by the arrangements recently made to purchase Austrian know-how against handsome royalties. Even if they can scrape through in this branch, the Russians are hardly in the same class as the Americans where a strip mill—the main rolling facility proposed for Bokaro—is concerned. Was this the reason why Mr. C. Subramaniam, Central Minister for Steel, Mines and Heavy Engineering, was initially seek-

ing Soviet assistance for parts of Bokaro rather than a blanket overall commitment?

Even though the strip mill poses something of a difficulty, India is indeed wise in accepting the Russian offer instead of piecing together the Bokaro plant with suppliers' credits. By definition, these credits would have been for short periods, raising the problem of repayment even before Bokaro could really begin to save imports. Considering the size of liabilities falling due in the next few years, it makes no sense at all to increase the burden. If the urgent need for Bokaro had pushed India into accepting short-term credits, her decision would have caused serious anxiety to existing debtors who keep worrying, mostly *sotto voce*, about the possibility of defaults. It would also have weakened India's case for better aid terms—longer maturities, lower interest rates—if a project like Bokaro were to be financed out of suppliers' credits. Steel is typically an industry with a long gestation period where returns cannot possibly come quickly enough to justify taking short-term loans.

Pig Iron Shortage Affects Foundries

In common with other engineering units, the foundry industry is suffering from an acute scarcity of raw material. Supplies of pig iron amount to about 1.1 million tons, as against an estimated demand of 2.5 million tons. Since a major portion of these supplies is reserved for specific purposes like steel works maintenance, spun pipe manufacture and export promotion, the tonnage available to commercial foundries is only about 200,000. Thus their pig iron receipts amount to hardly 12 percent or 15 percent of their installed capacity, with a consequent rise in unit costs. The annual demand for pig iron is likely to rise to 2.64 million tons in 1965 and to 4 million tons in 1971. Referring to these difficulties in his speech from the chair at the Conference of the Foundry Industry held in New Delhi last Thursday, Mr. K. Prosad pointed out that the grade of pig iron supplied to foundries did not conform to their requirements since the metal is produced in the big integrated steel plants. As a short-term measure to relieve the shortage, he endorsed the suggestion of the Engineering Association of India to import 1 million tons immediately. He also suggested the setting up of low-shaft furnaces to expand indigenous capacity.

The foundry industry is a basic one since its products feed several other industrial consumers. Unlike many other engineering concerns, it does not require any foreign exchange for its working. Most of its 20,000 units are now working on single-shift because of the shortage of pig iron. Its products have gone to the export markets, the shipments having increased sharply from Rs. 12.29 lakhs in 1959 to Rs. 37.60 lakhs in 1963. Mr. Prosad said that foundries in Punjab had contracted to export Rs. 2 crores worth of their products to a firm in the U.S.A. He regretted that the recent modifications in the price structure of pig iron had withdrawn certain facilities allowed to foundries engaged in the export trade.

The Rise in Prices

The wholesale price index for the week ended 11th April (base year 1953 equals 100) stood at 139.4, compared with 139 for the previous week and 129 a year ago. It has thus risen by 7.7 percent in a year's time. The more significant fact, however, is that during the second half of the past fiscal year, the price level, instead of moving downwards, has kept on its upward course. The phenomenon is disturbing, because it indicates that the economy has reached a serious phase of inflation. In his Budget speech last February, the Finance Minister, Mr. T. T. Krishnamachari, confessed that prices were causing the Government a good deal of worry, and fiscal and monetary measures would have to be taken to check the rise. The *Economic Survey*, which preceded the 1964-65 Budget, was more explicit about the dangers of inflation. Since then, the Government has taken a number of measures, particularly to control the distribution and prices of foodgrains. Wholesale dealers in foodgrains are now subject to a licensing

order which seeks to control their profit margin, but its provisions are so stringent that at one time they threatened to suspend their operations. A zonal system has been introduced to control the movement of wheat and the Reserve Bank has taken measures to restrict bank advances against the commodity. More recently, the Government has announced its decision to form a sugar marketing board to handle the internal as well as the export trade in sugar. The prices of these commodities (excluding rice) have risen steadily since October 1963. The index for wheat in that month was only 92; it rose to 115 last February. The wholesale price index for sugar has risen from 136 to 143. The rice index apparently moved down from 132 to 121 within these five months, but the retail price is usually much higher than the wholesale rates.

Many wonder what good the official measures will do. It is perhaps a little too early to pass definite judgment, but one can visualise the difficulties in their implementation. In spite of the drastic provisions, it is not easy to work the food-grain wholesale licensing order, although Sardar Swaran Singh, Central Food Minister, has confidently asserted at the sixth All-India Food Dealers Convention in New Delhi that because of this law, it will be impossible for dealers to manipulate food prices two or three months hence. There are millions of grain dealers scattered all over the country, and the Government simply has not the administrative machinery to check the authenticity of the returns which will be filed by them. On the other hand, there is every possibility that the Central regulatory measure may go the way of the West Bengal Government's order which pretends to fix prices for rice in the State. The zonal restriction on wheat may have brought prices crashing in Punjab, where the State Government has now had to extend the price support scheme; but it also has sent prices soaring in Maharashtra, which is linked with the wheat-producing States of Uttar Pradesh, Madhya Pradesh and Bihar. As for the sugar marketing board, it offers no great hope of improvement. Sugar distribution and prices are closely controlled even now, and it is difficult to see how 100 percent State trading can improve matters. On the contrary, such controls tend to defeat their purpose—first, by depriving industries of the incentive to produce more and thus perpetuating shortages; and secondly, by introducing corruption and malpractices in the trade.

The answer to inflation ultimately lies in greater production. But this is a long-term goal, especially in an economy like India's which is bedevilled by rigidities and shortages. In the short-term, controls and curbs on consumption commend themselves as effective remedies, but they are not easy to enforce. The administrative shortcomings of the Government rob such measures of any justification they may have. The immediate answer to the problem then lies in the more fundamental direction of controlling public expenditure, which has been the root cause of the inflation in India. As industrial growth and agricultural output have stagnated, the accelerated rate of public expenditure on account of defence and development has had a particularly adverse effect on prices. If the Government is serious about holding the price line, it has to reduce its own expenditure, by economising on its routine administration and by a more careful selection of plan projects.

Policy for Motor-vehicle Radiators

Reliable reports indicate that the Central Government has decided to revise its policy of reserving further licensing for the manufacture of radiators for the small-scale sector. This would make it possible for the large-scale units to implement their expansion schemes. This follows the recommendations of the Directorate-General of Technical Development that the existing units should be encouraged to expand so as to cut down their costs and that the decision to reserve further licensing of radiators to the small-scale sector should apply to purely new undertakings, and not to schemes of substantial expansion. There are some 14 firms engaged in the manufacture of radiators of which eight are in the small-scale sector. Two more small units are expected to go into production shortly. The Development Council has assessed the total demand for radiators by 1965-66

at 368,500 units. Against this, the total capacity which now exists in the large-scale sector is only 58,200 units. Teksons Private Ltd, Bombay, has asked the Government's permission to expand its production from 6,000 units to 24,000 units; Universal Radiators of Coimbatore proposes to raise its capacity from 6,000 units to 18,000 units, Bharat Radiators of Bombay from 15,000 units to 30,000 units and India Radiators of Madras from 12,000 units to 13,800 units. Assuming that the expansion of these four firms is approved, which is now very likely, the total capacity in the large-scale sector would be 105,000 units. The total capacity in the small-scale sector is placed around 56,500 units, which brings the total capacity in both the sectors after the proposed expansion, to 161,500 units. This is substantially lower than the target set for the third plan. There is thus sufficient scope for permitting expansion of the existing units. The Directorate-General of Technical Development is of the view that it would not be advisable to depend on the small-scale manufacturers entirely for this purpose. The expansion of units in the large-scale sector would enable them to reduce their production costs. It will also encourage quality production which can be achieved only through specialisation and this is possible if the volume of production is sizable and economical and the proper type of machinery is installed. What is more, expansion of these units is not likely to involve any strain on foreign exchange resources as the machinery will be available from indigenous sources.

Sales Tax Relief for Exporters

The Saraiya Committee, which was set up by the Government of India to examine the effect of sales tax on export commodities, has made far-reaching recommendations. The Committee has amply recognised that sales tax is "a built-in handicap to export development", and has suggested that exports should be freed of this burden. Exporters will warmly welcome the proposal that "the relief should be from the entire burden of the tax". Sales tax figures in Indian production costs in more than one way. The impost not only falls on the finished product but also enters into industrial costs through the various raw materials and components used. It thus has a cumulative impact on the cost structure, and renders Indian goods less competitive in overseas markets.

The Committee has done a good job of sorting out the sales tax levies in various States—a task which is by no means easy, considering the bewildering diversity in the range and rates of the tax. Because of the difficulty in calculating the exact burden of sales tax on exports, the body has recommended that in the case of local sales tax "two sales prior to the sale in the course of export should be exempted" from the levy. In the case of non-maritime States, which may experience administrative difficulties in adopting this suggestion, the Committee has advised that they should introduce a scheme of set-offs or rebates on commodities actually exported.

As for Central sales tax, which is levied on inter-State transactions, the Committee has suggested that vendors in the State of origin should get from their Government a rebate of sales tax on transactions which result in exports. The sellers should be permitted to make the adjustments in their returns without being asked to pay the tax initially. To offset the snowball effect of sales tax levied on raw materials and components, the Committee has favoured allowing a rebate or refund of the local sales tax "in the same proportion as the value or quantity of goods produced bears to the goods exported". In the case of inter-State transactions, an *ad hoc* relief of 1 percent of the f.o.b. value from Central sales tax levied on raw materials and components used in export goods has been suggested. For incalculable or unexpected elements entering into the price of other goods, the Committee has proposed an *ad hoc* relief of $\frac{1}{2}$ percent of the f.o.b. value.

Exemptions or rebates will be available only on sales made to registered exporters. The Central Government has been asked to prepare a list of exporters with a minimum yearly turnover of Rs. 1 lakh for this purpose. In the case of unregistered exporters, refund of tax actually paid may be made on producing proof of exports. Since foreign trade falls under the purview of the Centre,

the Government of India has been asked to give adequate compensation to the States which suffer a substantial loss of revenue as a result of the proposed reliefs.

Handicaps of Glass Manufacturers

Speaking from the chair at the annual general meeting of the All-India Glass Manufacturers Association in Bombay recently, Dr. S. R. Lee said that the future of the glass industry in India was very bright and "full of exciting possibilities". The industry has achieved conditions of near self-sufficiency in glass containers, table and lampware, sheet glass, wired and figured glass and optical glass. But the requirements of the electrical lighting and incandescent industries, for example, were not yet being met to any appreciable extent. Apart from increasing the output of glass manufactures, the main problem which faced the industry was that of reducing production costs and of improving quality. It was unfortunate that the soda ash prices in India were high compared with those in competing countries. Since soda ash accounts for nearly 36 percent of production costs, this makes a material difference.

Another difficulty is that the Indian glass industry is not able to import a sufficient quantity of spare parts, components and equipment for its requirements and production is frequently held up for want of these. Mr. S. S. Kumar, Director-General of Technical Development, in his address to the meeting pointed out that it was not possible to give each glass factory in India a blanket licence of Rs. 5,000 a year for importing spare parts and other requirements as the country is faced with foreign exchange difficulties. There might be some reasonable difference of opinion about the limit of the blanket licence, but there is no doubt that glass factories deserve to get some quota of foreign exchange for importing parts and spares without having to go through the time and money-consuming formalities of getting licences as and when the need for importing the requirements arises. Moreover, there is a strong case for an improvement in the system of distributing soda ash supplies to the glass factories. The prices which they have to pay for it also need to be reduced. The Indian glass industry still depends on foreign technicians and the quality of goods produced would not improve unless efforts are made to train local talent and to organise research in the industry on more rational lines.

It is rather disquieting that exports of Indian glassware have not increased appreciably and were only Rs. 27½ lakhs in 1963, compared with Rs. 26 lakhs in 1956. The two Indian delegations which visited the west Asian and the Far Eastern countries, respectively, came to the depressing conclusion that it might be difficult to capture these export markets. The main reason for this is the poor quality and high production costs of Indian glassware in comparison with the goods produced in rival countries.

The Industrial Development Bank

The Lok Sabha passed the Industrial Development Bank Bill last week with little opposition from members. The welcome accorded to the measure has to be traced to its liberal provisions to help bridge the gap between the demand for and the supply of industrial finance. The Central Banking Enquiry Committee recommended the establishment of an industrial development bank as far back as 1931. The Government has obviously profited from experience abroad: the Industrial Development Bank of Japan finances key industries in that country and there are similar institutions in West Germany, Canada and Ceylon, although their activities differ in detail. The Government of India has some special purposes in view in deciding to set up the new Industrial Development Bank. There is no dearth of industrial financing agencies in this country. The Industrial Finance Corporation, the National Industrial Development Corporation, the State Financial Corporations and the Refinance Corporation for Industry were all created for meeting the credit needs of industry.

The new institution is being brought into being on three specific considerations. Firstly, its

resources will be larger than those of the existing agencies. As the Finance Minister, Mr. T. T. Krishnamachari, said in the Lok Sabha, the I.D.B. will have an authorised capital of Rs. 50 crores to start with, which may be increased to Rs. 100 crores later. The Government proposes to set up an industrial credit fund and a development assistance fund to provide long- and medium-term finance for industrial expansion. Secondly, the new institution will be subservient to the Reserve Bank and will co-ordinate the activities of the existing credit agencies, with the possibility of absorbing some of them in the future. Thirdly, the I.D.B. will undertake the financing of such important industries as fertilisers, petro-chemicals, power, and alloy steel which cannot be financed on strictly commercial considerations but which nevertheless should be promoted to accelerate the growth of the economy. These aims are welcome in principle. Mr. Krishnamachari has said that the I.D.B. will have much greater freedom in conducting its activities than the existing institutions. Furthermore, it will be in a position to supplement the capital and other resources of the existing agencies, refinance their loans, grant direct loans for specific projects and finance the export of capital goods by the engineering industries.

But the I.D.B. stands in danger of becoming yet another monolith. A giant organisation is usually slow and inefficient in discharging its functions, as is evident from the activities of the State Trading Corporation or the L.I.C. Moreover, the fact that the I.D.B. will not always provide finance on strictly commercial considerations is not a happy principle. This is because political pressure may be used to secure loans for industries which may not be economically sound. Mr. Krishnamachari did not say what the Government proposed to do if the working of the I.D.B. proved unprofitable due to the relatively low returns on such loans.

Rayon Fabric Exports Rise

Exports of rayon and synthetic fabrics from Bombay, Calcutta and Madras (these ports normally account for over 90 percent of the country's total exports during March amounted to 5.92 million metres, valued at 60.10 lakhs, compared with 4.35 million metres (Rs. 48.25 lakhs) in the previous month and 6.39 million metres (Rs. 62.03 lakhs) in March 1963. Of the 5.92 million metres exported in March the Asian zone took 2.66 million metres (Rs. 27.02 lakhs) to be followed by Africa with 2.24 million metres (Rs. 20.43 lakhs), Europe 530,000 metres (Rs. 8.25 lakhs), American zone 285,000 metres (Rs. 2.60 lakhs) and Oceania 202,000 metres (valued at Rs. 1.80 lakhs). Exports during the first quarter of this year at 21.607 million metres valued at Rs. 2,234 crores show an impressive improvement over the performance during the corresponding period of last year when exports totalled 13.52 million metres, valued at Rs. 1.29 crores.

Exports to the Asian zone rose from Rs. 83.43 lakhs (January-March 1963) to Rs. 1.19 crores (January-March 1964) and African zone's off-take more than doubled from Rs. 27.22 lakhs to Rs. 56.72 lakhs. The increases were more marked in the case of other zones—from Rs. 7.76 lakhs to Rs. 24 lakhs for European zone, from Rs. 7.93 lakhs to Rs. 17.45 lakhs for the American zone and from Rs. 2.75 lakhs to Rs. 6.13 lakhs in the case of Oceania. The variety-wise break-up of exports during January-March 1964 is 1.414 million metres (Rs. 1.365 crores) of filament rayon fabrics, 4.3 million metres (Rs. 50.15 lakhs) of spun rayon, 2.99 million metres (Rs. 50.39 lakhs) of synthetic fabrics and 158,000 metres (valued Rs. 4.30 lakhs) of mixed fabrics.

Overstaffing in State Concerns

The Estimates Committee of the Lok Sabha, in a report on the personnel policies of public undertakings, has drawn attention to overstaffing in most of them, and has suggested some methods to avoid employing more people than are necessary. Overstaffing of public-sector enterprises reduces their efficiency and unduly increases the unit cost

of production, as establishment expenditure accounts for a major portion of the total costs. Some idea of overstaffing can be had from the fact that Hindustan Steel has a surplus of over 22,000 men, compared with its requirements for full-rated capacity. Rourkela employs 19,000 persons, in a one million-ton plant, as against 6,000 men employed in the U.S.A. Even after full account is taken of the superior machinery and methods used in America, the personnel employed in India is excessive. There are many causes for this unsatisfactory state of affairs. One of them is that in the initial stages, staff is recruited on a scale required for full-rated production with the result that later on the undertakings find it difficult to increase the workload of employees or to lay off some of them. In most cases, more men have sometimes to be recruited to cope with the increased work, and sometimes to please high-ups backing particular candidates. But the most important cause of overstaffing in public-sector undertakings seems to be that norms to determine the strength of various departments in different industries are either lacking or are not enforced with any degree of strictness.

The Estimates Committee has suggested that realistic estimates of staff requirements should be made for all undertakings, and the staff strength of a unit should be kept at a level slightly lower than the limit recommended by the consultants for a particular stage of production. It is very important that no extra staff, over and above the estimates of consultants, should be employed without the Government's approval, and the latter should keep a close watch on the strength of the staff employed in the public sector. But this would not suffice. The Committee has, therefore, also recommended that a central man-power consultancy bureau should be set up periodically to examine the organisational set-up and man-power requirements of different public enterprises from an objective and detached point of view. Although such a bureau will involve additional expenditure, it would be worthwhile as a means to check excessive recruitment.

It is not only in the matter of the staff recruitment that the public-sector undertakings have gone wrong. The Committee found that the chairmen and the managing directors of these concerns have been changed very frequently resulting in waste, as the experience and knowledge gained by these officers could not be used properly. The Estimate Committee's suggestion that top executives in public-sector enterprises should be kept in one place at least for a period of five years, is basically sound. It is also essential that the Government should lay down broad principles for determining the strength of a board of directors on the basis of "essential representation" which includes management, ownership, business experience and "workability" of an enterprise. It is necessary to get at least some top executives from within the project personnel. This underlines the need for a planned programme to ensure a regular supply of suitable personnel to public enterprises. The Estimates Committee also expressed its disapproval of the present practice of depending on the central services for manning the posts of financial advisers and accountants in these undertakings, and has suggested that a financial and accounts service should be separately organised for State concerns.

Developing Managerial Resources

Even more than capital and raw materials, a rapidly developing economy has to think of

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its managerial resources. For ultimately how well the economy grows will depend upon the calibre of its managers and their attitudes. A manager must not only possess a basic discipline such as engineering, accountancy or marketing, but to be really effective, he has also to develop the skills and attitudes of management. How Hindustan Lever views the problem of management development and how exactly it goes about the job is the subject of Mr. P. L. Tandon's chairman's speech, which he delivered at the Company's annual meeting in Bombay recently. (A text of Mr. Tandon's speech appeared in last week's issue of *Capital*.) Mr. Tandon, it will be readily conceded, is best qualified to speak on the subject. Hindustan Lever's management trainee scheme, started over 20 years ago, has, with attention and assimilation of new techniques, improved over the years to a high position by international standards. Hindustan Lever is one of the few companies in India where men from the lower cadres have the opportunity to rise to management.

Mr. Tandon says that with Hindustan Lever, management development is a complex of activities whose main purpose is (a) to anticipate the Company's requirements over the next five to ten years, (b) to select, recruit and train men and women to fill those requirements and (c) to develop attitudes and values in individuals that prepare them to meet their responsibilities at the set standards. All this, ultimately, like capital expenditure, budgeting, annual estimates and operational plans, is the responsibility of the Board assisted by the active participation of all the managers and operated by the Personnel Department, which has a member on the Board.

It takes time—about ten years—to make managers, especially to befit them for higher responsibilities. The instrument of forecasting is the management review which is prepared every year for the next five years. It evaluates in terms of managers the needs of the Company's business which will arise out of expansion, new projects, new products and organisational changes. This need is then equated with the Company's internal resources. In analysing its needs, the Company makes sure that they are genuine and not Parkinsonian; and in quantifying them it knows when they are likely to arise and how to meet them. Planned transfers and cross-postings are a part of development, and people are entrusted with functions different from their original skill or training. Another important advantage of this process is that the promotion potential within the firm gets carefully looked into. The five-year plan is reduced to an annual operating plan of recruitment and the Board is kept in touch with its progress.

From where does Hindustan Lever get its managers? The Company always first looks within to find out who is ready to be made a manager and who is ready to move up. Secondly, it recruits young trainees, fresh from the universities with a good degree. Here it primarily looks for a good mind and a likely ability to possess and develop the set of attitudes which the Company considers important for its business. Hindustan Lever resorts to direct recruitment when it is necessary but in actual practice, this is mostly confined to specialists. The utmost care is taken in recruiting young trainees. No concession is made to influence, and solid ability is preferred to just virtuosity. Applications are screened for conforming to basic requirements of age and quali-

fications; promising candidates are invited for a preliminary interview; a group of six to eight candidates is brought together to a conference table and given a choice of subjects and a case study which they discuss in the presence of four senior managers, who, however, act only as observers. The group is leaderless and has to organise its own discussion and provide opportunity to each member to display his qualities of mind as well as of leadership. The Company tries to make its selection procedure as objective and impartial as possible so that it leaves those not selected with a feeling that the process was fair. But whatever the methods and techniques followed in the selection procedure, personal interviews, group discussions, psychological tests, etcetera, selection is only the first stage in the total process of acquiring and developing managers.

After selection, begins the real task. Training is given individually on the job. Training programme is job-oriented which is about the best way of judging their performance and potential at an early stage. All through the training, the seniors devote a good deal of their time and attention to the trainee's progress. Training never really stops. The Company has designed its own courses, principally to give the managers a broader picture of its operations and its environments and to sharpen their managerial skills. Facilities are provided for specialised training abroad. Promotion is always and invariably on merit, irrespective of age or length of service. The Company believes in the logic of the best man for the job because only then will the job be done best. Evaluating merit is, of course, not an easy task. Evaluation is a constant process, involving progress reports, thorough training, personal contacts by seniors, annual personnel reports, discussions at the monthly Board meetings, job evaluations and short lists of promising men. All these help to ensure unbiased and objective judgment. The capable men rise rapidly, so that they do not lose the fine cutting edge; some are inevitably left behind—arithmetic must work inexorably, for after all the shape of a management structure must be pyramidal. But those left are also carefully looked after. Management development is thus an integrated operation which has a quality of wholeness like marketing or manufacturing, and not merely the application of a series of isolated techniques.

CORRESPONDENCE MAKING MINI-TRACTORS IN INDIA

(TO THE EDITOR OF "CAPITAL")

Sir,

I was very interested in the observations made by Mr. Robert W. Brock under the heading "The Need to Mass-produce Mini-tractors in India", and how right he is. I enjoyed his observations immensely, first, concerning the difficulties which are being experienced by developing countries to get a foothold into more developed countries for not only raw materials, but non-traditional products. I feel that Mr. Brock went on very well with his arguments until he got to the stage which, I assume, from what he has written, he is not an expert. Namely, if a tractor in England or the U.K. costs £250, it is certainly going to cost £350 in this country, not £150. Secondly, he has referred to the tractor designed by the National Institute of Agricultural Engineering which was tested in the beautiful soil conditions of West Part Bedfordshire by gentlemen whose job is to test the products of the commercial enterprise; in theory it appears excellent, but in practice, I am doubtful whether it is suitable or whether it would be acceptable.

This three-wheel tractor, or mono-track as they call it, I am afraid, will not be acceptable for under-developed countries for several reasons:

- (1) It is not orthodox in appearance.
- (2) It is not designed for the job in under-developed countries.
- (3) David Brown and Lanz produced a tool bar tractor of this type several years ago, although of higher horse-power, which they have had great difficulty in selling. In

fact, in India, there are a number still in show-rooms and nobody wants them.

Before one embarks on an enterprise of this sort, one should always take the advice of the people within the country and find out whether or not such a design will be suitable. Mr. Brock's statement that a unit selling at £250 in England will sell for £150 in this country, is quite incorrect. Be it an engine, tyres, wheel, transportation or whatever it is, the costs are practically double those that one would pay in more sophisticated countries. Also it is absolutely useless supplying an unorthodox piece of equipment to the Indian farmer without the necessary tools to go with it including (this is vital) a trailer if he does not have a trailer. He will not get rid of his bullocks and in turn, he will derive no advantage from his approach to mechanisation.

It is perfectly true what Mr. Brock says that there is a need for mass production of a small tractor of about 8 horse-power, but this must be an orthodox tractor, one in which in using it, the man or the family does not lose caste and it looks like an orthodox tractor. There is a market of at least 30 million waiting for the organisation that produces and designs this tractor.

A unit, which may or may not see the light of the day, has been on test in India for the last 12 months. If it finally passes test successfully, it should sell with a tiller, disc harrow, single furrow M.B. plough and a small trailer for about Rs. 6,500. This is the answer to India's problem or a unit like it.

ROLAND C. HEATH,
Technical Adviser,
Agriculture Division,
Escorts Ltd.

Faridabad, 15th April.

RESERVES AGAINST CURRENCY

THE Chamber of Commerce had received a letter from the Government at Simla upon the proposal of the latter to add Rs. 2 crores of securities in the place of coin as reserve against the currency note circulation. The opinion of the Chamber of Commerce is invited on this proposal and also on a suggestion which is said to have been made to the Government that the securities purchased might preferentially be Consols or East Indian Government sterling loan. It has to be remarked that this proposal of the Government was made public property in Simla and Calcutta before the Chamber of Commerce received the letter addressed to them, and that in consequence the price of 3½ percent Government Paper sprang 8 annas to the advantage of certain dealers who by the usual means had obtained private intelligence from the gentry, who make a business of acquiring and promulgating it in an unauthorised manner. There is no likelihood, we think, of the members of the Chamber of Commerce expressing any opinion but that of approval of the proposal to release Rs. 2 more crores of the coin reserve against the note circulation and to substitute securities therefore, as the reserve of securities will only then amount to Rs. 12 crores or less than one-third of the total note circulation. It is also probable that the note circulation will continue to increase steadily. It would increase rapidly if the Government would employ the simple means of securing more general and prompt encashment of notes at outlying treasuries. As to the suggestion of some person or persons unnamed to substitute sterling for rupee loan securities, we do not anticipate that the Government will have any hesitation in giving preference to the latter. If they recognise, as we know they do, that sound fiscal policy demands borrowing within the country, it must be obvious that an opportunity of this sort is one by which they can stimulate the local lending power, and it is not clear what greater advantage, if any, would be derived from the purchase of sterling securities. It seems to us not improbable, that if the Government take Rs. 2 crores of 3½ percent paper off the market, or issue to the public only Rs. 1 crore of fresh issue this year, they will be able, if necessary, to place a loan of more than Rs. 3 crores on the market in 1965.

FROM

CAPITAL
12th May, 1964

A Ditcher's Diary

MOST OF US, I IMAGINE, HAVE BY NOW WORKED OUT our own private "solutions" to the Kashmir problem. If Sheikh Abdullah and Mr. Rajagopalachari have worked out theirs, and the two happen to coincide, it does not necessarily follow that therein may lie cause for dismay or astonishment. The thinking of both has for some time been noticeably running on parallel lines—lines which appear to start from the assumption that Kashmir's accession to India is by no means final; that self-determination for Kashmir is a moral right which both India and Pakistan must concede; and that if the people of the State vote for independence, their will must prevail in the broader interests of the subcontinent's peace. It would be churlish to deny that the proposition, thus stated, has its attractions, the chief being that it seems in consonance with the principles of democracy, to which not India alone but Pakistan too occasionally pays lip-service. The main fault in it, however, is that it takes little account of present-day realities. I shall not go into the question whether an independent Kashmir could ever be viable. The more important point, to my mind, is that assumptions about Indo-Pakistani amity flowering from an agreed withdrawal of both from Kashmir are, to some extent, a myth; history offers no evidence for the belief that two nations can secure friendship by jointly carving out territory to create a third. Strategically, it is clear, the consequences of withdrawal would be extremely serious, against the background of Chinese expansionist ambitions; and it is by no means certain that a scheme for joint defence, of the sort Washington and London appear to have in mind, would prove the workable proposition it is sometimes assumed to be. Pakistan's flirtation with China, it is true, is based on opportunism, and is closely related to her annoyance with India over Kashmir. But it was not in anger alone that Pakistan signed away thousands of square miles of Kashmiri territory in favour of the Chinese. Pakistan's designs for what remains of Kashmir are aimed at capture, not independence. Sheikh Abdullah's and Rajaji's dreams notwithstanding, the fact is one which India can hardly afford to ignore.

THERE CAN, I THINK, BE FEW Surer SIGNS OF THE disarray in the ranks of the West Bengal Communist Party than the fact that only feeble protests have greeted the increase in bus and tram fares this past week. The demonstrations organised by a sundry collection of nonentities, some under the banner of the Forward Bloc, have been unimpressive, if not ridiculous; and Calcutta stands in danger of losing the almost worldwide fame it once ac-

quired for the arson and rioting that invariably preceded any move to increase fares—fame which provided the inspiration for arrogant hilarity in the Lok Sabha on Monday, among members who have not yet succeeded in bringing their knowledge of this city up-to-date. If things are quieter now, I would not hasten to assume that the perennial urge to violence is slowly seeping away; on the contrary, as the January riots showed, the urge remains latent, but powerful. The more important explanation may be that greater issues have overtaken bus and tram fares as the focal-point of general discontent; and, with the communists split, the truly effective organisation of hooliganism has become more difficult and infrequent. In any event, I find it hard to persuade myself that the opposition to increases in fares, to the extent that it was violent, had much popular support. That such increases hit the budget of the common man, and were therefore distasteful, is not in doubt; the distaste was, however, tempered by a reluctant, but nevertheless genuine, awareness that with a steady, sharp and widespread rise in prices, the cost of metropolitan travel could not remain unchanged. From that awareness, I suspect, is arising, albeit slowly, a deeper appreciation of the fact that if Calcutta is to have better public transport facilities in the future, they have to be paid for from now. Some of the investment could perhaps be found by folding up the Calcutta Metropolitan Planning Organisation, and despatching its dignitaries home before more money is spent on importing more experts to write more reports to fill more waste-paper baskets. Most of the remainder, however, will inevitably have to come from the pockets of the people, through bus and tram fare increases of the sort just ordained.

WHITHER THE COMMONWEALTH? I HAVE BEEN asking myself that question since it was announced that Sir Alec Douglas-Home had taken the plunge and called the next Prime Ministers' conference for July. Now, whatever virtues Sir Alec may lack, courage is certainly not one of them. I should not myself have cared to face such risks so close to a general election. It may be that he hopes for a success with which to impress the British voters; he has not been above claiming a share of the credit for the recent test-ban treaty, although in my opinion the man we should really thank for that is Mr. Chou En-lai. But what he is more likely to get if he is not careful is a thundering row about the status and future of Southern Rhodesia, which could divide his own Party and perhaps wreck the conference as well. Sir Alec

is right when he says that the greatest danger in the world today is racialism, and perhaps equally so in his statement that "if we cannot maintain our Commonwealth bridge between the races and colours, then the outlook for the rest of the world is grim". But if Southern Rhodesia decides to dig in her toes when faced with the combined moral forces of the Commonwealth, then what he is in effect asking of the British people is that they should join with nations who in some cases have little in common with Britain except their Commonwealth membership, and may even habitually attack British policies and interests in international councils, in opposing people who are of their own blood and sometimes of their own families, on policies which may be wrong, but about which they nevertheless feel so strongly they may be prepared to face civil war rather than see them defeated. Such a prospect is as fraught with complications for the conscience of the electorate as that last sentence is for my readers. With due respect to Sir Alec's courageous intentions, I think he would have been wiser to have avoided risking a Commonwealth crisis so close to an election. He might, indeed, have been better advised to have dodged the issue altogether, because if Southern Rhodesia is now pushed into following South Africa, either through fear or plain cussedness, not only will the black Southern Rhodesians suffer, but the British people might lose faith in the Commonwealth altogether. And without their support, dissolution would be both rapid and certain. It was a particularly unfortunate omen for the future, I thought, that the first voice to be raised against the new Premier of Southern Rhodesia being invited to London was the wholly suspect one of Dr. Nkrumah.

AMONG THE SWATANTRA PARTY'S MAJOR HANDICAPS in Indian political life is that it has not been able, perhaps has not even tried, to rid itself of its upper-class "image". Mr. Rajagopalachari is not the standard-bearer of aristocracy, nor perhaps is Mr. Minoo Masani; but the top layers of the Party hierarchy are studded with maharajahs and maharanis whose liberal ideas are considered by many to be not wholly in accord with their feudal reputations. Perhaps this is one reason why, in West Bengal particularly, the Party has been weak; yet it may just conceivably be a sign of the changing times that on a hot Saturday afternoon in Calcutta last week more than five hundred people, rich and poor, should have filled to overflowing a hall where Mr. Masani was due to speak. (In bygone days, many Swatantra leaders would have been grateful for an audience of fifty.) Much of what Mr. Masani had to say was not, indeed was not expected to be, new—not, anyway, for those who have had the opportunity to follow his speeches in Parliament at some length. But he gave an effective performance aimed at an educated audience, for

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instead of indulging in the meaningless flourishes of demagoguery, he carefully marshalled facts and arguments in denunciation of the Government's economic policies. Two points, however, puzzle me. First, why on earth did Mr. Masani decline to explain his views on the Kashmir issue, and thereby provoke the incipient disorder which brought the meeting to an abrupt conclusion? Skin may have been saved, but face was lost, in dealing with questions which could have been easily anticipated and tactfully answered. Secondly, can the Swatantra Party really be serious about its hopes of reaching an electoral understanding with Opposition groups with which it has little in common, merely for the limited purpose of defeating the Congress? In purely arithmetical terms, the proposition may seem both logical and promising, with the Congress having got only 45 percent of the votes cast at the last general elections. But, the opportunism apart, I have a certain cynicism about the long-term value and the practicability of such arrangements, especially if they involve heroes of eccentricity of the calibre of the Lohia socialists and the Jan Sangh. To be looked upon as the Party of the rich is stigma enough; to compound the reputation with the opportunism and eccentricity of strange electoral alliances may do the Swatantrists more harm than they are inclined to think.

SINCE THE ANNOUNCEMENT THAT ZANZIBAR IS to be united with Tanganyika, I have been waiting for the customary reaction from Moscow. So far it has not been forthcoming. There has been no denunciation of this as being just another imperialist plot, and no loud assertions that the Russian people will stand by their freedom-loving comrades. I can only think it is no coincidence. In fact, it is probably the first real indication we have yet had that Moscow has finally lost its revolutionary self-confidence: that because Russia is no longer the inevitable beneficiary of upset and disorder, there is no longer the eagerness for the things there used to be. If my view is correct, then it is the dawn of wisdom among Russia's leaders and the world can put yet another phase of uncertainty behind it. What it cannot do, of course, is ignore the growing vested interest which the Chinese now have in revolution, and I think it is chiefly because they would ultimately have been the gainers from an avowedly communist Zanzibar that the Russian reaction has been so mild. If this is an indication that in future we are to see a strengthening of Soviet support for the United Nations' peace-keeping missions, and generally for stability and the maintenance of the status quo throughout the world, I cannot think we shall be the losers. More specifically, I do not foresee any particularly undesirable consequences in Zanzibar's accession to Tanganyika. The island could not have been economically self-supporting in political isolation, and in the absence of an African sponsor it would inevitably have had to seek one elsewhere. The opportunity this would have given the Chinese would not, in the long run, have been conducive to stability in Africa, or, for that matter, to peace of mind in India. Better things as they are. And Zanzibar is not the first example of the Russians losing interest in the nuisance value of an off-shore island. I see that the last Soviet troops are now leaving Cuba. I cannot believe that this is in order to provide the Chinese with an opening. But I can conceive that it is being done so as to foster relations with the United States, which, one sincerely hopes, will not now let this sudden change in circumstances go to its head.

THE CLUB BORE, A RETIRED ADMIRAL, WAS RECOUNTING yet another of his interminable war experiences—much to the discomfort of another naval type, a young signals officer.

"So there I was on the bridge," said the old buffer, "just about to give the order to attack, when suddenly I saw this torpedo heading straight towards us amidstships..."

"My word, sir, really?" said his youthful listener, stifling a gigantic yawn. "I sincerely trust it was one of ours..."

THE DITCHER.

Guide for Investors

PHILIPS INDIA RAISES
DIVIDEND

THE ordinary shares of Philips India Ltd have met with support up to Rs. 26.94 due to the excellent results achieved by the Company for the year ended December 1963. Sales rose from Rs. 8.85 crores for 1962 to Rs. 10.63 crores in 1963. The directors have mentioned that but for the shortage of raw materials, foreign exchange and power, the manufacturing activities and sales would have been appreciably greater. The high level of production of radio sets, components and light articles, combined with efficient sales services, has contributed to the satisfactory performance. The profit has improved from Rs. 1.20 crores to Rs. 1.65 crores, after transferring Rs. 25 lakhs (against Rs. 21 lakhs) to depreciation. The taxable ordinary dividend has been increased from 13 percent to 15 percent, which gives a yield of 5.6 percent at the present price. Taxation, including Rs. 15 lakhs for surtax on profits, is allocated Rs. 1.17 crores (against Rs. 85.5 lakhs). The super profits tax amounted to Rs. 20 lakhs for 1962. Development rebate reserve absorbs Rs. 5.5 lakhs (against Rs. 6.2 lakhs) and general reserve Rs. 11 lakhs.

There has been a rise of Rs. 56 lakhs in net fixed assets due to the expansion in manufacturing activities. The Company has acquired a plot of land in Kaliwa, near Bombay, to install manufacturing plants for producing lamps, components and other industrial products. The expansion programme should be of help in improving the profitability of the Company. It should be mentioned that the profit for 1963 has amounted to 20.2 percent of the total capital employed, against 18.4 percent for 1962. Preparations for the production of filaments for lamps reached an advanced stage in 1963. Tungsten coils should be available in the course of this year.

A new unit for the production of electronic measuring instruments and other industrial and scientific apparatus has begun to operate in Bombay. An industrial licence has been obtained from the Government to manufacture wireless communication apparatus. Substantial progress has been made to increase the indigenous content of all products. The production of light articles in Bombay and Calcutta factories has been increased. The installation of a capping mill in Bombay should help improve the output and quality of lamps. The range of components has been extended. The move to equip the Calcutta factory with an outfit for tool room to produce mechanical parts and mouldings has begun to produce good results. Steps have been taken to promote the development of ancillary industries.

Kumardhubi Engineering
Pays More

THE directors of Kumardhubi Engineering Works Ltd, in their report for the year ended November 1963, take a fairly optimistic view of the working during the current year. The products of the Company have met with a rising demand and the order-book for steel castings and structural steel-work has been well filled. The modernisation and expansion schemes are likely to be completed by 1966. Foundry production rose by about 6 percent over that for 1961-62. Production costs have,

nevertheless, risen due to higher charges for power, fuel, scrap and labour. The Government has sanctioned the Company to increase the output of steel castings to 1,000 tons a month. The output of the structural shop rose by 4.5 percent over that of 1961-62. The working has, however, suffered due to the shortage of electrodes and matching steel. But there has been an improvement in the supply of these materials since. The proposal to increase the capacity of this shop to 950 tons a month has been approved by the Government, and tonnage fabricated will steadily rise in the current year. Although the effects of decontrol of a number of steel sections remain to be assessed fully, the results of the fabrication division may be affected to some extent.

The profit has risen from Rs. 22 lakhs to Rs. 35.20 lakhs, after transferring Rs. 6.26 lakhs (against Rs. 5.98 lakhs) to depreciation. The taxable ordinary dividend has been raised from 45p to 50p a share of Rs. 3 each. The yield amounts to 9 percent at the present price of Rs. 5.56 a share. Development rebate reserve is allocated Rs. 71,400 (against Rs. 77,100), taxation Rs. 17.82 lakhs, including Rs. 2.49 lakhs for surtax on profits. The tax provision amounted to Rs. 13.16 lakhs for 1961-62. General reserve absorbs Rs. 10.04 lakhs (against Rs. 3.25 lakhs) and debenture redemption reserve Rs. 1.25 lakhs. The carry-forward is Rs. 3,146, against Rs. 3,088 brought in. In March 1964, the Company issued bonus shares in the ratio of one bonus share for every five shares held by capitalising reserves. Rights ordinary shares were also issued in the proportion of two new shares for every three shares held at a premium of 20 percent. It is proposed to make a debenture issue for Rs. 40 lakhs. Negotiations with the Commonwealth Development Finance Company of London and the Life Insurance Corporation of India are proceeding concerning the proposed debenture issue.

Results of Martin Burn
Power Companies

THE reports of power companies in the managing agency of Martin Burn Ltd for the year ended March 1963 show an increase in production and revenue. Dividends have, nevertheless, been maintained. The plant of Jubbulpore Electric Supply Co. Ltd has worked at full capacity and in view of the acute shortage of power, the State Electricity Board has installed a diesel generating plant of 2,200 kW capacity in Jabalpur. It is unlikely that the Company will obtain any further relief from the pressure to supply power until the State Electricity Board's Amarkantak power-station is commissioned. Units sold rose from 39.1 million to 43.8 million. Revenue has improved from Rs. 48 lakhs to Rs. 53.82 lakhs.

The profit has amounted to Rs. 2.13 lakhs, against Rs. 2.70 lakhs for 1961-62, after providing Rs. 2.95 lakhs (against Rs. 2.74 lakhs) for depreciation, Rs. 31,453 (against Rs. 58,650) for statutory contingency reserve, Rs. 85,000 (against Rs. 2.40 lakhs) for taxation and Rs. 21,478 (against Rs. 42,133) for development reserve. The taxable ordinary dividend of 10 has been maintained, which works out to a yield of 8.3 percent at the present price of Rs. 12 a share of

on account of taxation for the 1962-63 profit.

The profit of the United Provinces Electric Supply Co. Ltd has declined from Rs. 7.11 lakhs to Rs. 3.40 lakhs, after providing Rs. 10.80 lakhs (against Rs. 9.83 lakhs) for depreciation, Rs. 1.15 lakhs (against Rs. 2.22 lakhs) for statutory contingency reserve and Rs. 95,000 (against Rs. 1.75 lakhs) for taxation. The taxable ordinary dividend of 11 percent has been maintained. It amounts to a yield of 7.2 percent at the present price of Rs. 152 a share of Rs. 100 each. Units sold rose from 117.1 million to 127.5 million and the revenue from Rs. 1.4 crores to Rs. 1.5 crores.

Same from Finlay Textile
Group

WHILE all the three textile mills belonging to the Finlay group—Finlay, Swan and Gold Mohur—have maintained their dividends for 1963 at the previous year's level, their working results show a mixed pattern. Gold Mohur has done the best—sales are up by about 22 percent and the gross profit has risen by nearly 13.5 percent. Swan Mills' turnover shows some 5 percent increase while the gross profit is lower by about 7 percent. In the case of Finlay Mills, both sales and profit are down, sales by about 2 percent and the gross profit by nearly 13 percent. The profit margin, that is, the ratio of gross profit to turnover, has been squeezed in the case of all the three mills because of the mounting costs of production without any increase in the selling prices of cloth. The profit margin of Gold Mohur has declined from 13 percent to 12 percent, of Swan Mills from 22.7 percent to 20.1 percent and that of Finlay from 19.4 percent to 17.2 percent.

In his annual statement to shareholders, which has been circulated with the directors' reports, the chairman, Mr. C. H. Campbell, has expressed the fear that the profit margins for the current year are likely to show a further fall unless the Government is prepared to grant a realistic increase in cloth prices to offset the higher production costs. In all, production costs of the Finlay group of mills have risen by no less than 20 percent since 1960 when the voluntary price control scheme was introduced without any corresponding increase in cloth prices. Mr. Campbell says that the industry cannot absorb all the additional costs and that an increase in cloth and yarn prices is necessary. Referring to the prospects for the current year, the chairman says that although trading conditions for superfine cloth are satisfactory and there is good demand for the products of Finlay group, the cotton supply position is far from satisfactory and does not look like improving in the near future. Also, prices of Sudan and Egyptian cotton have increased considerably over the past year as a re-

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sult of world shortage of long-staple cotton. However, stocks of finished goods of both cloth and yarn with the mills are at present at a satisfactory level. There has been some falling off in demand for yarn as a result of the increase in excise duty in the last Budget.

In view of the increasing demand for the companies' products, both cloth and yarn, and the imperative need to increase exports as also to meet defence requirements from time to time, the directors have decided to take advantage of the recent Government concession to expand the installed spindleage and loomage by 7.5 percent and 10 percent, respectively. Mr. Campbell says that it will be possible to increase the spindleage with almost immediate effect by retaining certain old ring frames which are at present under replacement, and

provided the additional requirements of cotton are forthcoming, the benefit of these additional spindles should be felt during the current year.

As far as the expansion of the weaving capacity is concerned, the management has at present orders in hand for a certain number of automatic looms and the intention is that when these looms are received, then a certain number of the old plain looms will be retained, at least in the meantime. It is hoped that by re-laying the machinery to some extent, the extension to both the spinning and weaving units can be carried out without additional buildings. The chairman says that every effort is being made to increase exports with a view to earning as much foreign exchange as possible to meet the companies' requirements of long-staple cotton. Although the total value of

exports is still relatively small, compared with that of some of the other mills, it does show an increase of over 100 percent over the previous year's export performance.

Sales of Gold Mohur Mills have risen from Rs. 2,585 crores to Rs. 3,164 crores and income from yarn processing charges is slightly higher at Rs. 97,000, against Rs. 82,000. The gross profit has gone up from Rs. 33.63 lakhs to Rs. 38.28 lakhs. Allocations include depreciation Rs. 9.55 lakhs (against Rs. 6.76 lakhs), development rebate Rs. 1.94 lakhs (against Rs. 4.51 lakhs), taxation Rs. 11.16 lakhs (against Rs. 8.60 lakhs) and general reserve Rs. 2 lakhs (against nil). In the previous year, the directors had to withdraw Rs. 1.50 lakhs from general reserve for the payment of dividend. The proposed dividend of Rs. 19.50 a share (the same) absorbs Rs. 9.75

lakhs. After making certain adjustments, there remains a balance of Rs. 22,627 to be carried forward, against Rs. 29,942 brought in. During the year, 48 automatic looms were installed and orders have been placed for a further 48 automatic looms as well as for one sizing machine. Delivery of 23 new ring frames is expected to commence during the second half of this year. The Company has a paid-up capital of Rs. 50 lakhs, which is supported by reserves and surplus amounting to Rs. 59.74 lakhs. Its gross block valued at Rs. 1.59 crores, has been written down to Rs. 66.12 lakhs.

Sales of Swan Mills have gone up from Rs. 2.24 crores to Rs. 2.35 crores and its income from bleaching, dyeing, printing and other charges has risen from Rs. 14.56 lakhs to Rs. 21.61 lakhs. The gross profit, however, is down from Rs. 50.79 lakhs to Rs. 47.19 lakhs. Allocations include depreciation Rs. 13.52 lakhs (against Rs. 11.51 lakhs), development rebate Rs. 2.67 lakhs (against Rs. 1.92 lakhs), taxation Rs. 14.57 lakhs (against Rs. 19.69 lakhs) and adjustments for previous year Rs. 91,000 (against Rs. 4.84 lakhs). After withdrawing a sum of Rs. 50,000 (against Rs. 4 lakhs) from general reserve and providing for the proposed dividend of Rs. 21.60 a share which absorbs Rs. 12.96 lakhs (the same), there remains a balance of Rs. 14,843 to be carried forward, against Rs. 38,803 brought in. The directors state that the Company installed 15 new ring spinning frames during the year and further ten frames have since been received, and are under erection. Orders have been placed for 96 automatic looms, one sizing machine and one yarn dyeing plant. The Company's paid-up capital of Rs. 60 lakhs is supported by reserves and surplus amounting to Rs. 42.80 lakhs. Its gross block of Rs. 2,559 crores has been written down to Rs. 99.48 lakhs.

Finlay Mills' sales fell from Rs. 3.03 crores to Rs. 2.98 crores, while its income from bleaching, dyeing, printing and other charges was higher at Rs. 52.13 lakhs, against Rs. 45.52 lakhs. The gross profit fell from Rs. 58.74 lakhs to Rs. 51.17 lakhs. Appropriations include depreciation Rs. 13.26 lakhs (against Rs. 10.02 lakhs), development rebate reserve Rs. 3.93 lakhs (against Rs. 73,000), adjustments for the previous year Rs. 45,925 (against Rs. 10.17 lakhs) and general reserve Rs. 3 lakhs (against nil). The proposed dividend of Rs. 23 a share absorbs Rs. 11.50 lakhs, leaving a sum of Rs. 68,492 to be carried forward, against Rs. 31,000 brought in. The Company installed ten new ring frames during the year, and delivery of a further 36 ring frames is expected to start in January 1965. Orders have been placed for 48 automatic looms, one friction and finishing calender and one complete roller printing plant. A new mercerising machine has been received and is being installed. The Company has a paid-up capital of Rs. 50 lakhs, which is supported by reserves and surplus amounting to Rs. 75.98 lakhs. Its gross block of Rs. 2.68 crores has been written down to Rs. 1.15 crores.

Bombay Dyeing Dividend Policy Criticised

THE chairman of the Bombay Dyeing and Manufacturing Company, Mr. Neville N. Wadia, informed shareholders' annual meeting on 29th April how exactly the Company's accounts had been modified following the amendments recently made in the Finance Bill, 1964. It is the amended accounts which the shareholders had been asked to approve. The total provision for depreciation has been increased from Rs. 81.61 lakhs to Rs. 1,051 crores, because of the extra depreciation on machinery allowed

for third-shift working. Consequently, the managing agents' remuneration is reduced from Rs. 7.57 lakhs to Rs. 5.64 lakhs. The provision for taxation has been reduced from Rs. 35.76 lakhs to Rs. 24.36 lakhs. Allocation to the development rebate is unchanged at Rs. 16.80 lakhs, and the tax on dividend stands at Rs. 2.63 lakhs. After making these modifications, the net profit available for appropriations amounts to Rs. 24.27 lakhs, against Rs. 35.10 lakhs previously. In view of this decline, the transfer to the dividend equalisation reserve has been reduced from Rs. 25.25 lakhs to Rs. 14.50 lakhs. As the amount standing to the credit of dividend equalisation reserve at Rs. 23.45 lakhs is inadequate to meet the final dividend liability of Rs. 25.10 lakhs, the directors have transferred a sum of Rs. 2 lakhs to this reserve from general reserve No. 1.

As usual, the management's dividend policy again came in for strong criticism at the annual meeting. Shareholders argued that the enormous sums spent on the modernisation of the mills had brought them hardly any benefit, either by way of higher dividend or capital appreciation in the value of their shares. The two are, in fact, closely linked. The shares cannot be expected to register any big appreciation when the management continues to adopt a very conservative dividend policy. It was interesting to hear the chairman say that it was not prudent to pay a higher dividend when the textile industry is fighting for the abolition of price control. One should have imagined that the industry's case will rest on its earnings and not on dividend distribution, and Bombay Dyeing's gross profit has recorded a considerable increase from Rs. 1,478 crores in 1962 to Rs. 1,795 crores in 1963.

The chairman, however, held out the hope of a higher dividend if the Government adopts a more realistic price policy for cloth. Some of the shareholders urged the chairman to offer rights shares on favourable terms, but this suggestion did not find favour with him. Mr. Wadia revealed that the Company's surplus land at its old dye works had been sold for Rs. 2.16 crores, and that the Company will have to pay about Rs. 55 lakhs by way of capital gains tax. The chairman pointed out that the Company had nothing to gain by retaining this land. In case the Company did need land for further expansion, which looks very unlikely at present, it would do better to move to the suburbs where land can be had at cheaper rates. The expenditure on expansion during 1964 will be around Rs. 64 lakhs, against Rs. 1.05 crores last year.

Kohinoor Mills Modernises

THE Kohinoor Mills Company did exceedingly well in 1963. Its turnover increased by over 12 percent from Rs. 7.70 crores to Rs. 8.63 crores; the gross profit rose by 19.3 percent from Rs. 84 lakhs to Rs. 1 crore, and the dividend was stepped up from Rs. 18 to Rs. 21 a share. Improved results were achieved through modernisation in all spheres which helped to secure a rationalised workload, changes in the pattern of production to suit consumer demand and various other economies. The chairman, Mr. A. N. Haksar, has assured the shareholders that given normal trading conditions, the Company will fare equally well, if not better, in the current year. The management will spare no efforts in its endeavour to increase the intrinsic strength of the Company's resources by going all out in its efforts at further modernisation, increased efficiency and providing for the neutralisation of as

much as possible of the inevitable additional expenditure which the process of inflation or incidence of taxation might generate in the future.

The Company has been allowed a 7½ percent increase in its installed spindleage and 10 percent increase in its installed loomage. This would increase the spindle capacity from 120,504 to 129,542 spindles and the loom capacity from 1,846 looms to 2,001 looms. Necessary arrangements are being made to implement these increased capacities. Mr. Haksar disclosed at the shareholders' annual meeting that the Company had decided to participate in the establishment of a new cotton textile spinning unit in Margao (Goa) by Goa Textiles Ltd by contributing Rs. 3 lakhs towards the equity share capital and above providing the technical know-how and acquiring some interest in the selling agency. The Company will receive Rs. 45,000 in three instalments as technical fees. The necessary agreements are being finalised. The chairman pointed out that the Company's wage bill will go up by Rs. 3.5 lakhs on account of the increase in the rate of employers' contribution to the employees' provident fund and by another Rs. 10 lakhs due to the implementation of the Lakdawala Committee's recommendations. The additional leave allowed to textile workers following the decision of the Industrial Court will add to the Company's working costs by about Rs. 8 lakhs a year. Replying to shareholders' questions, the chairman stated that the Company would benefit to the extent of about Rs. 6 lakhs on account of the additional depreciation allowed for the third shift working in 1963. The tax saving will amount to around Rs. 2.7 lakhs and the managing agents' remuneration will be reduced by about Rs. 60,000. The Company is negotiating for a licence to import 500 automatic looms. Its exports last year increased from Rs. 28 lakhs to Rs. 42.25 lakhs and the management is hopeful about a still better performance this year, in spite of its heavy commitments towards defence requirements.

Mafatlal Textile Mills Group Fares Well

THE Mafatlal group of textile mills reports fairly satisfactory results for the year 1963. Of the four mills—Mafatlal Fine, Standard Mills, Sassoon Spinning and New Shorrock—the performance of Sassoon Spinning and Weaving Company is about the best and it has stepped up the dividend from 10 percent to 20 percent and that, too, is on a higher capital following the bonus issue. New Shorrock's working is the poorest and the Company has been obliged to reduce the dividend from 36 percent to 32 percent, although the distribution is slightly larger because of the increased capital. Mafatlal Fine and Standard Mills have made larger profits, but the dividends have been maintained at 30 percent and 20 percent, respectively. All the four mills have reported larger sales and, excepting New Shorrock, gross profits are also higher.

Sales of Sassoon Spinning and Weaving Company, after excise duty, have gone up by nearly 11 percent from Rs. 6.87 crores to Rs. 1.63 crores, and the gross profit has risen by as much as 38.5 percent from Rs. 67.87 lakhs to Rs. 94.06 lakhs. Appropriations include depreciation Rs. 37.92 lakhs (against Rs. 27.36 lakhs), development rebate Rs. 10.61 lakhs (against Rs. 8.39 lakhs), taxation Rs. 24.80 lakhs (against Rs. 15.97 lakhs), general reserve Rs. 14 lakhs (against Rs. 3.75 lakhs) and additional tax provision for previous years Rs. 2.37 lakhs (against Rs. 1.75

lakhs). A sum of Rs. 16 lakhs has been transferred from development reserve for the payment of the proposed dividend of 20 percent (against 10 percent) which absorbs Rs. 16.12 lakhs (against Rs. 7.54 lakhs), leaving a nominal surplus of Rs. 673 to be carried forward, against Rs. 3,192 brought in.

Net sales of Standard Mills Company are higher by about 5 percent at Rs. 9.27 crores, against Rs. 8.81 crores, while the gross profit has increased by about 15 percent from Rs. 1.176 crores to Rs. 1.355 crores. After providing Rs. 52.10 lakhs (against Rs. 38.49 lakhs) for depreciation, Rs. 10.03 lakhs (against Rs. 13.73 lakhs) for development rebate and Rs. 42.22 lakhs (against Rs. 36.15 lakhs) for taxation and deducting other prior charges, the net profit amounts to Rs. 25.48 lakhs (against Rs. 23.72 lakhs). The directors have provided Rs. 94,000 (against Rs. 6.48 lakhs) for additional tax provision for previous years and transferred Rs. 21.70 lakhs (nil) to general reserve. A sum of Rs. 28.60 lakhs (against Rs. 12.50 lakhs) is being transferred from development rebate reserve to provide for the payment of dividends. Preference dividend will take up Rs. 68,000 (the same) and equity dividend will absorb Rs. 30.73 lakhs (the same), leaving Rs. 9,965 to be carried forward, against Rs. 7,338 brought in.

Mafatlal Fine's net sales increased by 9 percent from Rs. 3.09 crores to Rs. 3.36 crores, and its gross profit, increased by a little over 14 percent from Rs. 67.30 lakhs to Rs. 76.73 lakhs. Allocations include depreciation Rs. 21.75 lakhs (against Rs. 17.58 lakhs), development rebate Rs. 3.18 lakhs (against Rs. 5.73 lakhs), taxation Rs. 24.95 lakhs (against Rs. 18.65 lakhs), additional provision for taxation for previous years Rs. 1.60 lakhs (against Rs. 86,000), general reserve Rs. 17.75 lakhs (against nil) and dividend equalisation fund nil (Rs. 75,000). After transferring Rs. 17.35 lakhs (against nil) from development rebate reserve fund and providing Rs. 1.86 lakhs (the same) for preference dividend and Rs. 17.40 lakhs (the same) for equity dividend, there remains a surplus of Rs. 16,774 to be carried forward, against Rs. 18,095 brought in.

Net sales of New Shorrock Spinning and Manufacturing Company have also risen by 4.7 percent from Rs. 5.96 crores to Rs. 6.24 crores, but the gross profit is slightly down from Rs. 1,373 crores to Rs. 1,346 crores. After providing Rs. 28.14 lakhs (against Rs. 23.84 lakhs) for depreciation, Rs. 4.17 lakhs (against Rs. 4.88 lakhs) for development rebate and Rs. 54.66 lakhs (against Rs. 52.98 lakhs) for taxation, the net profit amounts to Rs. 40.71 lakhs (against Rs. 48.41 lakhs). The directors have withdrawn Rs. 19.88 lakhs (against nil) from development rebate reserve and set apart Rs. 24.69 lakhs (against Rs. 5.50 lakhs) for general reserve. The proposed equity dividend of 32 percent (against 36 percent) will absorb Rs. 36 lakhs (against Rs. 35.42 lakhs). After making various appropriations, there remains a balance of Rs. 7,764 to be carried forward, against Rs. 17,249 brought in.

National Rayon Repeats

SHAREHOLDERS of National Rayon Corporation who have been hit hard by the heavy fall in the quotation for their shares from Rs. 450 on 29th February to Rs. 335 on 22nd April (Rs. 25 out of this fall of Rs. 115 are, however, due to the rights issue) seemed full of hope when they returned from the annual meeting on 23rd April. If the chairman, Mr. Kasturbhai Lalbhai, had included in his annual statement at-

tached to the directors' report all the information he disclosed at the annual meeting, National Rayon's shares would not perhaps have registered such a steep decline as they did over the past few weeks. The chairman stated that the Company had suffered as much as Rs. 50 lakhs in 1963 on account of strike, but the labour relations had improved with the conclusion of a five-year agreement.

The Company produced 8.73 million kilograms of rayon yarn last year and the output for the current year was likely to be around 10 million kilograms—28 tons a day. The monthly production of tyre cord was 95 tons in 1963; it had risen to 164 tons during the first quarter of the current year and the figure is expected to rise to 225 tons after the end of July. The output of caustic soda is expected to reach 20,000 tons this year, against 11,802 tons in 1963. Internal consumption of caustic soda by the Company would be higher around 11,000 tons, against 8,185 tons last year. Referring to the 50 percent increase in excise duty on rayon yarn, the chairman expressed the view that the Company hoped to be able to pass over this burden to the weavers. He also revealed that the cost of production of the Company's rayon yarn is the lowest at Rs. 8.81 a kilogram, compared with the other units where the cost varied from Rs. 9.29 to Rs. 11.51 a kilogram. The Company, said Mr. Lalbhai, had no liability for surtax and that it would get Rs. 27.81 lakhs by way of additional depreciation on account of third shift working.

Since the Company had made a larger profit in 1963 and its prospects for the current year looked fairly promising, the shareholders criticised the management's decision for maintaining the dividend for 1963 at the reduced level of Rs. 16 a share as this had led to a sharp decline in the price of the Company's shares. The chairman defended the dividend policy on the ground that there was no surplus profit for larger dividend distribution, and that in order to give the shareholders some benefits, the management had proposed the rights issue at par which put an extra Rs. 25 a share in the hands of the shareholders—the rights issue has been made at par on the basis of one share for every ten shares held. Replying to shareholders' questions, the chairman stated that sales of rayon yarn during 1963 amounted to Rs. 95.6 million, tyre cord sales aggregated 768,000 kilograms valued at Rs. 8,547,000 and caustic soda sales amounted to 2,764 tonnes, valued at Rs. 1,828,000. The market has responded quickly to the chairman's favourable assessment of the Company's prospects and the quotation for its shares has advanced from Rs. 335 cum dividend to Rs. 360 ex-dividend.

Progress of Century Mill Expansion Projects

THE directors of the Century Spinning and Manufacturing Company state in their report that the working efficiency and the general level of production in the textile and rayon units were well maintained during 1963, and that in spite of the all-round increase in the cost of production, the Company was able to show satisfactory results—the turnover of the Company increased from Rs. 17.10 crores to Rs. 22.25 crores and its gross profit rose from Rs. 3.78 crores to Rs. 4.86 crores. But the directors do not appear to be very optimistic concerning the outlook for the current year, especially for the textile section. They say that the increase in the cost of imported raw materials like cotton and caustic soda, enhanced wage bill of the tex-



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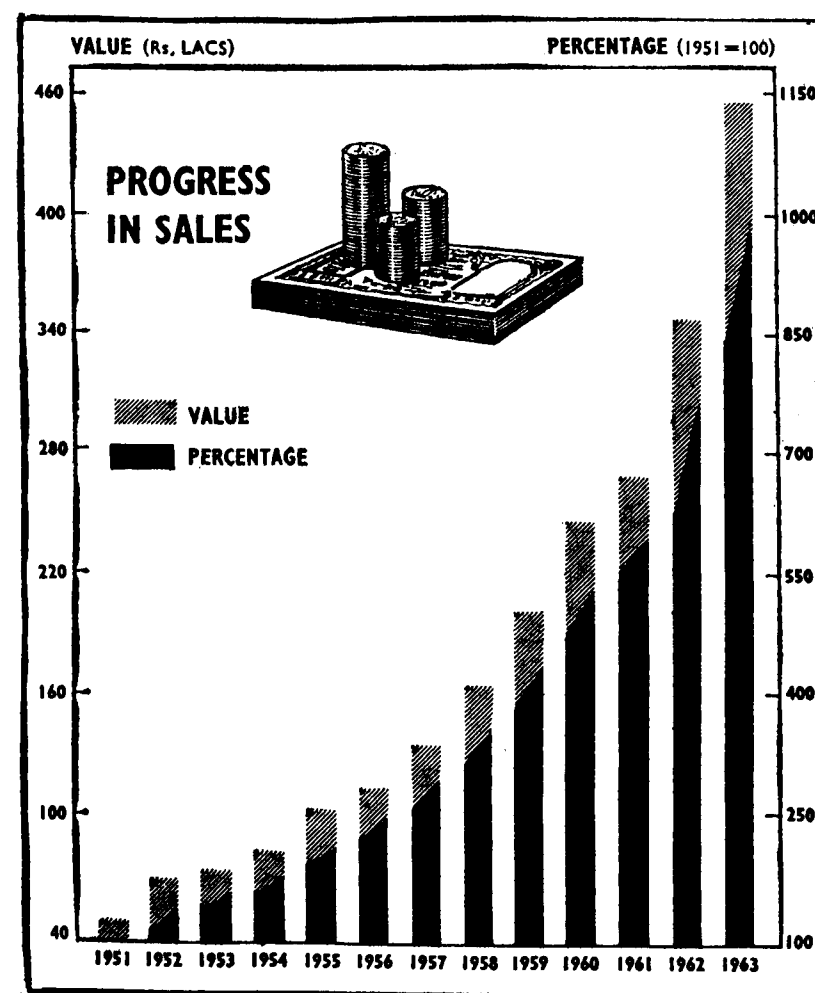


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tile workers due to additional paid holidays and revised basis for payment of D.F.A. and the increase in employer's contribution to provident fund will add considerably to the manufacturing cost. This apart, the excise duty on rayon yarn, higher medium, fine and superfine cloth and yarn as also on chemicals has been considerably increased leading to a heavy burden both on textile and rayon industries. The replacement of super profits tax by surtax will provide some relief, but the new dividend tax will impose an additional burden. It is difficult to estimate the net result of all these factors at this stage, but the directors have assured that the management is doing its best to meet the problems as they arise.

The directors add that the Company has received the import licence for further 18 spinning machines and orders have been placed for the necessary machinery and equipment. It is expected that these will go into production during the first quarter of 1965. The tyre cord plant went into production in May 1963, and soon thereafter, it achieved full production. The quality of the yarn is highly satisfactory and has been considered equal to the quality of super tyre cord manufactured by the Company's collaborators—Algemene Kunstzijde Unie, Holland, and Vereinigte Glanzstoff-Fabriken of West Germany. Practically all the leading tyre manufacturers in India are purchasing the Company's product. The buildings for the caustic soda plant have been constructed and the erection of machinery is in full swing. The plant is expected to go into production by about the middle of this year. The directors have decided that on account of various factors it will not be practicable to implement the nylon project by the Century Mills. It is, therefore, proposed to form a new company for which a provisional agreement has been entered into with the Company's foreign collaborators. The agreement provides that a certain portion of the capital of the new company will, in the first instance, be offered to the shareholders of Century Mills and this will be done at the appropriate time.

Burmah Oil Dividend Up

INITIAL disappointment in City circles in London with Burmah Oil's preliminary results for 1963 was marked by a fall of 3s 3d to 68s 3d in the price of the shares. Later, some people were inclined to take a more favourable view of the figures, although the full accounts are awaited before a final judgment will be made. There has been criticism of the board for not providing more information. Only the "bulls" should be dissatisfied with the dividend. The board is paying a final of 1s 10d tax free a share, making 2s 10d, or 14-1/6 percent. This compared with the forecast of 13 1/2 percent tax free, made last July at the time of the unsuccessful take-over bid by Shell and British Petroleum. The actual payment in 1962 was 11 1/2 percent. A one-for-four scrip issue is also proposed, although the directors state that stockholders should not expect the present rate of distribution to be maintained on the increased capital. The feature of Burmah's results which occasioned most comment was the group's own trading profits. These were only £10,000 higher last year at £9.23 million. Depreciation took £1.14 million more at £3.26 million, leaving pre-tax trading profits £1.13 million lower at £5.97 million.

The main explanation for the fall is thought to be that recent acquisitions, notably, Great Plains and Anglo-Ecuadorian Oilfields, have so

far contributed little to earnings. In addition, there was no income last year from the assets in Burma, which have been sold. Dividends from trade investments have increased from £4.83 million to £5.13 million, while other dividends and interest (mainly the income on the B. P. and Shell holdings) were £12.97 million, against £13.1 million in 1962. The figures do not include the £1.07 million received from B.P.'s capital distribution. The decline in pre-tax trading profits has been offset by a drop of £1.48 million to £9.63 million in the total tax charge, though this includes a credit from previous years of £340,000.

Williamson Magor Tea Group Earns Less

THE results of Williamson Magor group of tea companies for the year ended December 1963 have been published. The profit of the Dufflaghur Tea Co. Ltd (an Assam garden) has declined from Rs. 5.15 lakhs for 1962 to Rs. 2.38 lakhs for 1963, after transferring Rs. 90,667 (against Rs. 91,444) to depreciation. The taxable ordinary dividend has been reduced from 30 percent to 20 percent. The yield amounts to 7.7 percent at the present price of Rs. 26.12 a share of Rs. 10 each. Taxation is allocated Rs. 1.24 lakhs (against Rs. 3.08 lakhs). The development rebate reserve Rs. 11,000 (against Rs. 14,000) and general reserve Rs. 25,000 (against Rs. 2 lakhs). The carry-forward is Rs. 3,768, against Rs. 92,668, brought in. The crop amounted to 402,568 kilograms, against 403,594 kilograms and the average price has dropped from Rs. 6.70 to Rs. 6.34 a kilogram. The 1964 crop has been estimated at 436,000 kilograms at a cost of Rs. 5.47 a kilogram.

The Soom Tea Co. Ltd (a Darjeeling estate) has made a profit of Rs. 2.18 lakhs, against Rs. 3.47 lakhs, after providing Rs. 24,976 (against Rs. 23,736) for depreciation. The taxable ordinary dividend has been cut from 40 percent to 30 percent. The yield works out to 7.5 percent at the present price of Rs. 40 a share of Rs. 10 each. Taxation absorbs Rs. 1.05 lakhs (against Rs. 1.59 lakhs). The development rebate reserve Rs. 4,300 (against Rs. 800) and general reserve Rs. 25,000 (against Rs. 1.49 lakhs). The carry-forward is Rs. 4,774, against Rs. 52,632 brought in. The crop fell from 160,068 kilograms to 158,073 kilograms. The average sale price dropped from Rs. 8.53 to Rs. 7.82 a kilogram. The crop for 1964 has been estimated at 157,800 kilograms at a cost of Rs. 6.84 a kilogram.

The profit of the Lingia Tea Co. Ltd (a Darjeeling garden) has fallen from Rs. 3.48 lakhs to Rs. 2.54 lakhs, after transferring Rs. 44,195 (against Rs. 50,577) to depreciation. The taxable ordinary dividend has been reduced from 17 1/2 percent to 15 percent. The yield amounts to 7.1 percent at the present price of Rs. 14 a share of Rs. 10 each. Taxation is allocated Rs. 1.31 lakhs (against Rs. 1.75 lakhs) and general reserve Rs. 50,000 (against the same). The crop fell from 311,895 kilograms to 307,000 kilograms and the average sale price from Rs. 7.70 to Rs. 7.37 a kilogram. The 1964 crop has been estimated at 322,000 kilograms at a cost of Rs. 6.49 a kilogram.

Jay Shree Tea Pays the Same

THE directors of Jay Shree Tea and Industries Ltd take a fairly optimistic view of the outlook for the current year in view of the improved working of the various units and the addition of new projects. Sales rose from Rs. 4.19 crores for 1962 to

Rs. 8.13 crores for the year ended December 1963. The profit has amounted to Rs. 15.45 lakhs, against Rs. 15.82 lakhs, after providing Rs. 23.22 lakhs (against Rs. 17.28 lakhs) for depreciation. Rs. 1.55 lakhs (against Rs. 3.25 lakhs) for development rebate reserve and Rs. 21.50 lakhs (against Rs. 22.50 lakhs) for taxation. The taxable ordinary dividend of 12.5 percent has been repeated which gives a yield of 8.4 percent at the present price of Rs. 14.87 a share of Rs. 10 each. General reserve is allocated Rs. 5.87 lakhs (against Rs. 5 lakhs), leaving a carry-forward of Rs. 41,622, against Rs. 42,303 brought in.

The output of tea increased by 70,411 kilograms, due to a substantial rise in the crop of the estates situated in Madras. The Government of India approved the purchase of three tea estates situated in Cachar. The Company has also acquired another tea estate in Kerala with 270 hectares under tea. Out of the loan of Rs. 14.97 lakhs sanctioned to the Company, borrowing has amounted to only Rs. 3.29 lakhs up to the end of 1963. Woodcrafts Assam has made progress and has expanded. The working of Jayashree Plywood in Khardah, near Calcutta, has been interrupted by the shortage of timber and skilled workers. Due to the increased competition the factory has not worked up to its full capacity, but better results for 1964 are expected. Jayashree Chemicals and Fertilizers in Khardah has done well, and its progress is likely to be maintained during the current year. The profit of the Colombo branch has declined due to severe competition in tea exports from Ceylon. The Company has received the industrial licence for two plywood units—one at the Andaman and Nicobar islands and the other in Bastar, Madhya Pradesh. The Andaman unit may start production by the beginning of 1965. The hard board project in Madhya Pradesh has been dropped since the State Government has not granted the necessary forest lease. An industrial licence has been obtained to produce 8,250 tons of alum a year at the Company's chemical plant Khardah. Steps have been taken to implement the scheme.

The ordinary share capital has been increased by issuing 218,666 bonus shares and the preference capital has been raised by Rs. 24.80 lakhs. The Company has been sanctioned to issue 291,558 rights ordinary shares at the reduced premium of Re. 1 a share. But the directors have not yet taken any decision concerning the rights issue. They suggest that the Government of India should refund excise duty on tea at the point of export to promote tea exports.

W. I. M. C. O. Sales Up, but Profit Down

IN spite of an increase of some 5 percent in its sales from Rs. 18.76 crores to Rs. 19.75 crores, the gross profit of the Western India Match Co. Ltd for 1963 is down by nearly 11 percent from Rs. 1.82 crores to Rs. 1.62 crores. The dividend has been maintained at Rs. 16 a share. The factories worked satisfactorily during the year and sales were good but the profit was adversely affected by the increased production costs. The Company could not make up for higher costs by increased production as the installed capacity is restricted by the Government to what it is today and the Company has reached peak production possible with the present equipment. The directors say that the Government does not seem to be willing to reconsider its policy of not allowing the mechanised sector of the industry to expand its

capacity even when the subsidised cottage industry has not been able to make good the shortage of supplies.

The directors state that the Company's paper mill worked satisfactorily, but it has still to depend on imported pulp. Negotiations continue with possible indigenous pulp suppliers. As the sources of match timber are fast dwindling, the Company proposes to set up a plant for the manufacture of wax sticks, the raw materials for which, paper and paraffin, are both available in India. The special machinery for the manufacture of wax sticks is not available in India but the managing agents—fully aware of the foreign exchange shortage—have agreed to help the Company by furnishing it, free of charge, with drawings for some of the machinery and equipment which can be manufactured in India.

Certain other machines which are necessary for the manufacture of wax sticks cannot be manufactured in India and it is proposed to obtain these machines from the Swedish Match Company under special arrangements. The machinery will be rented or hired to the Company by the Swedish Match Company for a period of five years at an annual rent of Rs. 17,973. After the expiry of the stipulated period of five years, if the Company desires to continue the manufacture of wax matches, it will pay to Swedish Match a sum of Rs. 1.80 lakhs after the deduction of the rent, if any, which may already have been paid to them. If it decides wax matches prior to the expiry of the period, the Company will have to return the machinery at its cost to the Swedish Match Company. The directors add that the Madras Government has leased to the Company necessary land in Vedaraniyam and the salt project has been started on a pilot basis.

Appropriations of the gross profit of Rs. 1.62 crores include the managing agents' commission Rs. 16.39 lakhs (against Rs. 13.22 lakhs), depreciation Rs. 22.51 lakhs (against Rs. 21.87 lakhs), development rebate Rs. 1.99 lakhs (against Rs. 1.35 lakhs), taxation Rs. 65.75 lakhs (against Rs. 68.60 lakhs), gratuity Rs. 4.19 lakhs (against Rs. 5.96 lakhs) and general reserve Rs. 7.12 lakhs (against Rs. 3 lakhs). After providing for the proposed dividend which absorbs Rs. 44 lakhs (the same), there remains a balance of Rs. 44,408 to be carried forward, against Rs. 82,645 brought in. The excise duty paid by the Company during 1963 amounted to Rs. 11.37 crores, against Rs. 10.65 crores in 1962. The Company has a paid-up capital of Rs. 2.75 crores which is supported by reserves and surplus amounting to Rs. 2.99 crores. Its gross block valued at Rs. 5.40 crores has been written down to Rs. 2.72 crores.

Outlook for Isaac Holdens (India)

THE ordinary shares of Isaac Holdens (India) Ltd have been quoted at Rs. 13.06 due to the payment of a taxable maiden ordinary dividend of 5 percent. At the current price, the yield amounts to 3.8 percent a share of Rs. 10 each. The directors have mentioned that the Company was engaged fully on defence production, but defence orders were completed towards the end of 1963. So normal working has now been restored. In producing for defence, a greater weight of production was achieved. This has helped to contribute to the improved results of the Company. Since normal production has been restored, the margin of profit during the current year is likely to fall. Efforts are being made to export tops which

should lead to an increase in production.

The rights issue has been fully subscribed, but the machinery for which the rights issue was made will not be shipped until the middle of 1964. It may not begin production during the current year. The Company is now combing merino fine quality wool for the civilian market. With reversion to merino, the operation of the grease plant should show an improvement. The working of the dye plant has been interrupted by the shortage of dyestuffs. The machinery brought with French credit should be installed by the end of 1964. Further machinery is also expected to arrive from abroad. With the installation of the new equipment the licensed capacity of 13 million lbs should be reached. Steps have been taken to extend the dye plant and the necessary import licence has been applied for. Indian Fibres Ltd, a subsidiary, has virtually stopped working due to the lack of demand for Indian wool.

The profit has amounted to Rs. 21.27 lakhs, against Rs. 19.70 lakhs for 1962, after transferring Rs. 11.45 lakhs (against Rs. 8.63 lakhs) to depreciation. Development rebate reserve is allocated Rs. 14.54 lakhs (against Rs. 31,500), general reserve Rs. 1.75 lakhs (against Rs. 5 lakhs), and contingency reserve Rs. 1.25 lakhs. The carry-forward amounts to Rs. 17,347, against Rs. 19,207 brought in. The Company has decided to change its name to Wool Combers of India Ltd, and the Government has been approached for the necessary approval.

Henley Cables to Diversify

THE performance of Henley Cables India Ltd during the year ended October was extremely disappointing. In spite of a substantial increase in the sales from Rs. 2.16 lakhs to Rs. 62.34 lakhs, the Company suffered a loss of Rs. 3.46 lakhs without making any provision for depreciation; in 1961-62, the Company had incurred a loss of Rs. 7.87 lakhs after setting aside Rs. 2.49 lakhs for depreciation. From what the chairman, Mr. A. D. Shroff, stated at the shareholders' annual meeting on 29th April, the Company is likely to fare better this year, although there seems little prospect of a dividend for another year or two. Sales of the Company's products are said to have shown a considerable improvement over the past three months and the average sales during the current year are likely to be of the order of Rs. 7 lakhs a month, compared with Rs. 62.34 lakhs for the whole of the previous year.

Mr. Shroff described the future outlook as hopeful, but he was unable to give any definite indication of the current year's prospects because of the erratic and highly fluctuating market for P.V.C. and rubber insulated cables manufactured by the Company. The quality of the Company's products is, however, considered to be very satisfactory. The chairman attributed the poor results in 1962-63 to the high cost of indigenous P.V.C. compounds which was almost double the landed cost of imported material. The Company had also to put up with the increased burden of excise duties on raw materials. Production costs were also inflated last year by the higher cost of power. The supply of electricity from the public power supply was not sufficient and the Company had to meet nearly two-thirds of its requirements from its own generators which pushed up costs.

Mr. Shroff informed the shareholders that the management proposes to diversify production. The

requisite plant has been ordered and it is expected to be ready for work by October. Licence for importing plant worth Rs. 23.70 lakhs for winding wire and covered copper strips is still awaited. The Company's foreign collaborators have assured that the required foreign exchange will be made available on a loan basis. The construction of the factory building is in progress. No decision has yet been taken on the time for making the one-for-four rights issue for raising the rupee funds for the expansion schemes.

Ahmedabad Jupiter Disappoints

ALTHOUGH the dividend has been maintained at Rs. 33 a share (Rs. 125 paid) and that again is on the increased capital, the working results of the Ahmedabad Jupiter Spinning, Weaving and Manufacturing Company for 1963 make a very poor showing. In spite of an increase of 66 percent in the sales from Rs. 3.90 crores to Rs. 6.47 crores, the gross profit is down by about 7 percent from Rs. 50.43 lakhs to Rs. 46.76 lakhs. The figures for the previous year represent the combined results of 12 months' working of Ahmedabad Jupiter and six months' working of Hind Mills while those for 1963 represent the results of a full year's working for both the mills. The Hind Mills was taken over by Ahmedabad Jupiter in July 1962 and the scrip issued to the shareholders of Hind Mills rank fully for the 1963 dividend.

After providing Rs. 1.51 lakhs (against Rs. 2.52 lakhs) for the managing agents' commission, Rs. 24.34 lakhs (against Rs. 21.14 lakhs) for depreciation, Rs. 5.19 lakhs (against Rs. 3.37 lakhs) for development rebate reserve, Rs. 86.294 (against Rs. 1.37 lakhs) for donation and Rs. 6.65 lakhs (against Rs. 11.25 lakhs) for taxation, the net profit amounts to Rs. 8.21 lakhs, against Rs. 10.79 lakhs in 1962. The directors have withdrawn Rs. 7 lakhs to provide for the payment of dividend. Preference dividends absorb Rs. 2.58 lakhs (against Rs. 1.65 lakhs) and the equity dividend Rs. 12.91 lakhs (against Rs. 8.58 lakhs), leaving a surplus of Rs. 52,498 to be carried forward, against Rs. 26,843 brought in. The number of equity shares has risen from 26,000 to 39,126. The machinery added during the year amounted to Rs. 41.32 lakhs, raising the gross block to Rs. 3.16 crores. The Rs. 125-paid share of Ahmedabad Jupiter is quoted around Rs. 670, offering a gross return of a little over 5 percent.

Coromandel Fertilisers Share Offer

THE offer of 3.95 million ordinary shares of Rs. 10 each (of which Rs. 2.50 a share will be payable on application) for public subscription at par by Coromandel Fertilisers Ltd, is expected to meet with good response. The products which will be manufactured by the Company are likely to find a ready market. The present issue consists of 8.48 million ordinary shares, out of which California Chemical Company will be allotted 581,770 shares, International Minerals and Chemical Corporation 515,910 shares and E.I.D.-Parry Ltd 63,540 shares. The two U.S. companies have also agreed to subscribe for further 1.5 million and 1.4 million ordinary shares, respectively. E.I.D.-Parry will also take up further 487,310 shares. Originally started as a private company, Coromandel Fertilisers has now become a public company. California Chemical Company, International Minerals and Chemical Corporation (both are U.S.

companies) and E.I.D.-Parry Ltd are the promoters of the new company. It is proposed to build a fertiliser plant in Vishakhapatnam area, Andhra Pradesh. The factory will produce complex fertilisers and urea with a capacity to produce ammonium phosphate of various grades. The articles of association of the Company have complied with all the requirements of Bombay Stock Exchange. Mr. Luther Leo Powell is the managing director of the Company. The list opens on 11th May, 1964. Reputed firms have underwritten the issue (the details of which appear on a later page in this week's issue of Capital).

United Flour Raises Dividend

THE United Flour Mills Co. Ltd has increased the taxable ordinary dividend from 7.5 percent to 20 percent, including an interim of 10 percent, for the year ended November 1963. The yield works out to 7.2 percent at the present price of Rs. 27.81 a share of Rs. 10 each. The profit has amounted to Rs. 3.16 lakhs, against Rs. 2.26 lakhs, after providing Rs. 28,590 (against Rs. 30,201) for depreciation. Taxation is allocated Rs. 1.65 lakhs (against Rs. 1.92 lakhs), general reserve Rs. 1.75 lakhs and development rebate reserve Rs. 4,957. The carry-forward is Rs. 8,262, against Rs. 6,571 brought in. Sales rose from Rs. 1.10 crores to Rs. 1.20 crores.

The directors state that demand for the products of the Company has been good. The output increased from 252,082 quintals to 270,731 quintals.

Marshall and Sons Skips Again

MARSHALL, Sons and Co. (India) Ltd has again passed the dividend for the year ended June 1963. The profit has amounted to Rs. 1.18 lakhs, after transferring Rs. 1.16 lakhs (against Rs. 1.05 lakhs) to depreciation, and Rs. 51,464 (against Rs. 14,500) to taxation relating to previous years. The loss amounted to Rs. 12.45 lakhs for 1961-62. The debit balance has, therefore, been reduced to Rs. 16.90 lakhs which is being carried forward.

Steps have been taken to reduce expenditure and expand the range of the Company's activities, especially in the field of indigenous engineering products. The Company has entered into an arrangement with Britannia Engineering Co. Ltd under which the latter Company has undertaken all responsibility for making bills to customers and processing payments for the supply of road rollers and tea machinery sold by Marshall, Sons and Co. The new Company, Marshall, Sons and Co. (Manufacturing) Private Ltd, in Madras, has made good progress. Marshall, Sons and Co. (India) has been appointed the sole selling agents for the manufacturing activities of the new company. Messrs Marshall's (Direction) Private Ltd has resigned from the managing agency of Marshall, Sons and Co. (India). So considerable expenditure has been saved. The workshops in Bombay and Calcutta have worked satisfactorily, and the total output has amounted to Rs. 23.36 lakhs. The manufacturing activities of Marshall, Sons and Co (India) are being expanded.

New India Assurance Profit Down

THE directors of New India Assurance Co. Ltd have recommended a dividend of Rs. 4.50 a share (of

Rs. 15 each) plus a bonus of Rs. 1.20 a share for 1963. The total distribution of Rs. 5.70 a share is the same as last year but it is on the increased capital as raised by the one-for-five bonus issue made last year. The distribution is being made in spite of the setback in the Company's working results. According to the brief preliminary figures which are subject to audit, the premium income has declined from Rs. 13.7 crores to Rs. 13.2 crores and the net profit, after taxation, is mentioned around Rs. 60 lakhs, against Rs. 73 lakhs in 1962. The dividend distribution will absorb Rs. 64.94 lakhs and will be made out of the profit for the year and the balance from Rs. 8.2 lakhs left in capital reserve built from the compensation received for the Company's life business taken over by the L.I.C.

Asian Cables to Expand

THE Asian Cables Corporation's working results for the year ended September 1963 show considerable improvement over the previous year. After providing Rs. 5.99 lakhs for depreciation, the Company incurred a loss of nearly Rs. 59,000, against one of Rs. 11.52 lakhs in the previous year. Now that the Company has got over most of the difficulties which had been hindering its sales promotion, the chairman, Mr. G. B. Kotak, assured the shareholders at the Company's annual meeting on 30th April that they could look forward to much better results for the current year. (Details appear on later page in this issue of Capital.) The chairman expressed the hope that the Company would be able to make a decent profit during the current year, but he was quick to caution the shareholders against expecting a maiden dividend for 1963-64 as large sums needed to be provided for depreciation and development rebate and it was also necessary to build up reserves for future expansion.

The Company's products have been registered with the Government and the D.G.S. and D has put its cables on the rate contract at par with the leading manufacturers who have long been in this field. In spite of many handicaps, the Company has made a beginning in exporting its cables and efforts are being made to push up export business. The Government has granted the Company a licence to expand the magnet wire capacity from 360 tons to 1,200 tons a year. The Company has also received a licence to manufacture 500 tons of paper and cotton covered winding wires and strips a year.

New Capital Issues

TWO companies have been authorised to raise fresh capital amounting to Rs. 1.20 crores.

Lamp Caps and Filaments Ltd, Bombay, will be issuing Rs. 50 lakhs capital—Rs. 37.50 lakhs equity and Rs. 12.50 lakhs preference—to be issued for cash at par. The money will be used in the manufacture of caps for lamps.

Warner-Hindustan Ltd, Bombay, a new company, is to issue capital of Rs. 70 lakhs—Rs. 50 lakhs in equity and Rs. 20 lakhs in preference. Out of this, equity capital of Rs. 25 lakhs and the entire preference capital of Rs. 20 lakhs will be offered for subscription to Warner-Lambert Pharmaceutical Company, U.S.A., and equity capital of Rs. 12.25 lakhs to the public through prospectus. The capital will be used for the manufacture of intermediate chemicals (pyridine and its derivatives), pharmaceuticals (drugs and medicines), cosmetics and toiletries.

The Stock Markets

DULL CONDITIONS PREVAIL: GOOD CORPORATE NEWS IGNORED

Wednesday Evening.

DULL conditions have prevailed in the Calcutta stock market during the past week. Turnover has centred largely on clearing shares and prices have moved within a narrow groove. Despite fairly good corporate news in the form of bigger dividends declared by some leading companies, operators have been reluctant to extend their commitments following political uncertainties. The Kashmir situation is being watched closely. Attention has for the time being been diverted to the Security Council debate on Kashmir.

Turnover has on the whole shrunk considerably. Business in cash shares has been negligible, although the selling pressure is less. Holders have been reluctant to sell since at current prices their investment portfolios show considerable depreciation. They seem to think that the supply of good scrip may shrink in the near future because the Unit Trust is expected to buy a large number of shares when it begins to sell units to the public within the next few weeks. It is, nevertheless, difficult to take a definite view about the trend of prices since purchases by institutions like the Life Insurance Corporation and the Unit Trust will not, by themselves, help to restore confidence. Investors are not likely to buy equities until the effects of the Budget proposals are fully assessed. The dividend tax and the capital gains tax on bonus shares have been major restraining factors.

The clearing passed off uneventfully on Wednesday. Operators have not been impressed by the slightly smaller carry-forward charges. In view of the improvement in the technical position, it is thought that a further big fall is unlikely. Indian Iron have been sluggish due to disappointing production and despatch figures for April. The Company has produced 111,269 tons of pig iron in April, against 113,069 tons in March. The output of steel ingots has declined from 89,766 tons to 82,319 tons and that of salable steel from 78,624 tons to 62,656 tons. Despatches have dropped from 93,935 tons to 51,565 tons.

Texmaco have been steady among engineering shares due to the payment of a higher dividend. Guest, Keen, Williams, Burn and Braithwaite have met with scattered support. Jessop have been easier while Binani Metals have enjoyed influential support. Kumardhubi Engineering have been taken on expansion prospects. Turnover in jute shares has shrunk considerably, although prices have shown little change. Attention has centred on Birla, Kinnison, Anglo India, Champdany, Barnagore and India. Investors have been worried about the sluggish enquiries for jute goods from abroad. Coal shares have been subdued due to the decision of the Government to cut the production of coking coal. Burrakur, Bengal, Pench Valley and Central India have lost. Among cotton mills, Jay Shree Textiles and Bharat Commerce have been steady on good reports, while Elgin have been offered freely without attracting support. J. K. Rayon have fluctuated both ways. Dunbar have been steady on dividend prospects.

In the miscellaneous section, clearing scrip have been prominent but their prices have moved narrowly. Towards the close they have dropped slightly due to profit-taking. Hindustan Motors, Indian Aluminium, Dun-

lop Rubber, Indian Copper, Kesoram Industries and Indian Cable have been largely transacted. Union Carbide have gained fractionally due to a good report. Alkali and Chemical, British Paints, Philips India and Metal Box have attracted scattered support. British India Corporation have been steady on declaring a higher dividend, but India Steamship have been offered freely without attracting interest.

Hindustan Aluminium and Isaac Holdens have been about steady on expansion prospects. Electric company shares have been neglected and small business in Calcutta Electric has passed. Managing agency shares like Balmer Lawrie, Martin Burn and Jardine Henderson have been quiet. Sugar shares have been offered at lower prices, but there are no buyers. Orient have been prominent among paper shares. Seshasayee, Titagur and Bengal have been slightly steady. Limited business has been transacted in tea shares. Selected Assam and Doorga gardens have met with scattered buying.

The prices of short-dated securities, in particular, have hardened due to the shortage of sellers. Support has flowed largely from banks, which have been keen to invest funds in securities. Medium-dated loans have been about steady. The Reserve Bank of India has resumed open market operations. The 3 percent Conversion Loan 1966 has been offered around Rs. 63.50.

Bombay

TURNOVER DECLINES APPRECIABLY

INVESTORS DETERRED BY NEW TAXES

Wednesday Evening.

THE Bombay stock market has been dull and quiet during the past week. Turnover has declined appreciably and prices of clearing scrip in particular have fallen due to tired bull liquidation. There has also been some short-selling following various uncertainties. Although some leading companies have declared bigger dividends, investors have remained unimpressed. They think that the outlook for equities has deteriorated due to the levy of the dividend tax and the capital gains tax on bonus shares. The political developments concerning Kashmir have called for caution. Share prices have generally moved narrowly, and bulls have been inclined to take their profits at every bulge.

Tata Steel ordinary have closed lower at Rs. 149. Indian Iron have weakened on selling pressure from Lyons Range. Among engineering shares, Tata Engineering, Premier Construction and Larsen and Toubro have been about steady on prospects of expansion. In motor-vehicle shares, Hindustan Motors have dropped on profit-taking. Premier Automobiles have been sluggish.

Cotton mill shares have declined after an earlier rise. Investors have been disturbed by the prospect that the Government is unlikely to sanc-

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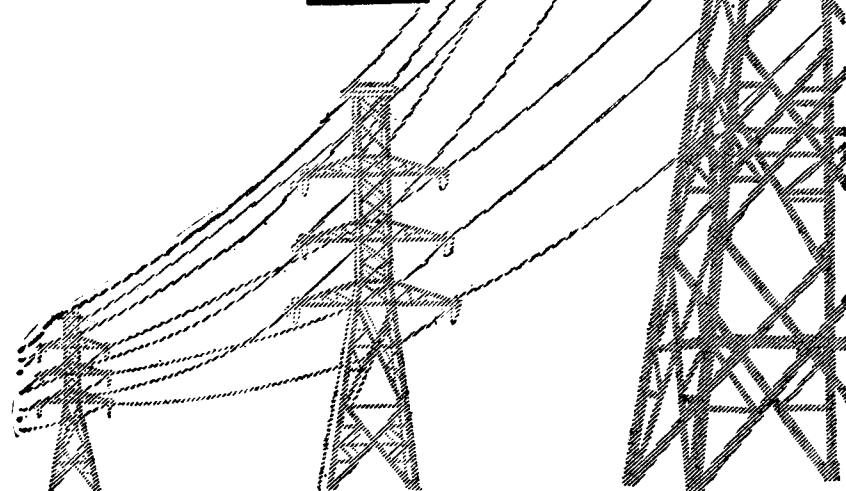
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INVITES

REPUTED FABRICATORS, STOCKISTS AND SUPPLIERS TO REGISTER THEIR NAMES WITH THIS CORPORATION BY 1ST JULY, 1964, GIVING DETAILS OF THE FABRICATION POTENTIALITIES AND/OR THE MATERIALS AVAILABLE WITH LEAST DEPENDENCE ON THE FOREIGN EXCHANGE FOR PROJECTS UNDER THIS CORPORATION WHICH INCLUDE LOW SHAFT FURNACE, PIG CASTING MACHINE, COKE OVENS, BY-PRODUCTS, FERTILISERS PLANT PRODUCING UREA AND UTILITY SERVICES LIKE COOLING TOWERS, WATER TREATMENT PLANT, ETC. THE MATERIALS MAY BELONG TO THE CATEGORY OF ELECTRICAL, EQUIPMENT LIKE TRANSFORMERS, SWITCH GEARS, MOTORS, CABLES AND OTHER SUBSTATION EQUIPMENT, ETC., MECHANICAL EQUIPMENT AND PARTS LIKE VARIOUS TYPES OF VALVES, PUMPS, TANKS (MILD STEEL & STAINLESS STEEL), PIPES, COMPRESSORS, WORKSHOP EQUIPMENT AND STRUCTURALS, ETC., INSTRUMENTS AND LABORATORY EQUIPMENT.

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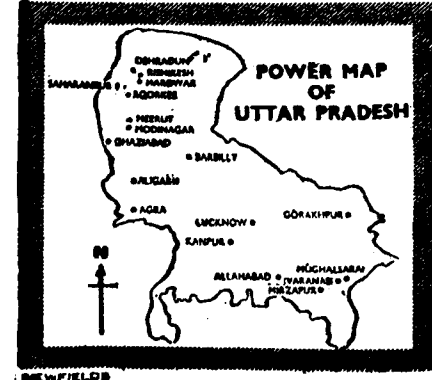
The following are some of the major power projects in U.P.'s Third Five Year plan:

Rihand Hydro-electric Project	2,50,000 KW	Completed 1962
Harduaganj, Stage I	60,000 KW	Completed May '62
'Harduaganj, Stage II	30,000 KW	Completed Mar. '64
Matatila Hydro-electric Scheme	30,000 KW	Scheduled Dec. '64
Yamuna Hydro-electric Scheme, Stage I	86,000 KW	Scheduled June '65
Kanpur Thermal Expansion	44,000 KW	Scheduled Aug. '65
Obra Thermal	2,50,000 KW	Starting Oct. '65
Yamuna Hydro-electric Scheme, Stage II	2,00,000 KW	Scheduled Dec. '69

A trunk grid of 2,20,000 volts is being constructed to interconnect all the power stations and lines of 1,32,000 and 66,000 volts will branch off from this trunk grid for taking constant electric power to the following important industrial centres:-

Ghaziabad-Modinagar-Meerut - Connected by rail and road with the whole of India. Home of the well known Modi Group of Industries - can also be the home of your industry. Industrial sites are offered by the U.P. Industrial Corporation, Kanpur.

Aligarh - Only 16 miles from the Harduaganj Thermal Power Station - assured of ample and constant supply of electric power. 84 miles from Delhi.



Dehra Dun - Home of the Yamuna Hydro-electric Schemes, Stages I, II, III and IV. Unlimited forest produce and limestone of high purity at hand.

Saharanpur-Roorkee-Hardwar-Nishikesh - offer big scope for industries, particularly those ancillary to the Antibiotics Factory at Rishikesh and the Heavy Electricals Factory at Hardwar. Close to rich extensive forests.

Bareilly - Home of the Synthetic Rubber Industry, Camphor Industry, Turpentine and Rosin Industry and the Match Industry and developing rapidly as a major industrial centre.

Agra - Main tourist attraction in India and growing industrial centre - conveniently connected with the whole country by rail (both broad gauge and metre gauge), road and air.

Kanpur - Already the most important industrial centre in Northern India. Seat of many technical training institutions. Connected with the whole country by rail, road and air.

Lucknow - Seat of the U.P. Government and a growing industrial centre. Industrial area developed by the U.P. Industrial Corporation, Kanpur. Served by rail, road and air.

Allahabad and Naini - Quick movement of goods between Calcutta and Allahabad assured by electric traction. Land, water and power available in plenty.

Varanasi-Mughalsarai Area - Another industrial area which is growing rapidly. Conveniently connected by rail, road and air with the rest of the country.

Mirzapur District - Home of three major power stations - Rihand, Obra Thermal and Obra Hydel. Rich in limestone deposits and producing large quantities of aluminium and caustic soda. Coal available from nearby Singrauli Coalfields.

Gorakhpur - A large Fertiliser Factory being set up here by the Government of India - also seat of the Madan Mohan Malviya Engineering College and the Government Technical Institute. Important centre of sugar production.

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who will be happy to answer enquiries and furnish any further information which may be required.

shares have been dull, and limited business has passed in Belapur.

Rayon Shares have been quiet, and National Rayon have been quoted lower. Gwalior Rayon have, nevertheless, been steady on influential support. Chemical shares have been softer, and Tata Chemical have declined. Indian Dyestuff and Polychem have been quoted at lower prices. Voltas have been weaker on profit-taking. Scattered business has been done in bank shares. Central Bank and Bank of India have changed hands. Electric company shares have been about steady. Ahmedabad, Tata Hydro and Bombay Suburban have changed hands.

Madras

BUSINESS CENTRES ON PLANTINGS FEARS OF POWER CUTS WORRY INVESTORS

Tuesday Evening.

THE Madras stock market has been quietly steady during the past week. Turnover has declined and has largely centred on selected planting and textile shares. Uninspiring advices from Calcutta and Bombay have contributed to the dullness. Investors have been worried about the growing shortage of funds and the possibility of further power cuts in the near future. Business in clearing shares has also been restrained.

Government securities have been dull, but interest has been taken in good preference shares. In banks, Pandyan have been quoted at Rs. 37 since it has been decided to distribute Rs. 32 a share as compensation to the existing shareholders. Indian Overseas have been quoted at Rs. 139 and Syndicate Bank at Rs. 143.50. Sugar shares have been quiet, and Deccan have been available at Rs. 11.75. E.I.D. have been weaker at Rs. 35.35 and Andhra at Rs. 13.79. Kothari have been offered freely down to Rs. 6.90, but Mysore have been about steady at Rs. 28.33.

Among planting shares, Blue Mountain have been dull at Rs. 2.43 and Cochin Malabar at Rs. 6.48. Consolidated Coffee have been available at Rs. 21.81 and Ouchterlony have weakened to Rs. 4.08 on reducing the taxable ordinary dividend from 12½ percent to 6 percent. Periakaramalai have changed hands at Rs. 3.48. Teekoy have been done at Rs. 6.60. Thamarapally at Rs. 16.40, Midland at Rs. 11.20, Coonoor at Rs. 17.57. Lucky Valley have changed hands at Rs. 12.50 on declaring a taxable ordinary dividend of 10 percent. Business has passed in Peermade at Rs. 21.12 on paying a taxable final ordinary dividend of 12½ percent. Among coffee shares, Coffee Lands have been weaker at Rs. 17.50, Cowcoody at Rs. 4.66 and Rajendra at Rs. 10.42.

In the textile section, South India Viscose have been quoted at Rs. 123.50 and Travancore Rayon at Rs. 23. Lakshmi have been done at Rs. 133.50 and Madura at Rs. 33.30. Radhakrishna have been bought up to Rs. 28.75 on declaring a taxable ordinary dividend of 10 percent. Ramnarayan have been taken at Rs. 93 on the decision to issue rights shares for Rs. 10 lakhs. Rayalaseema have come to hand at Rs. 138.50 on paying a taxable ordinary dividend of 10 percent. Vasanta have been taken at Rs. 255 on declaring a taxable ordinary dividend of 8 percent. Adoni Spinning have come to hand at Rs. 9.60 on declaring a taxable ordinary dividend of 9 percent. Bangalore Woollen have

CAPITAL, 7th May, 1964.

been done at Rs. 257 and Buckingham at Rs. 274.

Among miscellaneous shares, Aluminium industries have declined to Rs. 20.75 and Ashok Leyland to Rs. 7. In cement shares, Dalmia have been steady at Rs. 13.10 and India Cement at Rs. 5.66 on prospects of expansion. Metturr Chemical have been taken at Rs. 13.24, but F.A.C.T. have weakened to Rs. 5.25 on the prospect that the Company will produce disappointing results for the year ended March 1964. Although the Company has increased its capacity and a new oil gasification plant has been installed, the working has been seriously interrupted by drastic power cuts. The latter continue to affect the working during the current year.

Southern Structurals have been steady at Rs. 11 and Seshasayee Paper have improved to Rs. 7.60. Standard Motors have been taken at Rs. 10.12 and Tube Investment at Rs. 203. Jaipur Metals have been quoted at Rs. 100 on declaring a taxable ordinary dividend of 6 percent. Jeewanlal have been quoted at Rs. 10 due to the payment of a taxable ordinary dividend of 10½ percent. Parry's Confectionery have been steady at Rs. 3.14 and Spencer at Rs. 22.37. Madras Aluminium have been easier at Rs. 73 and Madras Rubber at Rs. 13.03.

THE WEEK'S TRANSACTIONS

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

CLEARED SECURITIES

Birla Jute—Rs. 31/50—31/56—30/75—30/75—(28/75).
Burrakur Coal—Rs. 15/62—15/69—15/39—15/69—(16/62).
Dunlop Rubber—36/81—38/00—36/31—36/31—(33/75).
Guest, Keen, Williams—Rs. 24/62—24/75—24/22—24/31—(33/75).
Hindustan Motors—Rs. 18/25—18/50—18/19—18/41—(17/00).
Howrah Jute—Rs. 15/87—16/00—15/87—16/00—(20/00).
Indian Aluminium—Rs. 32/44—32/87—32/06—32/06—(32/31).
Do. (New)—Rs. 22/00—22/00—22/00—22/00—(22/00).
Indian Copper—Rs. 3/40—3/43—3/38—3/34—(4/18).
Indian Iron—Rs. 24/70—24/84—24/52—24/54—(22/04).
J. K. Cotton—Rs. 11/25—11/34—11/00—11/00—(13/94).
Jaipur Udyog—Rs. 11/31—11/37—10/94—10/94—(10/75).
Kesoram Industries—Rs. 26/19—26/62—25/69—25/75—(23/00).
Orient Paper—Rs. 37/15—37/15—36/60—36/60—(34/00).
Orissa Cement—Rs. 13/50—13/50—13/41—13/44—(13/62).
Rohtas Industries—Rs. 11/50—11/53—11/06—11/19—(10/56).
Shree Gopal Paper—Rs. 24/50—24/50—24/50—24/50—(23/50).
Textile Machinery—Rs. 28/20—28/35—27/60—27/00—(23/45).

GOVERNMENT SECURITIES

2½% Loan (1976)—Rs. 83/00—83/00—83/00—83/00—(83/00).
3% " (1986)—Rs. 63/50—63/58—63/43—63/58—(63/58).
3% " (1970-75)—Rs. 90/40—90/50—90/40—90/50—(90/50).
3% " (1968-68)—Rs. 98/05—98/05—98/05—98/05—(98/05).
3½% " (1967)—Rs. 99/50—99/50—99/50—99/50—(99/50).
3½% " (1974)—Rs. 96/80—96/80—96/80—96/80—(96/80).
4% " (1970)—Rs. 99/05—99/05—99/05—99/05—(99/05).
4% " (1972)—Rs. 99/00—99/00—99/00—99/00—(99/00).
4% " (1985)—Rs. 98/95—98/95—98/95—98/95—(98/95).
4% Andhra (1968)—Rs. 98/60—98/60—98/60—98/60—(98/60).

CAPITAL, 7th May, 1964.

4½% West Bengal (1974)—Rs. 99/50—99/50—99/50—99/50—(97/00).
4½% Madras (1974)—Rs. 99/00—99/00—99/00—99/00—(97/00).
4½% " (1972)—Rs. 97/65—97/65—97/65—97/65—(97/65).
4½% Loan (1973)—Rs. 99/85—99/85—99/85—99/85—(99/85).
4½% Andhra (1970)—Rs. 98/70—98/70—98/70—98/70—(98/70).

BANKS

Punjab National—Rs. 19/25—19/62—19/25—19/62—(19/25).
United Bank of India (Rs. 10 paid)—Rs. 7/56—7/62—7/47—7/62—(7/31).
United Commercial—Rs. 66/50—67/00—66/25—67/00—(72/00).

COTTONS

Bharat Commerce—Rs. 20/00—20/00—20/00—20/00—(23/06).
Cawnpore—Rs. 6/25—6/25—6/25—6/25—(6/75).
Dunbar—Rs. 27/31—27/37—27/25—27/25—(27/56).
Elgin—Rs. 18/00—18/12—17/94—18/06—(18/56).
Jay Shree—Rs. 15/06—15/12—15/06—15/12—(14/81).
Jiyajeerac (Pref.)—Rs. 88/00—88/00—88/00—88/00—(88/00).
New Victoria—Rs. 1/34—1/37—1/34—1/37—(1/44).
Do. (Pref.)—Rs. 2/22—2/25—2/16—2/22—(3/00).
Orissa Textiles—Rs. 6/00—6/00—6/00—6/00—(9/00).
Svadeshi (Pref.)—Rs. 69/00—69/00—69/00—69/00—(69/00).

COALS

Bengal—Rs. 237/00—242/00—237/00—242/00—(286/00).
Central India—Rs. 8/81—8/84—8/69—8/69—(10/47).
Katras Jheriah—Rs. 30/50—30/75—30/00—30/00—(37/75).
New Beerbloom—Rs. 15/50—15/87—15/50—15/87—(19/37).
Pench Valley—Rs. 17/44—17/44—17/44—17/44—(18/00).
Western Bengal—Rs. 8/72—8/75—8/66—8/66—(9/25).

JUTES

Alliance—Rs. 126/00—126/00—126/00—126/00—(100/00).
Alexandra (Pref.)—Rs. 94/25—94/25—94/25—94/25—(94/25).
Bally—Rs. 237/00—239/00—237/00—237/00—(270/00).
Barnagore—Rs. 213/50—215/00—213/50—213/50—(180/00).
Cheviot—Rs. 20/44—20/44—20/37—20/37—(23/25).
Champdany—Rs. 21/06—21/06—21/06—21/06—(18/12).
Delta (Pref.)—Rs. 74/00—74/50—74/00—74/50—(74/50).
Gourapore—Rs. 22/56—22/56—22/56—22/56—(22/56).
Ganges—Rs. 13/00—13/06—13/00—13/06—(13/37).
Hooghly (Pref.)—Rs. 11/25—12/12—11/25—12/06—(12/06).
India—Rs. 15/00—15/25—15/00—15/25—(17/50).
Kankarrah (Pref.)—Rs. 80/00—80/00—80/00—80/00—(80/00).
Kinnison—Rs. 118/00—118/00—118/00—118/00—(140/00).
Lansdowne—Rs. 92/50—93/00—92/50—93/00—(85/00).
Do. (Pref.)—Rs. 84/50—85/50—84/50—85/50—(85/50).
Naihati (1st Pref.)—Rs. 115/00—115/00—115/00—115/00—(115/00).
Nellimaria—Rs. 8/75—8/75—8/56—8/56—(11/50).
New Central—Rs. 11/19—11/31—11/19—11/25—(11/75).
Northbrook—Rs. 24/75—24/75—24/75—24/75—(30/25).
Presidency—Rs. 4/56—4/56—4/50—4/50—(5/19).

MININGS

Chrestien Mica—Rs. 9/50—9/50—9/50—9/50—(9/85).
Metal Corporation—Rs. 6/94—7/06—6/87—7/00—(8/12).

CEMENTS

Ashoka—Rs. 6/87—6/94—6/87—6/87—(7/12).
Assam Bengal—Rs. 3/50—3/00—3/37—3/00—(3/03).
Dalmia (Bharat)—Rs. 13/37—13/44—12/87—13/12—(12/87).
Sone Valley—Rs. 4/25—4/31—4/06—4/16—(4/12).

CHEMICALS

Alkali & Chemical—Rs. 28/62—28/62—28/37—28/37—(36/31).
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Bengal Chemical—Rs. 99/50—99/50—96/00—98/50—(97/00).
Chemicals & Fibres—Rs. 12/44—12/44—12/19—12/31.

ELECTRICS

Calcutta—Rs. 14/12—14/25—14/12—14/25—(14/31).
U.P.—Rs. 132/00—132/00—152/00—152/00—(115/50).

ENGINEERING

Braithwaite & Co.—Rs. 32/50—32/62—32/50—32/62—(28/00).
Burn & Co.—Rs. 280/00—280/00—280/00—280/00—(458/00).
Bharat Ball Bearing—Rs. 12/31—12/37—12/31—12/37—(13/81).
Binani Metal—Rs. 12/75—12/81—12/62—12/75—(10/25).
Britannia Eng.—Rs. 10/00—10/06—10/00—10/06—(10/00).
Bhartia Elec. Steel—Rs. 14/56—14/62—14/56—14/62—(13/56).
Calcutta Steel—Rs. 15/12—15/12—14/69—14/69—(13/25).
Dalmia Iron—Rs. 11/00—11/00—10/81—10/91—(10/50).
Hope's Metal Windows—Rs. 10/94—11/06—10/94—11/06.
Hooghly Docking—Rs. 86/00—88/00—86/00—88/00—(108/00).
Indian Iron & Steel (Pref.)—Rs. 78/50—80/00—78/50—80/00—(83/00).
Indian Standard Wagon—Rs. 35/75—35/87—35/75—35/87—(29/31).
Industrial Containers—Rs. 22/94—24/00—22/94—24/00—(22/00).
Jessop & Co.—Rs. 22/37 s.t.—22/62—21/50—21/56—(22/19).
J. K. Steel—Rs. 15/00—15/12—14/94—15/12—(14/94).
Kumardhubi—Rs. 5/59—5/59—5/56—5/56—(8/00).
Marshalls—Rs. 2/87—3/06—2/87—3/06—(3/06).
National Iron & Steel—Rs. 5/72—5/75—5/72—5/72—(4/25).
Sen-Raleigh—Rs. 15/00—15/00—14/69—14/69—(13/62).
Textile Machinery (6¼% Pref.)—Rs. 101/00—101/00—101/00—101/00—(101/00).

INSURANCES

New Asiatic—Rs. 6/91—6/94—6/87—6/87.
Ruby General—Rs. 10/56—10/62—10/56—10/62—(8/56).

MISCELLANEOUS

American Refrigerator—Rs. 6/50—6/75—6/50—6/75—(8/12).
Asiatic Oxygen—Rs. 10/56—10/87—10/56—10/87—(9/87).
Angelo Brothers—Rs. 23/62—23/81—23/50—23/56—(22/50).
Airways (India)—Rs. 3/81—3/87—3/81—3/87.
Balmer Lawrie—Rs. 257/00—258/00—256/00—256/00—(247/00).
B. I. Corp.—Rs. 9/68—9/75—9/56—9/68—(8/94).
Bharat Nidhi—Rs. 5/75—5/75—5/75—5/75—(5/75).
Birds Investment—Rs. 9/00—9/00—9/00—9/00—(9/94).
British Paints—Rs. 20/97—21/19—20/97—21/00—(20/50).
Bararee Coke—Rs. 19/88—19/88—19/88—19/88—(24/37).
Clive Row Investment—Rs. 8/44—8/44—8/37—8/44—(8/37).
Calcutta Tramways—Rs. 10/37—10/37—10/25—10/25—(11/06).
Calcutta Gas (Pref.)—Rs. 52/00—52/00—52/00—52/00—(52/00).
Dr. Paul Lohmann—Rs. 9/50—9/69—9/44—9/56.
East Anglia Plastics—Rs. 6/69—6/75—6/62—6/68—(10/00).
Electric Construction—Rs. 12/69—12/75—12/50—12/69—(13/00).
General Tyres—Rs. 8/00—8/06—7/94—8/06—(9/00).
Great Eastern Hotel—Rs. 245/00—245/00—245/00—245/00—(241/00).
Gwalior Rayon—Rs. 36/75—37/31—36/75—37/31.
Goodyear—Rs. 22/37—22/50—22/37—22/50.
Hindustan Aluminium—Rs. 12/87—12/94—12/75—12/78—(13/69).
Hindustan Pilkington Glass—Rs. 13/12—13/12—13/12—13/12—(14/87).
Hindustan Development—Rs. 3/94—4/06—3/94—4/06.
Imperial Tobacco—Rs. 9/70—9/93—9/70—9/72—(11/00).
India Carbon—Rs. 14/81—14/81—14/37—14/37—(21/12).
Indian Oxygen—Rs. 24/94—25/06—24/94—25/06—(29/12).
Isaac Holdens—Rs. 13/00—13/12—13/00—13/12—(14/81).
Indian Rubber Mfg.—Rs. 21/25—21/25—21/25—21/25—(19/87).
Indian Tack & Nail—Rs. 10/06—10/19—10/06—10/19.

Jardine Henderson—Rs. 72/75—72/75—72/00—72/00—(85/50).
Do. (Pref.)—Rs. 55/25—55/25—55/25—55/25—(11/25).
J. K. Synthetics—Rs. 11/81—11/81—11/75—11/81—(11/25).
Jayshree Industries—Rs. 15/00—15/00—14/62—14/62—(16/06).
Kettlewell Bullen (1st Pref.)—Rs. 59/00—59/50—59/00—59/50—(59/50).
Do. (2nd Pref.)—Rs. 61/00—61/50—61/00—61/50—(4/12).
Macneill & Barry (Pref.)—Rs. 49/50—50/50—49/50—50/50—(50/50).
Martin Burn—Rs. 26/37—26/50—26/25—26/50—(27/12).
Metal Box Rs. 29/37—29/50—29/37—29/50—(49/87).
Metal Distributors—Rs. 3/69—3/75—3/62—3/69—(4/94).
Macfarlane & Co.—Rs. 4/87—5/00—4/81—5/00—(7/00).
National Insulated Cable—Rs. 22/31—22/37—22/31—22/37—(24/62).
National Pipes & Tubes—Rs. 26/12—26/12—26/12—26/12—(27/25).
National Rubber Mfg.—Rs. 11/31—11/50—11/25—11/44—(12/62).
National Standard Duncan—Rs. 72/00—74/00—72/00—74/00—(51/00).
National Tobacco—Rs. 11/00—11/06—11/00—11/06—(12/00).
Phillips Carbon—Rs. 12/62—12/62—12/25—12/50—(18/12).
Rallis India—Rs. 118/00—119/00—118/00—118/50—(118/50).
Sirsil—Rs. 7/56—7/56—7/56—7/56—(7/56).
Shaw Wallace—Rs. 15/37—15/44—15/37—15/44—(17/00).
Union Carbide—Rs. 32/12—32/12

REVISING THE INTER-BANK PACT ON DEPOSIT RATES

(BY A SPECIAL CORRESPONDENT)

The Indian Banks Association recently considered the controversial question of raising the interest rates on deposits. The banks, it is argued, will not be able to bear the burden of higher deposit rates without a corresponding rise in lending rates. But since this will be inflationary, the monetary authorities should decide whether it should be permitted at present.

ON 30th April, another meeting of the Indian Banks Association was held to settle the controversial question of interest rates on deposits. According to reliable sources, the majority of bankers felt the need for raising interest rates on deposits held for periods of more than six months. The interest rates on deposits for more than one year, are to be raised, say,

by 0.50 percent or 0.75 percent. There will be a proportionate rise in the rate on deposits for a shorter period, namely, less than six months. The actual schedule of rates will, however, be worked out by a committee headed by Mr. C. H. Bhabha, vice-chairman of the Central Bank of India and a former chairman of the Indian Banks Association. The schedule of

rates will be submitted to bankers for their approval by the end of this month.

It was decided that the proposed increase in interest rates on deposits should not be followed by a rise in the minimum lending rate. The latter was fixed last year by an agreement among banks, which included the

State Bank of India, after Bank rate was raised to 4½ percent. But a section of bankers opposed the upward revision of interest rates on deposits at the recent meeting of the Association. An attempt will be made to persuade the dissenting bankers to accept the revised interest-rate agreement. The chairman of the Association, Mr. Tulsidas Kilachand, who was unanimously elected for a third consecutive term, was entrusted with the delicate task of persuading the opponents to accept the majority viewpoint.

The present agreement on interest rates on bank deposits was concluded in 1958 when the banks were facing no difficulty in attracting deposits and the demand for bank credit was not as acute as now. The circumstances later changed since the mobilisation of deposits became the most important issue and there was a sellers' market for credit. There was also a switch-over to a dearer money policy. Banks took advantage of the trend of higher interest rates and raised the minimum lending rate to 6½ percent, and the average lending rates still higher. Although the agreement was revised in 1962, no attempt was made to raise the rates on deposits. The issue assumed sudden importance when the Governor of the Reserve Bank in March suggested that banks should raise the rates on deposits without raising lending rates.

Some Anomalies

There are certain anomalies in the present agreement. While the State Bank of India is not a signatory to the agreement, its subsidiaries are members of the agreement because they are allowed the advantage of quoting higher interest rates along with other medium and small banks. So the State Bank has an effective voice in the matter of interest rates on deposits. It is necessary to rectify this anomaly by either asking the State Bank subsidiaries to go out of the agreement or persuading the State Bank to join the agreement on behalf of itself and its subsidiaries. In that event, the State Bank can always quote a rate which is lower than other scheduled banks through a prior arrangement. As a natural corollary, the State Bank subsidiaries will not enjoy the benefit of being able to offer higher interest rates.

It is necessary to abolish altogether the rate of interest on deposits repayable on three days' notice. It is on such deposits that banks lose heavily because a customer can deposit funds during the week-end to take advantage of holidays when the money lies idle in the "till" of the bank. The rates paid on deposits of a longer duration, say, more than three months, should, however, be raised. In other words, the existing rate structure requires thorough overhaul on a realistic basis.

Some bankers plead for an end to the "free" services rendered by banks. These services are provided by certain banks to attract customers without, however, violating the inter-bank agreement on deposit rates. Such concessions actually amount to an underhand "premium" paid to depositors. Some think that a code of conduct should be established so that banks cannot introduce "free" services without prior consultation and agreement with other members of the Association.

Diversion of Deposits

Another aspect also deserves attention. It is well known that the interest paid on public deposits by the corporate sector and co-operative banks is much higher than what banks are prepared to pay under the revised agreement. It is, therefore, doubtful whether banks will be able to reverse the flow of deposits away from the banking system by raising the rates

paid on deposits by ½ percent or ¾ percent. The rise must bear some relationship to make such rates competitive with those prevailing elsewhere in the organised sector if not within the unorganised sector of the money market.

Banks will not be able to absorb the deposit rate burden without a corresponding rise in lending rates. Alternatively, they may raise the service charges which are not subject to any agreement. There is a strong possibility that banks will ultimately pass on the higher costs to their constituents, so further inflationary pressures cannot be avoided. Whether this will be desirable under present conditions is a question for the monetary authorities to decide.

THE CALCUTTA MONEY MARKET

MODERATE INCREASE IN ADVANCES

Wednesday, 6th May.

A MODERATE increase in the credit given to miscellaneous borrowers has raised the general level of advances in the Calcutta money market during the past week. The accommodation given to the jute mills, and to the iron, steel and engineering industries, is also slightly higher. But the requirements of the other major categories—the textile and sugar mills, and the foodgrains and seeds trade—are unchanged. In the interbank market, conditions are tight, and the call rate has risen to 6 percent.

The exchange market has been fairly quiet, with a sharp drop in the supply of tea bills. The flow of gunny bills remains moderate. There is a fair demand for remittances. After a brief recovery early in the past week, sterling has again weakened in relation to most of the major currencies, with the exception of the Danish and Swedish kroners.

SILVER WAS QUIET IN CALCUTTA in the past week. The price dropped from the previous week's level of Rs. 263.75 to Rs. 262.25, quoted today. The London and New York prices stood at 113½d and 129.3 cents.

In spite of a fall in silver, gold ruled rather steady and the price of 14-carat advanced from Rs. 68.50 to Rs. 69.

DURING THE WEEK ENDED 1ST MAY, Government of India Treasury bills for Rs. 92,55,25,000 were sold in favour of the Reserve Bank.

TENDERS FOR RS. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 5th May. The total amount offered was Rs. 2 crores. Tenders at Rs. 99.250 percent were accepted in full. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 3,000 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 11th May.

IT IS STATED THAT 91-DAY INTERMEDIATE Treasury bills will be sold from 6th May to 9th May at Rs. 99.266 percent. Sales can be stopped at any time without notice if the Government thinks it necessary. These bills sold from 29th April to 2nd May amounted to Rs. 80 lakhs only.

DECLINES OF RS. 2.84 CRORES TO Rs. 2,533.43 crores in active notes and of Rs. 1.57 crores to Rs. 2,553.87 crores in the total note issue were notable features of the return of the Reserve Bank of India during the week ended 1st May, 1964. The decline of Rs. 5

crores to Rs. 103.46 crores in foreign securities of the paper currency reserve was nearly offset by a rise of Rs. 4.92 crores to Rs. 2,227.39 crores in Rupee securities. Deposits of the Government of India dropped by Rs. 3.38 crores to Rs. 49.34 crores while those of State Governments rose by Rs. 69 lakhs to Rs. 14.22 crores. Balances of scheduled banks at Rs. 91.21 crores showed a rise of Rs. 7.78 crores. Balances held abroad rose by Rs. 1.39 crores to Rs. 9.36 crores. Investments increased by Rs. 25.59 crores to Rs. 179.71 crores. Loans to scheduled banks rose from Rs. 45.02 crores to Rs. 65.53 crores, of which advances against usance bills amounted to Rs. 22.58 crores (Rs. 20.39 crores). Ways and means advances stood at Rs. 74.48 crores, against Rs. 83.08 crores.

THE RETURN OF THE STATE BANK OF India for the week ended 24th April, 1964, shows a rise of Rs. 6.29 crores to Rs. 626.32 crores in total deposits. Investments in Government securities are down by Rs. 2.01 crores to Rs. 230.59 crores, while other authorised investments remain unchanged at Rs. 9.44 crores. Advances including loans, cash credits, overdrafts and bills discounted and purchased have declined by Rs. 3.19 crores to Rs. 377.25 crores. Cash and balances are, in consequence, shown at Rs. 22.06 crores or Rs. 1.84 crores less.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 24th April, 1964, shows Demand and Time liabilities at Rs. 1,254.57 crores (Rs. 41.44 crores on account of borrowings from banks) and Rs. 1,293.21 crores (Rs. 12.48 crores), compared with Rs. 1,242.41 crores (Rs. 33.11 crores) and Rs. 1,284.11 crores (Rs. 12.82 crores), respectively, in the previous week. Cash has risen by Rs. 2.48 crores to Rs. 62.64 crores, while balances with the Reserve Bank have declined by Rs. 3.21 crores to Rs. 78.92 crores. There is a drop of Rs. 9.66 crores to Rs. 615.09 crores in investments. Advances and bills discounted at Rs. 1,548.55 crores show a fall of Rs. 1.54 crores. The ratios to total liabilities of cash and balances, and of advances and discounts are, in consequence, shown at 5.6 percent and 72.9 percent, against 5.6 percent and 73.4 percent.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 5-5-64.			
Issue Date	Maturity Date	Amount (000's Rs.)	Average Acceptance Rate
8-5-64	11-8-64	2,00.00	Rs. 3,000%
1-5-64	4-8-64	2,00.00	Rs. 3,000%
24-4-64	27-7-64	2,00.00	Rs. 3,000%
17-4-64	20-7-64	2,00.00	Rs. 3,000%
10-4-64	13-7-64	2,00.00	Rs. 3,000%
3-4-64	6-7-64	2,00.00	Rs. 2,750%
26-3-64	29-6-64	2,00.00	Rs. 2,500%
20-3-64	23-6-64	2,00.00	Rs. 2,360%
13-3-64	16-6-64	2,00.00	Rs. 2,360%
6-3-64	9-6-64	2,00.00	Rs. 2,350%
28-2-64	31-5-64	2,00.00	Rs. 2,340%
21-2-64	24-5-64	2,00.00	Rs. 2,340%
14-2-64	17-5-64	2,00.00	Rs. 2,340%

(Monthly Maturities (000's omitted))			
May, 1964	6,00.00		
June, 1964	8,00.00		
July, 1964	8,00.00		
August, 1964	1,00.00		
Total	25,00.00		

CLEARING HOUSE RETURNS

Week	Calcutta	Bombay
1-5-64	1,09.44	1,14.68
24-4-64	80.06	1,08.18
17-4-64	89.39	1,13.18
10-4-64	1,04.55	1,26.79

RESERVE BANK

ISSUE DEPARTMENT		Week Ended		
(In '000's of Rupees)		1-5-64	24-4-64	3-5-63
Liabilities—				
Notes & Banking Dept. ...	...	20,44.16	18,26.82	14,25.82
Notes in Circulation ...	...	25,33.42.84	25,36.27.17	23,02.24.43
Total Notes Issued ...	...	25,53.87.00	25,54.53.99	23,34.80.25
Assets—				
A. Gold Coin and Bullion ...	...	1,17.76.10	1,17.76.10	1,17.76.10
Foreign Securities ...	...	1,03.45.69	1,08.45.69	1,05.08.43
Total of A ...	...	2,21.21.79	2,26.21.79	2,22.84.53
B. Rupee Coin ...	...	1,05.25.79	1,05.85.13	1,15.52.20
Rupee Securities ...	...	22,27.39.42	22,22.47.07	19,96.43.52
Total ...	...	25,53.87.00	25,54.53.99	23,34.80.25
BANKING DEPARTMENT				
Liabilities—				
Capital Paid-up ...	...	5,00.00	5,00.00	5,00.00
Reserve Fund ...	...	80,00.00	80,00.00	80,00.00
National Agricultural Credit (Long Term Operations) Fund ...	...	73,00.00	73,00.00	61,00.00
National Agricultural Credit (Stabilisation) Fund ...	...	8,00.00	8,00.00	7,00.00
Deposits—				
(a) 1. Central Govt. ...	...	49,34.22	52,71.93	51,49.27
2. State Govts. ...	...	14,22.43	13,52.89	8,08.22
(b) Banks—				
(i) Scheduled Banks ...	...	91,20.53	83,42.97	79,08.65
(ii) State Co-operative Banks ...	...	2,19.51	2,43.97	2,00.67
(iii) Other Banks ...	...	4.85	1.50	4.40
(c) Others ...	...	1,59.44.33	1,59.94.02	1,71,06.20
Bills Payable ...	...	42.93.58	33.48.80	29,39.48
Other Liabilities ...	...	74.44.44	73.63.03	70,98.77
Total ...	...	5,99.84.00	5,85.18.91	5,65.03.66
Assets—				
Notes ...	...	20,44.16	18,26.82	14,55.82
Rupee Coin ...	...	7.33	3.30	1.22
Small Coin ...	...	4.66	4.80	2.33
National Agricultural Credit (Long Term Operations) Fund				
(a) Loans and Advances to—				
(i) State Govts. ...	...	28,30.77	28,30.76	27,17.21
(ii) State Co-operative Banks ...	...	8,25.19	8,43.31	9,29.70
(iii) Central Land Mortgage Banks ...	...	...	...	...
(b) Investment in Central Land Mortgage Bank Debentures ...	...	3,59.26	3,59.36	2,84.88
National Agricultural Credit (Stabilisation) Fund				
Loans and Advances to State Co-operative Banks ...				
Bills Purchased and Discounted—				
(a) Internal ...	...	...	...	...
(b) External ...	...	...	...	...
(c) Govt. Treasury Bills ...	...	64,93.10	87,90.69	46,58.29
Balances Held abroad ...	...	9,36.58	7,87.01	7,59.65
Loans and Advances to Govt. ...	...	74.47.50	83,07.82	62,45.04
Loans and Advances to—				
(i) Scheduled Banks ...	...	65,52.55	45,01.90	41,85.70
(ii) State Co-operative Banks ...	...	1,11,99.46	1,15,26.46	1,11,04.24
(iii) Others ...	...	1,79.25	2,31.25	1,87.27
Investments ...	...	1,79,70.57	1,54,11.68	2,02,69.55
Other Assets ...	...	31,32.42	30,83.87	37,02.56
Total ...	...	5,99.84.00	5,85.18.91	5,65.03.66

SCHEDULED BANKS

(In '000's of Rupees)		Week Ended		
		24-4-64	17-4-64	28-4-63
(i) Demand Liabilities—				
(a) Demand Deposits:				
(1) From Banks ...	...	64,10.61	65,86.38	53,43.35
(2) From others ...	...	10,76,15.19	10,74,18.23	8,91,56.92
(b) Borrowing from Banks ...	...	41,42.93	33,11.21	30,80.80
(c) Other ...	...	72,87.56	69,24.82	62,64.93
(ii) Time Liabilities—				
(a) Time Deposits:				
(1) From Banks ...	...	27,51.96	28,02.32	27,68.23
(2) From others ...	...	12,42,36.51	12,32,27.47	11,94,38.44
(b) Borrowing from Banks ...	...	12,47.60	12,81.63	13,85.30
(c) Other ...	...	10,84.46	10,99.59	10,14.78
(iii) Borrowing from State Bank—				
(a) Demand Liabilities				
(i) Time Liabilities ...	...	14,18.38	17,36.17	5,91.57
(ii) Borrowing from Reserve Bank ...	...	10,80.00	10,62.00	11,28.00
(iii) Cash ...	...	44,61.90	65,14.70	31,36.45
(iv) Balances with the Reserve Bank ...	...	62,64.12	60,16.48	54,23.02
(v) Balances with other Banks in current account ...	...	78,91.58	82,12.50	73,54.62
(vi) Money at call and short notice ...	...	20,28.20	21,23.74	20,91.27
(vii) Money at call and short notice ...	...	48,76.40	39,65.95	49,06.55
(viii) Investments in Central and State Govt. Securities ...	...	6,15,08.85	6,24,74.86	6,14,81.34
(ix) Loans, Cash Credits and Overdrafts ...	...	15,47,53.65	15,45,81.11	13,21,25.08
(x) Due from Banks ...	...	12,93.52	16,81.82	7,20.27
(xi) Inland Bills purchased and discounted ...	...	2,39,44.72	2,30,67.33	2,15,21.64
(xii) Foreign Bills purchased and discounted ...	...	68,62.90	66,78.80	53,28.24
(xiii) Total of X, XI and XII ...	...	18,58,54.79	18,80,09.06	15,96,93.23

THE BRITISH INDIA CORPORATION LTD., KANPUR

BRANCHES DIVISION:

Cawnpore Woollen Mills Branch Cooper Allen Branch
New Egerton Woollen Mills Branch North West Tannery Branch

London Office:

BEGG SUTHERLAND DIVISION:

Secretaries & Treasurers

The Elgin Mills Co. Limited Cawnpore Sugar Works Ltd.
Cawnpore Textiles Ltd. Champaran Sugar Co., Ltd.
Brushware Limited Saran Engineering Co., Ltd.

Secretaries for: Beta Picker & Co., Ltd.

Agents for: The Oriental Fire & General Insurance Co., Ltd.

THE BIG HURRY IN THE WORLD OF ASTRONOMY



Suddenly, a star exploded ■ Turning within its spiderwork of iron and steel, the 200 ft. wide saucer-shaped 'eye' of the radio telescope at Jodrell Bank looked deep into black space and recorded the star had exploded FIVE MILLION YEARS AGO! ■ Peering so deep into space as to question time itself such radio telescopes are revealing to us the breathtaking, even frightening, dimensions of space and time, gathering astronomical data that are making space travel a fast nearing reality. ■ Into the fashioning of the 2000-ton Jodrell giant went the most advanced technique and knowledge of welding and gas cutting. ■ It is this precise knowledge of industrial gas and its diverse applications that Indian Oxygen affords Indian industry.

INDIAN OXYGEN LIMITED

IOC-47A

This announcement is not a Prospectus. Persons interested in full details are requested to obtain copies of the Prospectus, which are available from the Company's Registered Office and from the offices of the Company's Bankers, Brokers, Underwriters and Registrars and Transfer Agents hereinafter mentioned.

COROMANDEL FERTILISERS LIMITED



(Incorporated in India under the Companies Act, 1956, on 16th October 1961 as a company limited by shares).
Registered Office: 66, Rashtrapathi Road, Secunderabad, Andhra Pradesh.

EXISTING AND PROPOSED ACTIVITIES OF THE COMPANY

The Company was incorporated with the objects set out in its Memorandum of Association, the main objects being the manufacture, refinement and preparation at or in the vicinity of Vishakhapatnam, Andhra Pradesh, of all classes and kinds of fertilisers and of chemicals and industrial and other preparations arising from, or required in the manufacture of, any kind of fertiliser and the purchase, sale and distribution throughout India and elsewhere of all such classes and kinds of fertilisers, chemicals, industrial and other preparations.

The Company was incorporated as a private company on 16th October, 1961 and by virtue of the provisions of Section 43A of the Companies Act, 1956, it became a public company on 10th April, 1964. Thereafter the Articles of Association of the Company have been so revised as to comply with all requirements of a public company and those of The Stock Exchange, Bombay.

The promoters of the Company are

- (1) California Chemical Company of 200 Bush Street, San Francisco, California, U.S.A.;
- (2) International Minerals & Chemical Corporation of 5401 Old Orchard Road, Skokie, Illinois, U.S.A.; and
- (3) E.I.D.-Parry Limited of Airwork House, Piccadilly, London, W.1, England. Head Office: Dare House, Madras.

BOARD OF DIRECTORS

1. Haravu Varada Raj Iengar
(Chairman),
Industrialist,
Bens Garden,
Adyar, Madras 28, India.
Chairman and Managing Director of:
E.I.D.-Parry Ltd.
(Incorporated in England).

Chairman of:
Indian Aluminium Co. Ltd.
Travancore Sugars & Chemicals Ltd.
Parrys Confectionery Ltd.
Hercules Insurance Co. Ltd.
The Deccan Sugar and Abkhari Co. Ltd.
Director of:
Mahindra Ugine Steel Co. Ltd.
Mahindra & Mahindra Ltd.

2. Bharat Ram,
Industrialist,
14, Sardar Patel Road,
New Delhi, India.
Director of:
Mudan Mohanlal
Shri Ram & Co. Ltd.
Delhi Cloth & General Mills Co. Ltd.
Baroda Rayon Corporation Ltd.
Usha Refrigeration Industries Limited
and other companies.

3. John Quiney Cope,
Industrialist,
1300 Devonshire Drive,
El Cerrito, California, U.S.A.
Vice-President and Director of:
California Chemical Company.

4. Charles Stuart Dennison,
Industrialist,
1352 Estate Lane,
Lake Forest, Illinois, U.S.A.
Vice-President of:
International Minerals & Chemical Corporation.

President and Director of:
International Minerals & Chemical S.A. (Panama).
Vice-President and Director of:
International Minerals & Chemical (Bahamas) Ltd.

Director of:
Compagnie Senegalaise de Phosphates de Taiba
International Minerals & Chemical Ltd. (England).

5. John Kunnenkeril John,
Industrialist,
Zareen,
1-A, Spur Tank Road, Egmore,
Madras 8, India.

Joint Managing Director of:
E.I.D.-Parry Ltd.
(Incorporated in England).

Director of:
The Deccan Sugar & Abkhari Co. Ltd.
Travancore Sugar & Chemicals Ltd.
Indian Potash Supply Agency Ltd.
Fertiliser Association of India
and other companies.

6. Luther Leo Powell
(Managing Director),
Engineer,
Blue Gables,
Rajbhavan Road, Begumpet,
Secunderabad, India.

MANAGING DIRECTOR

Mr. Luther Leo Powell,
Blue Gables,
Rajbhavan Road, Begumpet,
Secunderabad, India.

SHARE CAPITAL

AUTHORISED Rs. 85,00,000 Equity Shares of Rs. 10 each **8,50,00,000**

A. ISSUED, SUBSCRIBED AND PAID-UP 10,000 Equity Shares of Rs. 10 each **1,00,000**

PRESENT ISSUE 84,84,690 Equity Shares of Rs. 10 each **8,48,46,900**

OUT OF THE PRESENT ISSUE

(a) California Chemical Company will be allotted 5,81,770 Equity Shares of Rs. 10 each credited as fully paid-up for consideration other than cash **58,17,700**

(b) International Minerals & Chemical Corporation will be allotted 5,15,910 Equity Shares of Rs. 10 each credited as fully paid-up for consideration other than cash **51,59,100**

(c) E.I.D.-Parry Limited will be allotted 63,540 Equity Shares of Rs. 10 each credited as fully paid-up for consideration other than cash **6,35,400**

(d) California Chemical Company has agreed to subscribe for 15,29,640 Equity Shares of Rs. 10 each for cash at par **1,52,96,400**

(e) International Minerals & Chemical Corporation has agreed to subscribe for 13,56,480 Equity Shares of Rs. 10 each for cash at par **1,35,64,800**

(f) E.I.D.-Parry Limited has agreed to subscribe for 4,87,310 Equity Shares of Rs. 10 each for cash at par **48,73,100**

B. PROPOSED ISSUE TO THE PUBLIC AT PAR 39,50,040 Equity Shares of Rs. 10 each (on which Rs. 2.50 per share will be payable on application) **3,95,00,400**

An Industrial Licence No. L/18(14/61) Ferts. dated 6th March, 1961 as amended by letters dated 12th June, 1961 and 23rd March, 1964 has been issued to the Company by the Central Government for the establishment at Vishakhapatnam of a new industrial undertaking for the production of complex fertilisers and urea with a capacity of producing ammonium phosphate of various grades equivalent to 365,000 metric tonnes per year in terms of 20-20-0 and 16,500 metric tonnes per year of prilled urea.

LOCATION OF THE INDUSTRY

The Company's fertiliser plant will be located in the Vishakhapatnam Port Area, Andhra Pradesh.

A Lease of a suitable area of land in the Vishakhapatnam Port Area for the Company's plant admeasuring approximately 500 acres (including the strip from the existing harbour) has been negotiated with the Vishakhapatnam Port Trust for a period of 50 years commencing on 1st July, 1964, renewable by mutual consent for a further period of 49 years.

An Agreement with the Vishakhapatnam Port Trust has also been negotiated regarding a wharf to be constructed in the Vishakhapatnam Harbour for use by the Company.

DATE OF THE OPENING AND CLOSING OF THE SUBSCRIPTION LIST

The subscription list will open at the commencement of banking hours on 11th May, 1964 and will close at the close of banking hours on 22nd May, 1964 or earlier at the discretion of the Directors, but not before the close of banking hours on 14th May, 1964.

COPIES OF THE APPLICATION FORMS AND PROSPECTUS CAN BE OBTAINED FROM THE COMPANY'S REGISTERED OFFICE AND FROM THE OFFICES OF ANY OF THE UNDERMENTIONED BANKERS, BROKERS, UNDERWRITERS AND REGISTRARS AND TRANSFER AGENTS.

BANKERS

State Bank of India, Apollo Street, Bombay. The Punjab National Bank Limited, Parliament Street, New Delhi-1. First National City Bank, 293, Dadabhai Naoroji Road, Bombay-1 or any of their branches, or where there is more than one branch, with the main branch in the cities mentioned below:

STATE BANK OF INDIA:

Madras, Aurangabad, Bangalore, Hubli, Hyderabad (Deccan), Secunderabad, Trichurapalli, Tirupathi, Trivandrum, Tuticorin, Vellore, Vijayawada, Vishakhapatnam, Cochin, Coimbatore, Coonoor, Cuddalore, Bombay, Calcutta, New Delhi, Ahmedabad, Ajmer, Akola, Allahabad, Ambala, Amritsar, Bareilly, Bhopal, Belgaum, Bikaner, Calicut, Chandigarh, Cuttack, Dehra Dun, Ferozpur, Jammu, Jalgaon, Jaipur, Itarsi, Indore, Kanpur, Khandwa, Lucknow, Ludhiana, Madurai, Miraj, Nadiad, Nagpur, Nasik, Patna, Poona, Quilon, Rajkot, Salem, Ratlam, Sangli, Shillong, Sholapur, Simla and Srinagar.

THE PUNJAB NATIONAL BANK LIMITED:

Hyderabad (Deccan), Secunderabad, Vijayawada, Vishakhapatnam, Warangal, Cochin, Madras, Salem, Tanjore, Madurai, Coimbatore, Bangalore, Bombay, Poona, Nagpur, New Delhi, Ahmedabad, Mandvi (Kutch), Surat, Guahati, Patna, Srinagar, Bhopal, Indore, Ratlam, Ujjain, Nasik, Cuttack, Ambala, Chandigarh, Amritsar, Jullundur, Patiala, Ajmer, Jaipur, Udaipur, Dehra Dun, Jhansi, Kanpur, Lucknow, Meerut and Calcutta.

FIRST NATIONAL CITY BANK:

Madras, Bombay, New Delhi and Calcutta.

BROKERS

BOMBAY:

R. R. Nabar & Co.,
31, Dalal Street, Fort, Bombay-1.

Lewis & Jones,
Bank of Baroda Building,
Apollo Street, Fort, Bombay-1.

Battivala & Karani,
Union Bank Building,
Dalal Street, Bombay-1.

Merwanjee Bomanjee Dalal,
Allahabad Bank Building,
Apollo Street, Fort, Bombay-1.

Harkisondas Lukhmidass,
Stock Exchange Building,
Apollo Street, Bombay-1.

NEW DELHI:
Harbans Singh Mehta & Co.,
33, Regal Building,
Parliament Street, New Delhi-1.

Raj Paul Chadha & Co.,
Delite Cinema Building, New Delhi.

M. R. Dhawan & Co.,
4/8, Asaf Ali Road, New Delhi.

MADRAS:
Paterson & Co.,
32/33, Linghi Chetty Street,
Madras-1.

Chitra & Co.,
322-323, Linghi Chetty Street,
Madras-1.

Kothari & Sons,
Oriental Buildings,
Armenian Street, Madras-1.

HYDERABAD:
P. B. Azimkhan,
Sultan Bazar, Hyderabad.

CALCUTTA:
Place, Siddons & Gough (Private) Ltd.,
6, Lyons Range, Calcutta-1.

G. M. Pyne,
14 India Exchange Place, Calcutta-1.

AHMEDABAD:
Chimanlal Lalbhai,
2286, Manekchowk, Ahmedabad.

BANGALORE:
M. Nanjappaiah Jaghiram,
181, Cavalry Road, Bangalore-1.

UNDERWRITERS

1. Andhra Pradesh Industrial Development Corporation Limited,
Post Box No. 13, Hyderabad-4.

2. The Industrial Credit & Investment Corporation of India Ltd.,
163, Backbay Reclamation, Bombay-1.

3. Industrial Finance Corporation of India,
Reserve Bank Building,
6, Parliament Street, New Delhi-1.

4. The Punjab National Bank Ltd.,
Parliament Street, New Delhi-1.

5. Life Insurance Corporation of India,
Jeevan Kendra, Jamshedji Tata Road,
Bombay-1.

6. E.I.D.-Parry Limited,
Dare House, Madras-1.

7. Hercules Insurance Co. Ltd.,
362, Netaji Subhas Chandra Bose Road, Madras.

8. The New India Assurance Co. Ltd.,
87, Mahatma Gandhi Road, Fort, Bombay-1.

9. The Northern Assurance Co. Ltd.,
7, Hare Street, Calcutta-1.

10. The South India Assurance Co. Ltd.,
Moti Mahal, Jamshedji Tata Road,
Bombay-1.

11. R. R. Nabar & Co.,
31, Dalal Street, Fort, Bombay-1.

REGISTRARS AND TRANSFER AGENTS

Industrial Investment Trust Ltd.,
61, Apollo Street, Bombay-1.

INDIAN PAPER MAKERS' ASSOCIATION

CHAIRMAN, MR. M. L. ZUTSHI'S ADDRESS

The following is the speech delivered by Mr. M. L. Zutshi, Chairman, at the Annual General Meeting of the Indian Paper Makers Association held in Calcutta on the 30th April, 1964.

Gentlemen:

It gives me great pleasure to welcome you to this Annual General Meeting of the Indian Paper Makers Association. With your permission I will take the notice convening this meeting as read.

At the outset I would like to welcome Government's decision last December abolishing price control on paper boards. I also equally welcome recent budget proposals granting concessions in the matter of excise duty to new units and mills engaged in expanding their productive capacities. I convey to the Finance Minister the Industry's appreciation and gratitude for these concessions.

Four years ago, when I had the privilege of addressing from this Chair, I referred to the problems then facing the Paper Industry. Whilst it goes to the credit of the Industry that production of paper and paper boards during these four years increased from approximately 2,98,000 tonnes in 1959 to 4,65,000 tonnes in 1963, an increase of nearly 56%, it is with regret that I have once again to refer to the same problems. If the Paper Industry has to expand at a more rapid rate, as it must, and make its contribution to the economic prosperity of the country, it is of the utmost importance that all impediments retarding its growth are eliminated as soon as possible. Much as I should have liked in this address to refer mainly to the future of the Industry, its hopes and aspirations and the vital role it has to play in raising the standard of living of the masses, the problems facing the Industry are of such magnitude that I must refer to them, if only briefly.

The Installed Capacity

We have just completed the third year of the Third Five-Year Plan. At the beginning of the third plan the production of paper and paper boards was just over 3,50,000 tonnes with an installed capacity of 4,10,000 tonnes, as against the target of 3,50,000 tonnes for production and 4,50,000 tonnes for capacity. At the end of 1963 the production of paper and paper boards amounted to 4,65,000 tonnes with an installed capacity of over 5,49,000 tonnes. With the completion of some expansion schemes and new projects which are under implementation, an additional capacity of nearly 1,45,000 tonnes is expected to materialise during the year 1964-65. A further capacity of 70,000 tonnes is expected to become available during 1965-66. Government have also in principle approved the expansion of the capacities of some of the existing Mills by the installation of balancing equipment and this expansion is likely to bring into being a further capacity of about 1,20,000 tonnes. If this additional capacity of 1,20,000 tonnes materialise by 1966 the Industry will have achieved the third plan target capacity. As for production, a part of the installed capacity will not become productive by the end of the third plan and the target of 7,00,000 tonnes may not be achieved in 1966.

Indigenous production of newsprint has increased to 30,000 tonnes and there are likely to be further nominal increases only by the end of the third plan period. The target production of 1,20,000 tonnes with a capacity of

1,50,000 tonnes will not, therefore, be achieved and for few years more India will continue to depend largely on imports of newsprint. Out of the three licensed schemes in the private sector two are based on bagasse and one on Himalayan Fir and Spruce. One of the bagasse schemes is reported to have been abandoned. Fir and Spruce are conventional raw materials for newsprint and it is expected that from out of Himalayan woods a quality of paper, matching imported newsprint, will be produced. To meet the existing demand of newsprint and to save at least a part of the foreign exchange now being utilised for the import of newsprint, it is of great importance that the licensed schemes are given practical shape as soon as possible. I have no doubt Government will continue to make available all facilities and assistance to the entrepreneurs.

Out of the increased production of 3 to 3½ lac tonnes during the period only 20 to 25% will be accounted for by new units, the major contribution, therefore, will come from existing units and their expansion programmes. The earlier expectation that the increase in production would be mainly accounted for by new units has proved unrealistic. During the last fifteen months numerous licences for new small and big mills have been revoked. The Paper Industry is a capital intensive industry. According to the latest estimates, for every ton of annual production in a new mill to be built up from scratch, an investment of approximately Rs. 3,800/- is required. A new Mill of 100 tons per day capacity would thus need a capital outlay of approximately Rs. 11 crores. On the other hand, the capital outlay on the expansion of existing units can be as low as Rs. 2,000/- per ton of annual production and this leads to the obvious conclusion that it is in the national interest to create facilities making it possible for existing units to expand, if possible, continuously.

Commendable Progress

During the 1st and 2nd plan periods the Paper Industry made commendable progress and fulfilled its targets for capacity and production. This satisfactory performance of the Industry during these two plan periods became possible because of the ability of the Industry to plough back for rapid expansion a major portion of the reasonable profits it earned during the period. This trend, however, was reversed during the third plan period owing to the policy of the Government in the matter of fixation of selling prices.

The last enquiry into the selling prices of paper and paper boards was held during 1958-59 and the prices recommended by the Tariff Commission came into operation on 1st January, 1960. Apart from the fact that the prices recommended by the Tariff Commission denied the Industry its financial requirements for rehabilitating its obsolete and worn out plant, machinery and equipment, even the return allowed on employed capital was far from adequate. Subsequent events conclusively showed that the new price structure also did not provide a reasonable cushion for absorbing cost increases. With the spiral rise in the costs of raw materials, chemicals, stores and increases in wages, the prices fixed by the Tariff Commission became absolutely unrealistic and it was clear that unless prices were increased the Industry would find it difficult to plough back a part of its

dwindling profits into business and attract fresh capital. It was in June, 1962, after nearly 2½ years after the acceptance by the Government of the Tariff Commission's recommendations, that a price increase of Rs. 60/- per tonne was sanctioned. This increase was very inadequate as it did not even cover the rise in costs over the previous 2½ years. In practice, this increase averaged to a lower figure because of the 7½% rebate paid by the Industry to its distributors and the fact that substantial supplies had to be made to Government consumers at the old rates.

Since the last price increase in June, 1962, there have been further rises in the cost of production. The Industry has submitted detailed representations to the Government for an upward revision of the existing prices. I do not propose to refer in detail to Industry's case for a price increase. While I hope that these representations are receiving the sympathetic consideration of the Government I would like to point out that delays in announcing price increases place a heavy strain on the Industry. The Industry has placed facts and figures before the Government showing the adverse effects of the present price policy, particularly on the Industry's profitability and retained earnings. It is, therefore, of the utmost importance that a substantial increase in the prices of paper is sanctioned without any further delay.

Steep Rise in Costs

So long as Central and State Governments levies and the prices of raw materials, chemicals, stores and maintenance items continue to fluctuate it will often be necessary to revise the prices of the finished product. During the last four years there have been steep increases in the costs of all these variable factors and, if the present is an indication of the future, it would appear that these increases will continue to take place in the years to come. Any price increase now sanctioned by the Government cannot, therefore, hold good for any length of time and the Industry sooner or later will have to ask for further price increases. As matters stand, the representations now pending before the Government for price increase have already become out of date because there have been substantial further increases since the submission of the said representations.

It is not a happy feature that an increase in the selling prices of end products should become possible only after a long drawn process. I am of the view that price increases should be automatic and it should not be difficult to evolve a formula in terms of which paper prices could be revised as soon as costs of production tend to vary beyond agreed limits.

Why are the selling prices of indigenous papers considerably higher than the international prices? The reasons are not far to seek. Central and State levies on paper represent approximately 15% of the ultimate cost to the consumer. Costs of raw materials and major chemicals which account for 40-50% of the cost of production are higher in this country by at least 50%. It is the practice in foreign countries for paper mills to produce their basic chemicals and generate their own electricity. It is not unusual for paper mills to have their own extensive plantations and above all the normal size of the productive units is very much larger thereby bringing down the

overhead costs. On the other hand, in this country paper units suffer because they are comparatively very small in size, have to depend upon the State Governments for the supply of their main raw materials for which they pay excessive royalties and in many cases they purchase their essential chemicals at a price almost twice what it would cost if the chemicals were manufactured in their own chemical plants. While I shall later refer to the raw material problem of the Paper Industry, I would like to point out that it is of extreme importance that paper mills are not called upon to pay high royalties for forest produce. It is also equally important that paper mills are encouraged to install their own chemical and power generating plants. Future planning should also provide that the size of the paper units is sufficiently large making it possible to achieve a considerable reduction in overheads.

After thirteen years of planned development, while the indigenous production has more than quadrupled itself the per capita consumption of papers has just exceeded 1 kg. or nearly 2½ lbs. This is indeed a very low per capita consumption. As the standard of living improves, the use of paper and paper boards for packaging will multiply. If ignorance has to be dispelled and India taken on the road to industrial and economic advance, production of paper must increase in geometrical progression in the years to come making it possible for the vast majority of the people in this country to get educated and used to hygienic packaging of all the necessities of day to day life.

Assuming the Industry achieves the target production of 7,00,000 tonnes by the end of the third five-year plan the per capita consumption during 1966 will increase to nearly 1.66 kg. So, after fifteen years of planned development India will continue to remain dismally far behind not only the advanced countries of the West but also some of the less industrially developed countries of Asia. As the standard of living increases and all round economic and industrial development under our Five-Year Plans picks up momentum a take off stage will be reached whereafter expansion of paper Industry in geometrical progression will become a practical reality. The goal today, therefore, for the not too distant future should be to achieve a per capita consumption comparable with that presently prevailing in European countries, which translated in terms of production would amount to nearly 40,000,000 tonnes. By today's standards, this is a frightening figure but this is the challenge facing the Industry and I have no doubt that given the necessary facilities and assistance, the Industry will meet it successfully.

Expansion Programme

The future programme of expansion of the Paper Industry, therefore, has to be ambitious. The Industry will have to depend more and more on indigenous sources for its requirements of raw materials and machinery. It is, therefore, of paramount importance that the scope of manufacture of pulp and paper mill machinery in this country is enlarged and manufacturers are given all the facilities to expand their capacities to be able to meet India's needs over the decades to come.

A pulp mill, based on bamboos, for the manufacture of rayon grade pulp has already come into production at Kozhikode. Another scheme for setting up a paper grade pulp mill at Dangs is in the course of being implemented. There are six schemes licensed for the manufacture of dissolving pulp from bamboo and hard-woods. It would appear that bamboo is not an ideal raw material for the manufacture of dissolving pulp. I would, therefore, strongly urge that resources of bamboo should be reserved for the manufacture of paper grade pulp only.

It is well known that there is an imbalance between the existing pulp and machinery capacities. If more pulp

were available, the production of paper on the existing machines could be somewhat increased. Quite a few paper schemes mainly based on bagasse have already been licensed. It is quite likely that more schemes mainly based on short fibres will be licensed in future. These schemes when implemented would need long fibred pulp as would mills based on long fibres need short fibred pulp to boost up production. It is, therefore, of the utmost importance that a few large size of pulp mills are built up based on raw materials still available in the country. A suitable place in Assam, where large resources of bamboo exist, could be a site for one such mill. Similarly, in Jammu and Kashmir, large resources of long fibred woods are available and a pulp mill based thereon could provide wood pulp needed all over the country.

Shortage of Raw Materials

There has been no improvement in the difficult situation faced by the Industry in respect of its requirements of raw materials. I would like particularly to refer to the following:

Some of the State Governments are continuing to refuse leases of forests to mills not situated within their geographical boundaries. This has resulted in many mills finding it difficult to obtain raw materials from their traditional sources. There are recent instances of some State Governments having refused leases to mills which were previously situated within their boundaries but which, as a result of States re-organisation, became parts of the neighbouring States. There are also instances of renewal of leases of areas worked by mills for a number of years having been refused to them because the mills did not happen to be situated in the State concerned.

There is reluctance on the part of some of the State Governments to grant long term leases of forest areas to paper mills. Both the Planning and Tariff Commission

have recommended that the leases of forest areas should be granted to paper mills on a long term basis. Apart from the fact that a long term lease ensures adequate supplies of raw materials to the Paper Industry, such an arrangement also results in the paper mills taking sustained interest in the future growth and preservation of the forests. It is known that wherever a policy on these lines has been adopted the yield has steadily increased on account of the scientific working of the forests by the paper mills. In fact, areas worked by paper mills provide a striking contrast to those worked by contractors who motivated by their immediate gains work them ruthlessly, often in contravention of silvicultural rules.

There is no uniform basis for charging royalty. Royalties vary from Rs. 1/25 nP. to Rs. 30/- per ton of bamboo. Paper prices are fixed by the Government and considering the fact that on an average three tons of raw material are required for one ton of paper, the wide variation in royalty puts at a disadvantage mills who unfortunately have to pay high royalties. Quite often State Governments prefer to put their forests to public auction and insist on the paper mills acquiring the same in competition with sundry contractors. There is no appreciation on the part of the State Governments that, for every ton of paper produced the National Exchequer earns by way of excise duty nearly Rs. 300/- and this works out to nearly Rs. 100/- per ton of raw material.

Thus, however small the royalty paid by the paper mills may be, for every ton of forest produce acquired by them the Government gets nearly Rs. 100/- in the form of excise duty. There can, therefore, be no comparison between the royalty paid by the paper mills

and the royalty paid by a contractor for however high the royalty paid by the contractor may be it can only be a small part of what the paper mills ultimately pay to the Government.

Some time ago, at the instance of the Development Council for Paper, Pulp and Allied Industries, it was recommended to the State Governments to grant long term leases of forests to paper mills and a basis for the determination of royalty was suggested. I am not aware of any State having adopted this basis. So long as forests continue to be State controlled it seems difficult that a uniform approach can be enforced in the matter of long term leases and fixation of reasonable royalties. From the point of view of Industry it is a matter of importance that a Central Authority with power to lay down principle and basis of supply of forest produce to industrial consumers is brought into existence. Perhaps placing forests on the concurrent list would be the immediate answer.

Unfortunately, information about the exact availability of forest produce suitable for being used as raw material for paper making is not available. There has been no scientific survey of Indian forests and for many areas even working plans do not exist. However, from the information now available it would appear that raw material resources conventional now i.e. bamboo and grasses, are hardly enough to meet the present and the immediate future requirements of the Paper Industry. The known existing resources of bamboo in the country are expected to provide at the most two million tons per annum to the Paper Industry. Out of the total availability of about three million tons of bagasse in the sugar factories about 1½ million tons can reasonably become available for paper manufacture, that is, if the problem of providing alternate fuel for sugar factories is solved satisfactorily. Another one million tons of other fibrous raw materials i.e. grass, straws, jute stalks, waste paper and rags, are likely to become available if measures for their organised collection are intensified. Even if industrial and economic progress during the next twenty years up to the end of the sixth plan were to be slow, and as has been estimated by the Development Council, per capita consumption in 1980-81 would increase to 7 kg. only, the Industry would need by the end of the third plan 2½ million tons of fibrous raw material and by the end of 4th, 5th and 6th plans 4.2, 7.2 & 10 million tons, respectively. On the other hand, if the pace of industrial and economic development is accelerated beyond the present expectations and in the course of the next twenty years per capita consumption increases to 20/21 kg. the Industry would be needing by 1980-81 roughly 30 million tons of fibrous raw material. It is, therefore, obvious that for the expansion of the paper Industry beyond the 4th plan the known existing raw material resources will not be sufficient and fresh resources will have to be either located or created.

Raw materials for the expansion of the Paper Industry beyond the fourth plan have in the main to be forest produce and to some extent agricultural residues. As you know, bamboo is generally a four yearly crop. Some of the hard-woods planted in some of the Southern States attain maturity within 10-12 years. Fir and Spruce need a rotation of 180 years though, by adopting scientific means of regeneration, it is possible to reduce the cycle to 90/100 years. The future production of paper in India will be of varied types and qualities suitable for being used for writing, printing, packaging and industrial purposes. More and more emphasis will have to be laid on quality and a stage will be reached when long fibred pulp will be needed not merely as a prop to short fibred pulp but for the production of papers with special characteristics and strength properties. Considering the fact that it will take 100 years for some of the trees planted to be ready for being pulped it is of

the utmost importance that steps are taken now to ensure that in the decades to come sufficient quantities of short and long fibred raw materials become available for the manufacture of the then varied pulp requirements.

Survey of Forest Produce

It is of vital importance that as a first step a survey to establish the exact quantitative availability of forest produce capable of being used as raw material for paper-making is undertaken. Recent experience in the Punjab would indicate that photogrammetric methods of survey give quick and accurate results. I, therefore, welcome the decision of the Government to have a pre-investment survey of the forest resources of some of the States conducted under the aegis of the United Nations Special Fund. I hope that the photographs of the selected areas will be flown this year making it possible for the results of the survey to be available by the end of 1965. I hope that, in the immediate future, similar surveys on all India basis will be undertaken so that exact information about forest produce becomes available before the end of the current plan.

I submit that now is the time to draw out long term programmes for the plantation of bamboo and short and long fibred trees. I would earnestly request the Government to make specific financial provisions for the drawing out and execution of such programmes. So long as forests continue to be Government owned it seems to me doubtful that paper mills can take up plantation on very large scale. Plantations of bamboo and wood species have to form a part of the overall programme of afforestation. Particular species of wood suitable for paper-making may be most advantageously grown as an under-storey, for instance, to teak. The development of forest resources vis-à-vis the requirements of the Paper Industry, therefore, has to be taken up as a whole.

Paper Mills are generally having an anxious time so far as their requirements of consumable stores are concerned. For a production of 7,00,000 tonnes to be achieved at the end of the third Plan, at the modest level of present allotment of Rs. 40/- per tonne, the Industry will need foreign exchange to the extent of Rs. 280 lakhs. I need not repeat that the present allotment hardly makes it possible for the Mills to have in stock any wires, felts and spares to meet emergencies and quite often Mills have had to resort to air-freighting. There is also the problem of new units whose initial requirements of furnishings and stores are generally higher. If the Paper Industry has to produce to the maximum extent of its installed capacity, it is of utmost importance that mills are allowed to have some buffer stock of wires, felts and consumable stores. I would, therefore, urge that a generous policy is followed in the matter of allotting foreign exchange to the mills for the import of their consumable stores and machine furnishings.

Before I close I would like to briefly refer to some of the important events of the year:

Government Supplies

I am happy to report that the performance of the Industry during the year was on the whole satisfactory. The Industry succeeded to a large extent in clearing its back-logs and in making substantial supplies against the year's allocation. Government of India constituted a Panel for reviewing supplies against the Rate Contract. Two meetings of this Panel were held in Calcutta under the Chairmanship of the Minister for Supply. The Panel has proved a very useful forum for exchange of views with the Government.

Advisory Board of Research for the Forest Research Institute

The Central Advisory Board on Forest Utilisation was renamed the Advisory Board of Research for the Forest Research Institute. The composition of the new Advisory Board of Research was announced in February

this year. The Board had its 1st meeting in Dehra Dun on the 10th March, 1964 when interesting matters connected with the future raw material requirements of the Paper Industry and the Institute's five year research programme for paper and pulp were considered.

Development Council for Paper, Pulp & Allied Industries

It is with pleasure that I refer to the work done by the Development Council in the matter of finalising proposals for the installation of balancing equipment in some of the mills to make it possible to increase production from the existing equipment to the extent of 1,20,000 tonnes.

Indian Pulp and Paper Technical Association

Early this month the Indian Pulp and Paper Technical Association was inaugurated in Delhi followed by a Seminar on raw materials. With the expected rapid future expansion of the Paper Industry it was only proper that Technologists and Technicians and others connected with the Industry had a forum for getting together and exchanging ideas and knowledge gained. I, therefore, welcome the formation of the Indian Pulp and Paper Technical Association and convey to it my best wishes.

New Mills

I am glad to report that during the year various small units and the Seshasayee Paper Mills and the Paper Plant of Straw Products went into production.

Export Delegations

Two delegations for exploring the possibility of exporting paper to countries of South East Asia, Far East and Middle East were sponsored by the Industry and the Trade. The delegations have since returned to India after completing their market survey and their reports are awaited.

Bonus Commission

I wholeheartedly agree with the note of dissent submitted by the Employees' representative and would urge the Government to favourably consider the Industry's suggestion that bonus should be linked up with productivity.

Taxation

While I welcome the concessions allowed to the Paper Industry in the field of direct taxation by its inclusion in the list of specified industries entitled to rebate on Super-Tax as also Sur-Tax, I would like to point out that Super Profit Tax would continue to be applicable under the changed name of Sur-Tax. This and the retrospective levy of 7½% tax on all declarations of dividends and the capital gains tax on issues of bonus shares coupled with various changes in the gift tax, wealth tax and estate duty will further retard the formation of capital. The Finance Minister's assertion that the taxes on dividends would add to the extent of 3% more only to the corporate taxes does not justify penalising the distribution of dividends by the imposition of this tax. In the past, taxes have been levied on the declaration of dividends, but such levies were for excess dividends declared over a certain fixed limit, which was 6%. In the existing monetary conditions a return of 10% is the minimum yield expected by the investors. This has been recognised in the Budget itself in case of new companies. The growth of capital formation is as much necessary for old companies as new ones and the differential treatment does not seem to be justified.

Notwithstanding the fact that the Income Tax Act was repealed and replaced by a new enactment in 1961, it continues to be a complex piece of legislation because of the numerous amendments carried out during the past three years.

While I welcome the withdrawal of the limitation placed last year on the remuneration of Indian executives, I would like to point out that the ceiling of 20% now placed on perquisites is not justified. Paper manufacture involves

chemical processes of a highly technical nature and administrators and technologists employed by the Industry are highly paid executives whose perquisites are likely to exceed 20% in many cases. I would, therefore, submit that the limitation for perquisites be relaxed in case of Paper Industry.

School of Paper Technology

A School of Paper Technology is being established at Saharanpur with the assistance of the Swedish Government. This school is expected to train Technicians for middle level supervisory positions. Operatives for pulp,

paper & recovery units and Specialist Mechanics for instrumentation, electrical work, welding and machine shops. While I welcome the setting up of this school I do hope its management will be under an independent Board on which Paper Industry will have adequate representation.

I would like to place on record the gratitude of the Industry for the assistance and advice rendered to it by the Development Officer (Paper) and his Office. Without this assistance it would not have been possible for the Industry to reach the present level of production.

I would also like to convey Industry's appreciation and thanks to the Paper & Cellulose Branch of the Forest Research Institute for all the work they are doing and which is so vital for the Industry's future well being.

In conclusion I would like to express on behalf of my Committee and myself our appreciation of the work put in by Mr. MacDonald who acted as Secretary of the Association throughout 1963.

NOTE: This does not purport to be a report of the proceedings of the Annual General Meeting.

BICC

SIR WILLIAM McFADZEAN'S STATEMENT

The following are extracts from the circulated Statement of the Chairman, Sir William McFadzean, C.A., Companion I.E.E., on the 1963 Accounts.

THE YEAR IN BRIEF

1963 was a year of exciting challenge and satisfying achievement with sales and earnings reaching record figures.

SALES

Sales at £184 million were £31 million or 20% higher than in 1962. Of this improvement some £23 million arose from the inclusion of our new interests (mainly Australian) and the remaining £8 million from our well-established activities.

Of our Sales some £76.5 million or 41.5% represented direct exports and sales effected abroad. This does not include the value of our products sold to other British manufacturers and incorporated in the goods they send overseas—a further substantial contribution to exports which unfortunately cannot be easily assessed but, as a rough estimate, might amount to some £6 million.

TRADING RESULTS

Group Trading Profit and Investment Income, subject only to Taxation and Exceptional Items, comes out at £12,826,000, an improvement of £4,246,000 over 1962.

TELECOMMUNICATIONS

In addition to maintaining our share of the home market we continued to fight hard for export orders which account for some 30% of our turnover. Competition, particularly from Japanese sources has been fierce, but we have had our successes including an order for the extension and modernization of the telecommunications network in Ghana valued at £1½ million, the installation of which will be carried out by our Subsidiary Company in Ghana.

Our Associated Company, Submarine Cables Ltd., which is jointly owned with A.E.I., had also a very successful year during which it completed the manufacture of over 1,800 nautical miles of cable and 38 submersible repeaters forming part of the Commonwealth Pacific Telephone Cable to Australia and New Zealand, now operating so effectively.

CAPACITORS

Our Capacitor Division at Helsby, which is mainly concerned with the larger and highly technical types, had another satisfactory year and we believe that, as in several other of our activities, we now lead the World in these spheres. Proof of this proud claim is given in the striking successes we have achieved in overseas markets such as the large order from English Electric for high voltage capacitors for the d.c. transmission power link between Sardinia and the Italian mainland and the most valuable order we won in Germany involving technical requirements which that country, or for that matter any other, could not meet.

CONSTRUCTION

In the field of power cables underground and the erection of overhead lines the Construction Company has been exceptionally busy. Of special interest to us have been the substantial orders for super-tension cables of a higher voltage than ever before and for the new 400 kV overhead transmission system.

We have also been very busy in the Railway Electrification field particularly on the Euston-Crewe Scheme and in India.

Since the inception of the Indian Railways' 25 kV a.c. Electrification Programme in 1958 we have been awarded, against all international competition, ten successive contracts valued at many millions of pounds—a sign of continued confidence which we deeply value and do our best to justify. We have never yet failed to complete a contract ahead of schedule.

OVERSEAS AFFAIRS

Our export orders and sales effected abroad showed an increase of some £29.5 million over the previous year.

A very substantial contribution to this increase was of course made by our new subsidiaries in Australia. During 1963 real progress has been made towards the achievement of the structure and organization we finally envisage and it is my particular pleasure to pay full tribute to the magnificent co-operation we are receiving from our Australian colleagues in what is proving to be a real Australian/British partnership.

I believe Australia has a great future and that our large stake

will share fully in it and, I hope, make its full contribution to the development of that country.

We likewise retain a firm faith in Canada and Stockholders will be glad to know that after some difficult years our important Canadian company has not only achieved improved results but has also resumed dividends on its Common Stock.

Indeed a similar picture can be painted of practically all our concerns overseas growing in strength and importance with each succeeding year. Our manufacturing interests in India, Malaya, New Zealand, Pakistan, Portugal, Rhodesia, South Africa and Venezuela have all done well in spite of political and other difficulties which arise from time to time.

Competition has further intensified in most areas but through our techniques and service, we often win through. For example, following a serious fire in a Power Station in Trinidad we delivered 23 tons of urgently required cable there six days after receiving the request in this country.

We broke new ground in Europe in 1963 when we formed a European Marketing Division with headquarters in Brussels as a result of which our business is increasing at a satisfactory rate.

OUR PEOPLE

To recall the trading results for 1963 is perhaps the highest tribute that can be paid to our People and I am sure Stockholders would wish to join with their Board in expressing our warmest thanks to them all wherever and in whichever capacities they may be serving.

THE FUTURE

We have made a very good start to 1964 and, although there are uncertainties about, such as the General Election, I have no doubt that in the absence of any very exceptional circumstances we shall have another satisfactory year.

Looking further ahead we shall certainly have our problems and our ups and downs, but with its great inherent strength and, I believe, its sound progressive policy, I look forward with confidence to the continued growth of the BICC Group and to the service it will continue to render to all the peoples we are so proud to serve.

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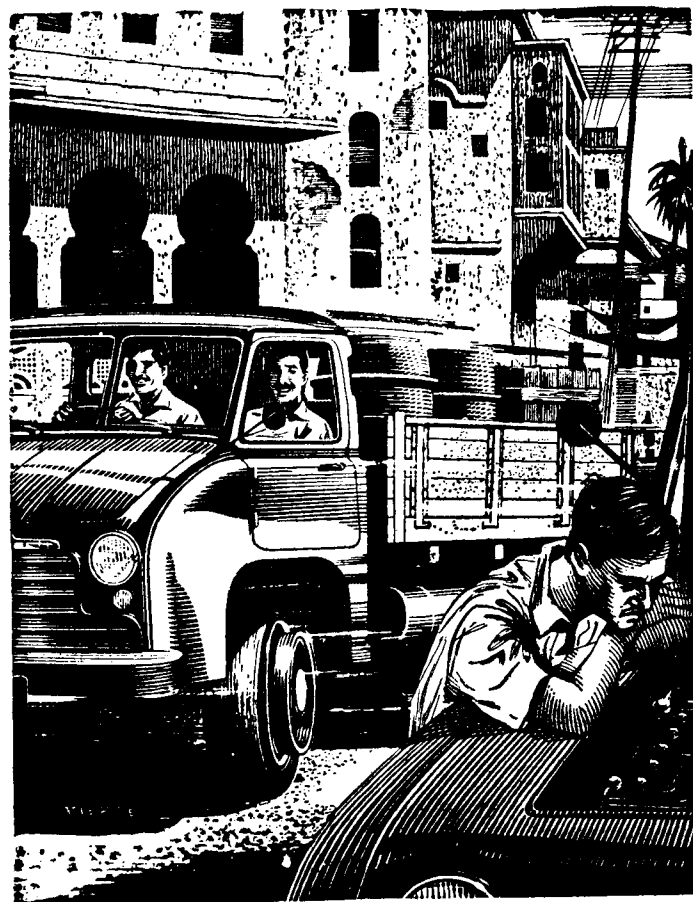
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ASIAN CABLES CORPORATION LIMITED

CHAIRMAN, MR. G. B. KOTAK'S

REVIEW

The following is the extract of the Address delivered by Mr. Girdharlal B. Kotak, Chairman, Asian Cables Corporation Ltd., at the 4th Annual General Meeting of the Shareholders of the Company, on the 30th April, 1964.

Friends,

Last year, I spoke to you that the Company was expected to show better results in the year under report. That expectation has been largely fulfilled. Though we have not been able to show the plus side in the Profit & Loss A/c., we have been able to progress very much farther than last year. With the receding threats of aggression on our country's Northern Borders, conditions in the market which were so depressing last year, have been reviving.

You must have noticed that the Company has made a small loss of Rupees Fifty-nine thousand (actual Rs. 58,962), during the year under report after providing for depreciation amounting to Rupees Six lakhs (actual Rs. 5,99,702), as against the loss of Rs. 11,52,448 last year. Your Directors are aware that the Company could have shown better results. But as they have briefly mentioned in their Report a number of factors combined together and had a cumulative effect on the working of the Company. I would like to refer to this not as an excuse, but with sincere intention to keep the shareholders informed of difficulties which a nascent industry has to face.

The large scale Chinese invasion in October 1962 on our Motherland created panicky conditions in the market and the demand suddenly slumped. The impact of this continued to be felt throughout the major part of the year under report when the economy of the country was under heavy strain.

The retardation of progress in the generation of power during the first three years of the Third Five Year Plan restricted the creation of demand. But the Plan is now gathering momentum and it is expected that it will catch up with the target in the fifth year of the Plan.

Prices of Cables

While the prices of cables remained unchanged, the rise in the manufacturing costs due to increases in prices of raw materials used in manufacturing also restricted the margin of profit.

The substitution of aluminium for copper in majority of cable lines, has to an extent slowed down the sales. There is a natural resistance from the customer to the new metal. This switch-over has naturally affected the flow of sales.

During the year the Company's products had been registered with the Government, and D.G.S. & D have now put our cables on the Rate Contract at par with the leading manufacturers who have been in this field for a long time. This is indeed very encouraging. During such short existence of our Company, we are fortunate to serve almost all types of clients in all parts of the country.

An interesting feature of the Company is the entry into Export Field. In spite of many handicaps, the Company has made a beginning in exporting our cables. Efforts are being made

CAPITAL, 7th May, 1964.

to increase the export. For this purpose, the Company exhibited the goods manufactured, in foreign exhibitions at Moscow, Kuwait and Leipzig. One of your Directors, Shri S. H. Kotak has represented our Company in these Exhibitions and he has been able to get results by securing substantial orders.

I am very happy to declare that the Collaborators have since made full payments towards their contribution, much earlier than the first call notice was issued. My special thanks are due to them on this account, as this amount has proved to be very useful towards foreign payments to machinery suppliers, pending receipt of actual import licence and sanction of loan by the Industrial Credit and Investment Corporation of India Ltd. But for this timely assistance by our Collaborators, we would not have been able to book the orders for machinery at a price which is about 15% to 20% lower than the prevailing price today; this has also enabled us to get priority in delivery of the machinery.

Expansion of Capacity

You will be happy to know that the Government has been pleased to grant to your Company during the year under review, licence for expanding the capacity of magnet wire manufacture from 360 to 1,200 tons per annum. The Company has also received a new licence for the manufacture of 500 tons per annum of paper and cotton covered winding wires and strips. We have already applied to the Government for the licence to import the equipment required for the expansion, and the import licence is expected soon. Such increased capacity is expected to improve profitability of your Company.

The building construction programme of factories for Power Cable and Magnet Wire is in full swing, and is expected to be completed by middle of July this year. No time lag is expected between the receipt of equipment and completion of the factory buildings. We expect the trial runs by the end of this year.

The Industries Commissioner, Government of Maharashtra, has already accorded his sanction for granting us additional supply of one lakh gallons of water per day. All preliminary arrangements for getting the supply are now complete and it is expected that this additional supply will be made available to us just when we go into production. The Tata Hydro-Electric Power Supply Co. Ltd., from whom we get our supply, have also, on recommendation from the Government, agreed to supply us necessary additional power.

I am really thankful to the assistance rendered by the financial institutions like the Industrial Credit and Investment Corporation of India Ltd., the Industrial Finance Corporation, and our Bankers, for their timely assistance and help whenever required. I must thank the Managing Directors and other Directors also for standing as guarantors to these institutions for the loans advanced by the financial institutions; this in itself is a considerable contribution besides the able management of the Company.

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

CAPITAL, 7th May, 1964.

New Delhi

MAHALANOBIS BODY REPORTS ON ECONOMIC CONCENTRATION

(FROM OUR NEW DELHI CORRESPONDENT)

THE first part of the report of the Mahalanobis Committee on the concentration of wealth and economic power was officially released for publication last week. It was presented to the Planning Commission on 25th February, 1964. The Committee has stated that the report should be considered as a whole, after the second part is submitted to the Planning Commission. It says:

"The conclusion seems justified that even after ten years of planning and in spite of fairly heavy schemes of taxation on the upper incomes, there is a considerable measure of concentration in urban incomes. This would also hold for rural incomes, as in their case, even the burden of taxation is not heavy on the higher ranges of incomes. It must be added that to a large extent, the phenomenon of economic concentration in the Indian economy is the result, at one end, of unemployment and under-employment and consequent low productivity a unit of labour, that is to say, of inadequate economic development rather than merely structural inequalities of a distributional character, and at the other end, mainly of deficiencies in tax compliance or of tax evasion and avoidance rather than of an insufficiently progressive tax system. If this analysis is correct, it would seem to call for rethinking of the overall strategy of development adopted during this period in relation to the social goals.

Distribution of Wealth

"The data available on the distribution of wealth indicate that there is an even more marked degree of concentration than we have found in the case of income and expenditure. Thus, the distribution by size of holdings of agricultural land is extremely unequal.

"In 1953-54, the top 1 percent of the household owned 17 percent, the top percent owned 41 percent and the top 10 percent of households owned 88 percent of all lands belonging to households; in 1959-60, these proportions were 16 percent, 40 percent and 86 percent, respectively. The bottom 6 percent of households did not own any land in either of these two years.

"A study of joint-stock companies in India shows that while the number of companies is large, a small number of companies accounts for a large portion of their paid-up capital. Thus in 1960-61, the total number of companies having a paid-up capital of less than Rs. 5 lakhs each constituted 86 percent of the total number of companies at work during that year but the share of total paid-up capital was only 14.6 percent; as against this, the companies having a paid-up capital of Rs. 50 lakhs and above constituted only 1.6 percent of the total number of companies but claimed 53 percent of the total paid-up capital. Although the increasing size of companies is by itself not necessarily an index of the growing concentration in the ownership of companies—and there is some evidence of an increasing dispersal of ownership as such—the phenomenon is conducive to greater concentration of control and economic power and we shall presently see, it has facilitated the process.

"It is also evident that the working of the planned economy has contributed to this growth of big companies

in Indian industry. The growth of the private sector in industry and especially of the big companies has been facilitated by the financial assistance rendered by public institutions like the Industrial Finance Corporation, the National Industrial Development Corporation, etcetera. Thus, as on 30th June, 1963, loans had been approved by the I.F.C. for a total of Rs. 127.7 crores.

"The number of concerns to which loans had been sanctioned was 244; 143 of these concerns were given loans of less than Rs. 50 lakhs each, the total amounting to Rs. 32.7 crores, while 101 concerns were given loans exceeding Rs. 50 lakhs, the total being Rs. 94.9 crores. Loans exceeding Rs. 1 crore each were given to 22 concerns and accounted for Rs. 34.8 crores, while loans below Rs. 10 lakhs were given to 32 concerns, the total amounting to Rs. 1.8 crores. Lending by the N.I.D.C. which totalled Rs. 3 crores up to March 1963 would also generally be to bigger companies.

"Similar details are not available for the loans sanctioned by the State Financial Corporations, which totalled Rs. 49.8 crores up to 31st March, 1962. However, loans given by these Corporations all fell in the category below Rs. 10 lakhs and would have generally assisted medium and small industry. The amount of loans which could be classified as having been made to small industry in terms of a unit with fixed assets (including capitalised value of rental premises) of equal to or less than Rs. 5 lakhs was somewhat over a quarter of the total loans, the rest being given presumably to small and medium-sized enterprises.

A Noteworthy Feature

"One noteworthy feature of some of these loans has been pointed out by the third annual report on the working and administration of the Companies Act of 1956, which we quote below in view of its relevance to the subject of concentration of economic power:

"Cases have come to notice where companies with large reserves have invested heavy amounts in shares of other companies in the same group while borrowing heavily from the Government and quasi-Government institutions. While these companies appeared to be financially sound and could have apparently met their needs for expansion or modernisation of their plant and machinery by converting their investments into cash, they have preferred to borrow from outside bodies.

"Presumably, companies have, on balance, decided to keep their voting power intact in the companies in which shares were held by them or possibly, in some marginal cases, the realisation of the investments might have resulted in losses. In some cases, however, the investments in industrial holdings have been found to be of the order of Rs. 50 lakhs matched by an overdraft from the State Bank of India for a like amount.

"The Government's policy during the plan period has been responsible in other ways as well for the growth of the private sector and in the process specially of big companies. In addition to afford-

ing a protected market and the necessary overhead facilities and maintaining a Budget policy with a mildly inflationary situation favourable to industry, the Government has been promoting the growth of private industry by extensive tax incentives. Under Section 150 of the Income Tax Act, new ventures are given a tax holiday for five years and profits up to 6 percent of the capital employed are exempted from both income tax and super tax.

"Under Section 10(2) (vi) of the Act, new companies set up after 31st March, 1954, are allowed to deduct 25 percent of the actual investment towards depreciation of plant and machinery. Under Section 56A of the Income tax Act, dividends received from companies engaged in certain specified industries are exempted from super tax; for inter-corporate investments in these industries, this concession together with the provision for income tax credit which already existed, meant that such dividends were totally exempted from taxes. There is no indication of the total tax rebate given to industries in this manner but the amount should be quite considerable. While these tax concessions and rebate promoted a climate favourable to investment by both small and big enterprises, it is evident that the latter were in a better position to take advantage of the same.

"In commenting upon the growth of capital formation in the corporate sector, it is important to indicate the extent to which this has been financed by funds other than those obtained from shareholders either by way of new issues or bonus issues or by ploughed-back profits. The overall pattern of sources of finance of capital raised by non-Government companies is indicated by the records of the Controller of Capital Issues where the distribution of consents and details of subscribed and paid up capital by types of issues (namely, initial, further, bonus, debenture and loan) are available for each of the industries.

Long-term Capital

"Such data over the period 1955-60 have been collected and analysed separately for Government and non-Government companies. The total long-term capital raised during 1955-60 by non-Government companies amounted to Rs. 468 crores. The share of capital raised through debentures was Rs. 44.7 crores (9.5 percent) while that through loans (from the World Bank, Government, L.I.C., I.F.C. and S.F.Cs) was Rs. 160.7 crores (34.4 percent). The total increase in debt thus formed about 44 percent of the total long-term capital raised, while capital obtained through the issue of shares formed 56 percent.

"Bank credit has also played an impressive rôle in financing the growth of industry during the last seven or eight years. The Reserve Bank's studies of company balance-sheets have shown that the proportion of bank borrowings to total sources of funds for all public limited companies was 14 percent during 1959-60. For small companies, this was 20 percent, while for medium and large companies it was only 13 percent. The

absolute figures for the latter were, of course, very much larger.

"The dependence of private industry on banks for financing its expansion is confirmed by a purpose-wise analysis of advances by scheduled banks. Thus, industry, which accounted for 36 percent of scheduled bank advances at the end of 1951, increased its share to 52 percent by the end of 1961 and this from a total that was nearly double that in 1951. Of the total increase in bank loans of Rs. 722 crores between 1951 and 1961, Rs. 477 crores or 66 percent was accounted for by industry, over half of the increase being shared by cotton textiles, sugar, engineering, iron and steel, and cement.

"The Reserve Bank of India has recently conducted a survey for ascertaining the extent of finance provided by banks in the form of 'term credit' to industries as at the end of April 1962. The results of the survey revealed that the total 'term credit' outstanding amounted to Rs. 103.6 crores and formed 7.7 percent of the total credit of these banks and 15.8 percent of their industrial advances. Approximately, one-half of the 'term credit' granted was in the form of medium-term loans with a maturity of over one year; the other half represented rolled-over credit consisting mainly of overdrafts and cash credits with a specific understanding that the credit would be renewed.

Main Beneficiaries

"An analysis of the bank credit thus made increasingly available for the financing of industrial expansion during the last few years shows that the main beneficiaries have been the big and medium enterprises. Financial assistance provided by commercial banks to small-scale industries (with assets less than Rs. 5 lakhs) was insignificant, amounting to only Rs. 28 crores or barely 5 percent of their total advances to industries in 1960. The meagre absolute amount of credit extended to small industry is, however, to be considered against the very smallness of this sector; the paid-up capital of small public limited companies, below Rs. 5 lakhs each, formed barely 3 percent of that of all companies.

"At the same time, there is no doubt that part of the explanation for the practically insignificant share of small industries in bank advances is the lacuna in the structure of industrial financing in terms of which the credit requirements of small industry in the unorganised sector were left to be met by non-institutional sources. It is only in the last few years that some attention has been given to this problem and the share of small industry in bank advances has increased, fairly rapidly, from Rs. 20.7 crores in the first half of 1960 to Rs. 39.4 crores by the end of 1962.

"This has been partly stimulated by the guarantee scheme for small loans operated since July 1960 by the Reserve Bank as an agent of the Government: the total amount of guarantees issued under the scheme amounted to Rs. 18.8 crores in relation to 5,098 applications by 30th June, 1963. We have still to go a long way, however, before reaching the stage when bank advances to small industry can be regarded as satisfactory either in terms of their absolute requirements (including their large non-corporate sector) or in comparison with the position of the big and medium enterprises.

"Moreover, commercial banks also increased their own holdings of shares in joint-stock companies, as the size of the companies increases. The L.I.C. which is a nationalised concern, also supports big business in private industry by its holdings of Stock Exchange securities, its total investments in this sector amounting to Rs. 92 crores as on 31st December,

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1962. The large companies and bigger enterprises have an easier access to the capital market as banks, life insurance companies and trusts besides individuals have a preference for investing in shares of large companies. Thus, the operation of the economic system, with its criteria of creditworthiness and security for lending and investment, tends to support the large and established enterprise against the small and struggling entrepreneur.

"There is, however, a compensatory element to the extent that the procedure followed in supporting the larger enterprises enables a more continuous scrutiny on their operations by the lending interests. In any case, if the pattern of growth in a mixed economy has to be a simultaneous development of both large-scale and small-scale enterprises, the regulatory measures should not take the form of withholding finance to the larger units. It is necessary, however, to eliminate unhealthy competition between large and small enterprises, and ensure an easy flow of finance to the latter.

Social Significance

"There can be no denying the social significance of the concentration of economic power that exists and has grown during the plan periods in the hands of a comparatively few individuals; and it has become possible because the ownership and investment of personal funds is not required for acquiring operational control over large segments of the non-Governmental corporate sector.

"How far this concentration can claim economic justification in terms of optimum use of scarce entrepreneurial talent, to what extent the manner in which the concentration is obtained leads to anti-social consequences, what precisely its implications are in the operation of our democracy, the implementation of the constitutional directives on economic policy and on economic development, and what remedial measures are required, are all important problems that need answering.

"Control need not be exercised only through the controlling interest's relative share in the assets of the companies through either ownership or inter-corporate investment. It can also be exercised through managing agents, common directors, and similar other forms which enable the controlling group or authority to participate actively in the day-to-day business of such undertakings.

"While the reform of company law has reduced the rôle of the managing agent in corporate affairs, within the reduced number of managing agents, the tendency is clearly visible of a strengthening of the influence of the bigger managing agents and consequently of the concentration of economic power through the exercise of managing agency functions.

"Besides managing agencies, common directors or interlocking directorates constitute another method for bringing about the concentration of economic power. Some light on the presence of this phenomenon in India is thrown by a special study of directorships in 331 companies with paid-up capital exceeding Rs. 50 lakhs each that has been made by the Department of Company Law Administration. In terms of paid-up capital, these companies account for 60 percent of the total paid-up capital of all companies at work in the country in 1956-57. The total number of directorships in the 331 companies selected for the study comes to 2,419 held by 1,502 persons acting as directors.

"However, these 1,502 persons have been found to be holding 7,366 other directorships besides the 2,419 directorships in 331 companies studied. The average number of directorships

held by a person thus came to 6.5. Of the 1,502 persons, 26.6 percent held single directorships, 53.2 percent held two to ten directorships, 14.4 percent 11 to 20 directorships and 5.8 percent more than 20 directorships. In other words, 73.4 percent of the persons acting as directors held multiple directorships and the total number of the directorships held by the directors holding single directorships accounted for about 4 percent of the total of 9,785 directorships held by the 1,502 persons.

Inter-locking of Directorships

"Thus, without even a significant share of ownership, inter-locking of directors may lead to operational control of a number of big-sized industrial undertakings by one industrial house. In this context, it is of interest to study the inter-locking between directorships of banks and non-Government industrial undertakings within the economy. For this purpose, an analysis has been undertaken in the Central Statistical Organisation of the existing inter-locking between directors and managing directors of 14 selected leading banks and the 296 large-sized non-Government public companies with a paid-up capital of Rs. 50 lakhs or more in 1959-60.

"The total number of directors of the 14 banks was found to be 148. Out of these, 73 were not associated with any major industrial undertaking, 24 were directors of one industrial house each, 37 were directors of two to four undertakings each and the rest, namely, 14 were directors of more than six industrial houses each.

"Bank advances to concerns in which the directors of the banks concerned are interested, accounted for Rs. 184 crores in 1962. This constituted 12.4 percent of the advances given by all scheduled banks. For the top 15 banks, the proportion was 14.1 percent. It is significant that this proportion is the highest for the State Bank of India.

"The banking sector itself presents a picture of a high degree of concentration. The aggregate share of the 15 top banks having deposits of Rs. 25 crores and over in total deposits of 363 Indian joint-stock banks during 1959 was 78 percent. If the Government-owned State Bank is excluded—and looking to the composition of its board of directors there is really no adequate reason for doing so—the percentage comes to 60. In stating this, we do not wish to suggest the continuance of unsound banking units merely because they are small in size. The present situation of a highly concentrated system, however, points to the need of effective steps to direct the resources of the system especially into the service of small and medium industries and business.

"Last but not least in importance in the study of operational control is the inter-linking of directorships between private corporate undertakings and Government companies. This acquires special significance in view of rapid expansion of the public sector in the form of active participation in production and distribution activities.

"There were in all 428 directorships in these 49 Central Government companies and they were held by 311 persons of whom 86 were 'non-official'. Of the 49 companies, 13 have no 'non-official' directors on their boards. In eight companies, the non-official directors held no directorships in non-Government companies. In the case of one company, a representative of foreign collaborator is on its board. Forty-two of the 86 non-official directors did not hold directorships in any non-Government company. The remaining non-official directors held 50 directorships in 27 Government companies and 334

directorships in 308 non-Government companies.

Economic Power

"Economic power is exercised not only through control over production, investment, employment, purchases, sales, and prices but also through control over mass media of communication. Of these newspapers are the most important and constitute a powerful ancillary to sectoral and group interests. It is not, therefore, a matter for surprise that there is so much inter-linking between newspapers and big business in this country, with newspapers controlled to a substantial extent by selected industrial houses directly through ownership as well as indirectly through membership of their boards of directors.

"In addition, of course, there is the indirect control exercised through expenditure on advertisements which has been growing apace during the plan periods. In a study of concentration of economic power in India, one must take into account this link between industry and newspapers which exists in our country to a much larger extent than is found in any of the other democratic countries in the world.

"In spite of all the countervailing measures which have been recounted above, the concentration of economic power in the private sector is more than what could be justified as necessary on functional grounds. It is not within our terms of reference to suggest what should be done to remedy the situation and combine economic development with a steady diminution of the concentration of economic power. Undoubtedly, an extension of the scope and intensity of countervailing measures to alleviate the incidence and offset the effect of economic concentration indicates the general direction of attack on the problem. At the same time, for devising adequate corrective measures in consonance with the economic growth objectives, more comprehensive and detailed information on the many aspects and ramifications of economic power and controls in the private sector is required than has been available to us. Such information could be collected only by a full-time agency."

BOKARO

The Russian Offer

The Central Minister for Steel, Mines, and Heavy Engineering, Mr. C. Subramaniam, made the following statement in the Lok Sabha last week on the Bokaro steel plant project: "The House has been showing great concern which I share, about the financing of the Bokaro steel plant, particularly with reference to assistance from foreign countries towards the cost of equipment to be imported. As the House is aware, after we had withdrawn the request for assistance for the project from the United States, we had planned to float global tenders on the basis of specifications drawn up by our consultants. Our intention was that on the basis of the successful tenders, we should negotiate credit from various countries. Steel plant manufacturers in various countries had shown considerable interest to participate in the tenders. We were also exploring the possibility of securing collaboration from Russia, who have extended large-scale assistance to us in a number of heavy engineering, electrical and steel projects.

"I have great pleasure in announcing for the information of this House and the country that the Russian Government has now expressed its willingness to assist India in the building of the integrated Bokaro steel plant. The first stage of the project is intended to produce 1.5 million tonnes of ingots and will have a built-in provision for expansion for

producing 4 million tonnes ultimately. The assistance which Russia has now offered will be for building the first stage of Bokaro up to 1.5 million tonnes of ingots. Credit will be provided on the same terms as for building the Bhilai steel plant.

"Further technical details have to be worked out and a contract entered into. For this purpose, a team of Russian experts will be coming over here soon. I take this occasion to express our thanks to the Russian Government for having so readily come forward to assist us in building this national project which is of such vital importance to the growth of the Indian economy. Russia has been of great assistance to India in the planning and building up of basic industries. I am confident that in many more such projects to come, we can count on their friendly assistance.

"I take this opportunity also of expressing my thanks to the various other countries who have shown keen interest in assisting Bokaro. As a matter of fact, as I mentioned earlier, some tentative proposals have been put forward for our consideration by private steel building interests in the U.S.A., the U.K., Japan, France, West Germany and Italy. I want to inform these friends abroad that Bokaro is not the only steel project which we propose to build in the immediate future. It is our intention to explore the possibilities of using these friendly offers to build other steel plants which are under study at present."

Assistance for Two Projects

A protocol was recently signed here under which the Russian Government has agreed to provide economic and technical assistance for the establishment of the following two projects: (i) compressors and pumps plant with a capacity of 16,000 tons of manufactured items a year; (ii) steel casting works of a capacity of 10,000 tons of castings a year.

The foreign exchange requirements of the projects will be met out of the Russian credit of Rs. 59.53 crores, for which an agreement was signed on 21st February, 1961.

EXPORTS

New Record

In 1963-64, there has been a further rise in total exports from Rs. 714 crores in 1962-63 to Rs. 795 crores, thus registering an increase of Rs. 81 crores in a single year. Exports are thus the highest on record. The major items showing increases between the two periods were sugar, jute manufactures and "new manufactures" accounting for an increase of about Rs. 9 crores in each case. Exports of vegetable oils (non-essential) were higher by over Rs. 7 crores followed by tobacco (Rs. 4 crores) and tanned and dressed leather (Rs. 3.5 crores). Exports were also higher amounting to nearly Rs. 3 crores each for oil-cakes, woollen and art silk manufactures. Exports of spices, cashew kernel, fish and iron ore showed almost an increase of nearly Rs. 2 crores in each case. Exports of gums and resins, fruits and vegetables other than cashew kernel and cotton textiles recorded an increase of about Rs. 1 crore in each case.

Exports were lower by nearly Rs. 4 crores for tea and about Rs. 1 crore each for essential oils, bones, raw hides and skins, mica, and coal and coke. Exports of lac, raw wool and coir manufactures were practically the same as in the previous year.

Of the total increase of nearly Rs. 9 crores of new manufactures, engineering goods accounted for Rs. 4 crores, metals for Rs. 2.9 crores, ferromanganese and footwear by about Rs. 1 crore each. Exports were also higher for cement, chemicals and allied products and plastic goods. Japan's increased purchase of iron

and steel scrap resulted in a rise in exports. Exports of sewing machines and electrical fans have, however, shown moderate declines.

COMMERCIAL ARBITRATION

Report of Expert Body

The need for inclusion of a clause for arbitration in all foreign trade contracts between Indians and nationals of other countries has been stressed by the Committee on Commercial Arbitration. Such a clause will help ensure smooth business relations and afford opportunities to expand India's trade. The Committee has, however, said that it would not be advisable to provide for the compulsory inclusion of an arbitration clause in foreign trade contracts by statute. Continuous efforts should be made to publicise the benefits of and facilities for arbitration so that the provision for arbitration is universally adopted in all foreign trade contracts.

The Committee was appointed by the Government of India in April last year on the recommendation of the Board of Trade with Mr. B. T. Merchant, Government solicitor, as its chairman, to review the existing arrangements for arbitration in commercial disputes arising in the course of foreign trade and to recommend appropriate measures for their improvement so as to facilitate the development of India's export trade on a sustained and enduring basis. The Committee has now submitted its report to the Government.

To minimise the scope for disputes, the Committee has suggested that a model contract form containing provisions which are usually found in most foreign trade contracts and a provision for arbitration for the settlement of disputes should be evolved. A draft of a model contract form has been given which may be adopted with necessary modifications to suit the different trades. The Committee has recommended that, pending international agreement on the criteria for the determination of the venue of arbitration in international trade disputes, the country of the defendant will provide a fair and reasonable basis as the venue of arbitration.

The formation of a central organisation, which may be named "The Indian Council of Arbitration" and which should be mainly representative of all the organisations in India offering facilities for arbitration in foreign trade disputes has been suggested. In the initial stages, it should concentrate more on developmental and promotional aspects of arbitration in international trade with a view to making arbitration universal. It should also be vested with authority to establish arbitration facilities under its own auspices. The question as to when and in relation to which commodities it should arbitrate should be left to the discretion of the Council. The Committee suggests the calling of a joint meeting of all the existing "arbitral" organisations in India in consultation with the Federation of Indian Chambers of Commerce and Industry, to determine the constitution and functions of the Council.

As disputes in foreign trade generally arise on grounds of non-delivery, delayed delivery, short delivery, non-payment of bills and commission, defective quality and non-compliance with specifications, it has recommended that efforts be made towards elimination of such disputes by providing a code of conduct for exporters, registration of exporters in relation to products for which some export promotion schemes is in existence and by the implementation of pre-shipment inspection and quality control measures.

The Committee has also suggested the establishment of testing laboratories in important trade centres, which could issue certificates that the goods satisfy the specifications of the contract. The Government, the report says, should try and provide a clause in all trade agreements with foreign countries that such a certificate should be accepted by arbitration bodies.

The report suggests that the Government might consider authorising their commercial representatives abroad to investigate small claims made by the foreign parties in international trade disputes for amounts not exceeding Rs. 5,000 when an amicable settlement is not possible within a reasonable period. The commercial representatives should also suggest to the foreign "arbitral" organisations, in countries with which India has a substantial foreign trade, that their panels of arbitrators should include the names of qualified and competent Indians resident in those countries.

The Committee has proposed that since India has now adequate arbitration facilities, efforts should be made for the transfer to India of the venue of arbitration from foreign countries where it now exists on account of historical reasons. A thorough study of the arbitration laws of different countries and the rules of different arbitral organisations should be undertaken by the proposed Indian Council of Arbitration and it should, in consultation with foreign arbitral organisations, attempt to evolve model rules and procedures which would be generally acceptable.

To avoid chain arbitration, the Committee has suggested that "efforts should be made to persuade the trade organisations to provide in the contracts between the manufacturers and their purchasers who purchase goods for export that the manufacturers would abide by the award or decision that may be given in a dispute between the exporter and the foreign importer concerning quality or other matters where the dispute has arisen on account of the fault of manufacturers."

The Committee has recommended that the Government should grant adequate foreign exchange in time to enable Indian parties to conduct arbitration and litigation abroad. Where firm contracts have been entered into before any increase in export duty, the Government, the report says, may consider the question of giving adequate relief to the Indian exporter to avoid a dispute.

The Committee has also recommended that Section 3 of both the Arbitration (Protocol and Convention) Act, 1937, and the Foreign Awards (Regulation and Enforcement) Act, 1961, should be suitably amended to obviate the necessity of having a further submission before the provisions of the said section can be invoked. The report was considered by the Board of Trade at its meeting on 5th May, 1964.

MACHINE TOOLS

The Working Group Report

The working group for machine tools manufacture during the fourth plan has, in an interim report, estimated that the demand for machine tools during the entire fourth plan period will be of the order of Rs. 372 crores. The demand for other metal working machinery and accessories is estimated at Rs. 74 crores. This is understood to have been disclosed at a meeting of the Development Council for the Machine Tools Industry held here last week. The annual estimates of demand for machine tools have been placed at Rs. 53 crores for 1966; Rs. 62 crores for 1967; Rs. 72 crores for 1968; Rs. 85 crores

for 1969 and Rs. 100 crores for 1970. The corresponding annual estimates for other metal working machinery and accessories are Rs. 11 crores, Rs. 12 crores, Rs. 14 crores, Rs. 17 crores and Rs. 20 crores, respectively.

The group has said that this is only "a broad indication" of the requirements of machine tools during the fourth plan period, based on the data made available. The estimates are based on certain assumptions and they can vary considerably, depending on various factors that influence industrial development as a whole, such as the availability of raw materials and the limitations of foreign exchange. It will, therefore, be necessary to review the requirements periodically—at least once a year.

In order to plan the development for individual items of machine tools, it will be necessary to work out the requirements of machine tools, at least groupwise. This question is now being studied, and the working group proposes to submit specific recommendations and groupwise requirements in its final report.

The working group has recommended that at least 75 percent of the requirements of machine tools should be met indigenously by the end of the fourth plan period. It has pointed out that the present level of imports of machine tools is still as high as 60 percent of the total consumption. The import level, it is suggested, should be brought down to about 25 percent of the total consumption.

Indigenous Manufacture

Accordingly, the target for indigenous manufacture of machine tools by 1970 has been put at Rs. 75 crores, against the total estimated demand of Rs. 100 crores. For the programme of indigenous manufacture, the group has recommended a capacity target of Rs. 50 crores for the public sector (made up of Rs. 40 crores for the H.M.T. and Rs. 10 crores for the Heavy Machine Tools plant, Ranchi and Praga Tools, Andhra Pradesh), and Rs. 45 crores for the private sector by the end of the fourth plan. The group has stated that this high target for the manufacturing capacity has been recommended as experience has shown that capacity has to be planned far in advance for achieving the production targets. The higher manufacturing potential will also be able to make good any shortfall in manufacture and to meet any additional demand that may arise. It will also provide capacity for reasonable exports by firms better equipped to do so.

Referring to the current level of production of machine tools, the working group has noted that the annual increase in output in the first three years of the third plan has been about 29 percent, 37 percent and 23 percent, respectively. The output in the final year of the third plan will be Rs. 33 crores, against the target of Rs. 30 crores, provided adequate foreign exchange is released immediately for essential capital equipment; otherwise, there is likely to be a shortfall in production. The group has made certain specific recommendations on the immediate action the Government should take for both attaining the target of production during the third plan and for initiating action on further development of the industry during the fourth plan.

KOREA

Trade Pact Signed

A trade agreement between the Republic of Korea and India was signed here recently. The arrangement contemplates the expansion of trade, provides for the exchange of commodities consisting mainly of

such non-ferrous metals as zinc and lead and tungsten ores and concentrates from the Republic of Korea and engineering goods, machinery, ferromanganese, chemicals, pharmaceuticals, etcetera, from India.

TELEGRAMS

Rates Revised

With effect from 1st May, 1964, the rates of telegrams to the Commonwealth countries have been revised. The revised rates are 80nP a word in the case of ordinary telegrams, whether Government or private. For letter telegrams, the revised rate is 40nP a word. Urgent Press telegrams are also to be charged at 40nP for every word. The rates for other categories of telegrams will be revised on a pro rata basis. In the case of ordinary Press telegrams, however, the rates will remain unchanged, namely, 6nP a word.

FAMILY PLANNING

New Ford Foundation Grant

A grant of \$594,800 for India's family planning programme has been announced by the Ford Foundation. The award, covering a five-year period, has been offered to the Central Ministry of Home Affairs to aid in financing research, demonstration, and training work in the population statistics field. The Foundation's aid to India's family planning programme thus far totals over \$4.2 million. This is in addition to related health programme assistance of over \$1 million since 1956.

The grant will help the Registrar-General of India to improve population statistics methodology, carry forward training and demonstration aspects of vital statistics, and develop a sample registration pilot programme. In addition, the grant provides partial support for pilot population research units and sample vital statistics registration projects in seven States. Under the programme, improved methods for collection, tabulation, and analysis of population data will be developed and demonstrated, with a view to aiding the estimate of population in various parts of the country.

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REFORMING THE U.K. FISCAL SYSTEM BY DEGREES

(FROM OUR LONDON CORRESPONDENT)

IT was hardly to be expected, in view of the political situation and the uncertainty of the outlook, that the Chancellor of the Exchequer would risk causing more disorganisation than was absolutely necessary in presenting a pre-election Budget. In the event, Mr. Maudling decided to play safe. He courted a certain measure of unpopularity with his minor tax proposals, but on the whole, the Budget aimed at doing little more than holding the limited progress made in the last few years and taking the necessary precautions against a setback. Indeed, in some quarters, it is felt that the Chancellor has been overcautious and that he might well regret this before the year is out.

The Finance Bill, just published, lends support to this reading of the situation in one sense at least. For in it the Chancellor seeks powers to use the 10 percent tax regulator in a more flexible form—so that he has more room for manoeuvre according to the way in which the balance of payments situation develops and as a safeguard against inflationary tendencies making their appearance.

As it stands, the "regulator" must apply to Customs and excise duties and purchase tax as a whole. Mr. Maudling wants to be able to apply it selectively. The four major blocks of indirect taxation are tobacco, alcohol, petrol and purchase tax. Under the Bill, the Chancellor will have power to vary the tax on any one or more of the four without affecting the others. For instance, he could raise petrol and purchase tax in the autumn while leaving the drink and tobacco taxes at Budget level. By the same token he could, of course, take 10 percent off.

With possible pre-election tax changes in view, M.P.s will take special

note of the timing clause in the Bill. The Bill provides that in reckoning the period of 21 days in which an order must be approved, no account will be taken of any time during which Parliament is dissolved or prorogued. Tax changes made during the summer or autumn could remain effective even though there was no opportunity for the Commons to approve them until the General Election had come and gone.

Charity Pools

Pools run in aid of charity or sports clubs are to be exempt, according to the Bill, from the 25 percent duty on coupon betting which comes into effect on 3rd August. This relief will be strictly administered. It is confined to "the amount of any benefit accruing from the betting to a society established and conducted for charitable purposes only, or to a society established and conducted wholly or mainly for the support of athletic sports or athletic games and not established or conducted for purposes of private gain." The exemption of invalid vehicles from licence duty is to come into effect on 1st September. It will apply to vehicles with special controls eligible for Ministry of Health grants.

The sections of the Bill which will be most closely studied are the highly technical ones dealing with tax avoidance. Surpluses derived by companies from mutual trading are to be taxed. The use of what the Chancellor has described as "leasing devices" is to be checked. There would appear to be plenty of room for argument in the complicated definitions by which the Bill seeks to safeguard the revenue against these practices.

There will be complaints that the Chancellor, with legislative time to

spare in the two months ahead, could have amplified the Bill with some "tidy-up" proposals in the tax field. This is a valid criticism, except for the fact already indicated that wholesale reforms at this juncture might not prove particularly popular, and in some respects might be quite difficult to get through the legislative process. In any event, politicians of all parties will no doubt welcome a respite from activities in the House so as to leave them freer to establish a closer relationship with their constituents.

So far as tax avoidance and its prevention are concerned, the Chancellor has been at pains to take action on two fronts: legislation to tax surpluses "derived by companies from mutual trading," and action to prevent loss of revenue as a result of leases being arranged at "artificial rents." This second offence has been considered by the authorities as a serious form of tax avoidance. Two principal devices were outlined by Mr. Maudling. One is for a trader who owns business premises to lease them for a long period to a dealing concern, in consideration of a premium which is not taxable, and to take a lease back from the dealer.

The first few years' rent would be "sufficiently excessive" for the dealer to recoup the premium, but the rent was then deductible by the trader for tax purposes and he was able to set against it the "countervailing diminution" in value of the lease, so that little tax is payable. The revenue suffered a loss and, in addition, the lease could be determined prematurely and the device repeated with the same property. The other device described by the Chancellor concerned new plant leased to a trader with rent loaded into the early years sufficient

to cover the capital cost of the plant. The rent for the later years was trifling, so that when the high rents had been paid and allowed for tax purposes, the trader had the right to use the plant for the rest of the lease at little cost. This right could also be sold for a non-taxable sum. Mr. Maudling made it clear that his proposals in the Finance Bill would be designed to stop a profit being made by avoidance schemes, and not to penalise normal leasing arrangements.

The other piece of legislation on tax avoidance outlined by the Chancellor was the taxing of profits made by companies for mutual trading. This had been the intention of the 1963 Finance Act, but the Radcliffe Commission had pointed out that a court decision had opened up the possibility, which was being exploited, of abusing the present position for tax avoidance. The authorities estimate that the annual yield from this new tax will be about £5 million in the full year, but clearly more importance is put on it as a method of preventing loss of tax revenue. The position of the ordinary co-operative society will not be affected.

Company Trading Profits

Another matter referred to by Mr. Maudling in his Budget speech has been taken a step further by the publication of a White Paper giving details of a plan for taxing company trading profits which would get rid of some anomalies in the present system. It has been devised by the Inland Revenue. Publication has been arranged to enable business men and their advisers to form an opinion about the plan's merits. Public reaction will be gauged before a decision is taken by the Government on whether the scheme should be adopted. The scheme's essence is that income tax assessments on the trading profits of a company would be made for the period to which the company made up its accounts and would be on the profits for that period. Assessments would no longer be made for "years of assessment."

Complications which now arise at the start of trading, the same profits being assessed for more than one year of assessment, and at the end, some profits being left out of assessment, would disappear. The tax would be charged at the standard rate for the next income tax year. If an accounting period fell wholly in a year of assessment, 6th April to 15th April, the profits of the whole period would be charged at the rate for the next year. And if an accounting period straddled a year of assessment, the profits of the parts falling into each year of assessment would be charged in one assessment at the respective rates imposed for the next.

The tax would be due nine months after the end of each accounting period in the case of new companies. For existing companies whose accounts have been and continue to be made up for 12-monthly periods, the due date of payment, 1st January in the year of assessment after that in which the accounts year ends, would be unchanged. If a shorter account is made up, the due date would be advanced accordingly. On a longer account, the first 12 months would be treated as one accounting period, tax payable on 1st January. The balance, if not longer than 12 months, would be treated as a separate accounting period with the tax payable correspondingly later. Introduction of such a scheme would mean for existing companies that they would not get the benefits of the provisions under which at present, when a trade ceases, the profits of some period fall out of assessment. Accordingly, the scheme provides a compensating "cessation allowance" to be given when an existing trade comes to an end.

PAKISTANI INDUSTRY EXPANDING CAPACITY RAPIDLY

THE Pakistani jute industry has been expanding its capacity rapidly. The average number of looms operating rose from 8,120 in 1961-62 to 8,837 in 1962-63, while the output increased from 271,081 tons to 298,161 tons. During the eight-month period ended February 1964, 9,781 looms were in operation producing 214,767 tons of gunnies. This represents an impressive rise compared with 8,728 looms and 195,126 tons for the corresponding period a year ago. At the February level of operation with 10,660 looms—the capacity is scheduled to expand further, and at a faster rate—the annual output will be over 308,500 tons, which is about 23.7 percent of the third plan target for the Indian jute industry, with its installed capacity of about 70,000 looms in January 1962.

At first, Pakistan concentrated on producing heavy goods. But gradually she has been installing hessian and carpet-backing looms. With the acquisition of skill, she seems to be devoting equal attention to the production of finer goods as well. In 1961-62, she produced 72,607 tons of hessian and 186,372 tons of sacking. The corresponding figures for 1962-63 were 84,540 tons and 203,873 tons, respectively. For the eight-month period ended February 1964, the comparable figures are 60,815 tons and 146,162 tons, against 55,138 tons and 133,744 tons for the eight months ended February 1963. In India, I.J.M.A. statements show that the output of mills reporting to the Association rose fractionally from 790,250 tons for the eight-month period ended February 1963 to 811,210 tons for the corresponding period of 1963-64. The production of hessian rose from 336,040 tons to 348,240 tons, and of other goods, including carpet-backing cloth, from 96,530 tons to 134,220 tons. But the output of sacking declined from 357,680 tons to 328,750 tons. Thus despite large-scale modernisation and diversification, the pace of growth has been slow in India, compared with that in Pakistan. It is time proper measures were taken to place the Indian industry on a secure and competitive footing.

Mill for West Pakistan

Because of the high cost of transporting gunnies from Chittagong and Chalna ports in East Pakistan and long delays and uncertainties, big fluctuations take place in gunny prices in Karachi and other industrial centres of West Pakistan. So steps have been taken to produce gunnies in West Pakistan. Recently an agreement was concluded between the West Pakistan Industrial Development Corporation and a leading house of gunny manufacturers for setting up a 500-loom jute mill in Jaranwala in the Lyallpur district of West Punjab at a cost of Rs. 3.14 crores. The entire output of the mill will be consumed internally. Initially, raw jute supplies will be procured from East Pakistan. But later jute will be grown in the area.

Already, it is claimed, the experimental production of jute has yielded satisfactory results in certain irrigated tracts of Sind in the Ghulam Mohamed Dam region. Little difficulty is expected in getting labourers—skilled and semi-skilled. The cotton textile mills in West Pakistan have an efficient labour force.

In spite of the slack offtake in recent months, total forward purchases of hessian by the U.S.A. at the end of March 1964 stood at 97.06 million yards, which was equivalent to 1.31 month's consumption at the level of offtake for that month. Of this, 56.42 million yards were for April-May and 40.63 million yards for June and later months. Of the total purchases, 78 percent (75.66 million yards) were from India and 21.7 percent (21.06 million yards) from Pakistan. India's share in April-May contracts was 83.3 percent (47 million yards) and Pakistan's 16.2 percent (9.12 million yards). For June and later deliveries, the Indian share declined to 70.5 percent (28.66 million yards), while the Pakistani share rose to 29.4 percent (11.94 million yards).

Argentine Demand for Hessian

Excellent crop prospects in Argentina and bigger gunny offtake this year have led trade circles to feel that the consumption of jute bags will appreciably increase in that country. Argentine gunny inventories, both with the Government buying agency and bag-makers, were not adequate early this year. The country's projects for building silos at strategic railheads and inland river ports for the bulk storage of grains suffered a severe setback due to the recent political disturbances. So Argentina has been stepping up her hessian purchases since the beginning of 1964. Out of the 96.4 million yards of hessian shipped from Calcutta to South American destinations during the first quarter of 1964, an overwhelmingly large percentage is reported to have been absorbed by that country. Despatches to these destinations during the comparable period of 1963 were only about 45.7 million yards. As against 174.6 million yards shipped to River Plate ports in 1963, local shipper

circles believe that over 350 million yards may be exported this year.

Survey of Labour Disputes

The Socio-Economic Research Institute of Calcutta has completed a survey of industrial relations in the West Bengal jute industry during the second plan period. The survey was sponsored by the Planning Commission and assisted by the Government of India with a grant of Rs. 35,000. The report will, it is expected, be submitted to the Planning Commission in July. It has tried to analyse the incidence, nature, causes and effects of industrial disputes in the jute industry and the rôle of the Government conciliation machinery in handling them. The administration of the Industrial Disputes Act has also been studied. About 25 jute mills were selected and the enquiry was conducted at various levels, including management, labour officers, individual workers, the trade unions in the mills, central labour organisations and the Indian Jute Mills Association.

THE JUTE MARKETS

Manufactured Goods: Hectic covering by shorts against their open positions because of due-date considerations, the reluctance of bulls to yield ground in the hedge market and scattered local buying in the spot section for end-month shipments helped a smart rally in the Calcutta market during the past week. Although the lead was provided by heavy goods, hessian also improved in sympathy. All due-date transactions were completed smoothly. Barring scattered business of a routine nature with the U.S.A. and the Argentine, generally for ready and near positions for comparatively small lots, and an enquiry for two million metres of hessian from Turkey, there was no report of any over-

seas business. Although shipping instructions were reported to be poor, all end-April vessels carried sizable consignments of jute goods. The improvement in the port situation was well maintained. Sufficient bottoms were declared for mid-May and end-May sailings to Australia, River Plate destinations, East and West Africa and Mauritius. Sacking closed with a comfortable gain after wide fluctuations, while hessian finished with a marginal improvement on balance. Turnover in heavy goods was fair in the futures market and moderate in the spot market. In hessian, transactions were moderate in the former and small in the latter. The undertone was buoyant in sacking and steady in hessian.

Wednesday's quotations were as follows:

	May	June	July-Sept.	Oct.-Dec.
40in. 7joz.	33.70	33.85	34.25	34.20
40in. 8oz.	36.30	—	—	—
40in. 10oz.	45.90	46.05	46.40	46.35
B Twills	115.85	115.50	115.95	116.10
Cornacks	116.75	117.00	117.25	117.50
Heavy Ceers (Plain)	116.00	115.25	115.50	115.50
A Twills	135.75	136.50	137.50	138.50
Liverpools	129.00	129.00	129.50	129.50

Raw Jute: Divergent trends prevailed in the raw jute market during the past week. A sharp decline in the availability of selected grade jute caused it to firm up as holders were inclined to squeeze higher prices for their limited stocks. Reports of good crop conditions in the early-sown low-lying areas of the jute-growing districts and brisk soil-operation work following the April and early-May showers caused nervousness among holders of lower-grade jute and mesta. These went abegging even at a discount from the operational minimum levels. Mills were inclined to complete their quota for the four weeks ending 9th May by lifting better-grade fibre. Arrivals in the agencies and in the Cossipore market declined appreciably. In the hedge market, Upper Assam White Bottoms for June enjoyed brisk bear support at the lower levels, and the price firmed up after wide fluctuations. Bulls booked profits at the bulges and bears had to yield further ground to cover their open positions. Turnover was fair in the hedge market and small in the spot market. Undertone was steady in quality grades—spot

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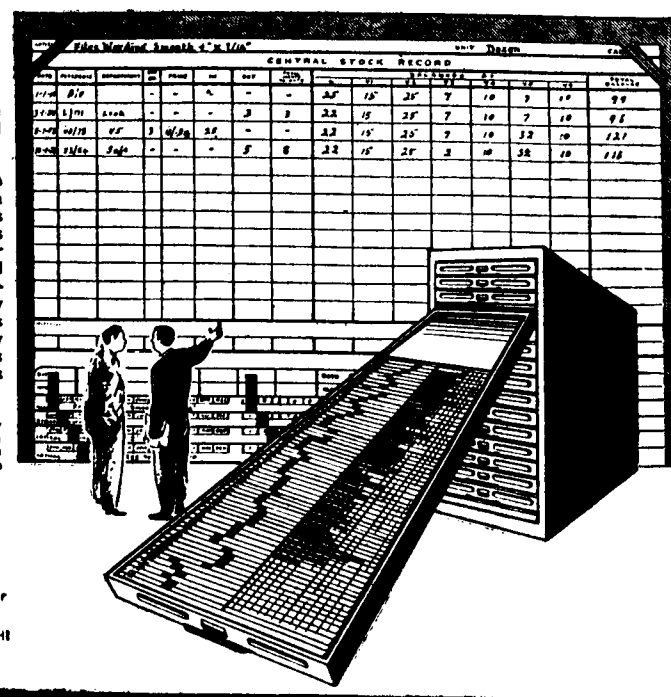
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and futures—and easy in lower-grade fibre and mesta.

Wednesday's quotations were as follows:

	Landed at Mills (Basis Bottoms)		T.S.D. Minimum Prices	
	Current Prices		Rs.	Rs.
	Rs. A. Qu.	Rs. A. Md.	Rs. A. Qu.	Rs. A. Md.
Assam-Agartala				
Jute	84.39	31.50	80.38	30.00
Northern Jute	81.72	30.50	79.04	29.50
Western Desal				
Jute	76.36	28.50	73.68	27.50
Selected				
Daissee	89.75	33.50	85.74	32.60
Assam-Agartala				
Tossa	85.74	32.00	83.05	31.00
Mesta:				
Assam:				
Northern	68.32	25.50	72.34	27.00
Local Daissee	68.32	25.50	72.34	27.00
Bihar Dist.	64.30	24.00	68.32	25.50

THE U.K. JUTE MARKETS

FIBRE INACTIVE

(FROM OUR DUNDEE CORRESPONDENT)

THE raw jute market in Pakistan was very quiet and a further reduction in the E.P.C. values of the higher grades of white jute took place last week. This made no difference to the position in Dundee as no offers of the top qualities were made. Dundee spinners showed no interest in shipment parcels, but a small movement continued to take place in jute ex warehouse. The prices paid covered a wide range depending on the quality of the fibre and not on the grade it is supposed to represent.

Although the new crop in Pakistan continues to make good progress, very few offers were made. Mill Hearts were named at £93, c.i.f. U.K. but the quantity available was very small. However, spinners were in no hurry to place contracts for forward shipment because the market remained weak.

Old crop offers were at £139 for Mill Firsts, at £109 for Mill Lightnings, at £94 10s for Mill Hearts and at £79 for Grade Hearts, c.i.f. U.K. for May-June shipment. Grade Tossa-3 was available at £123 10s and Grade Tossa-4 at £105. Dacca Tossa-6 was at £107 10s. Prices of Output Tossa-3 were very irregular with the lowest rates at £91 10s and at £81 for Output Tossa-4 May-June. Cuttings were also tending easier with offers at £59 for S.N.C. and at £50 15s for N.C. Mesta was named at £85 for A, at £75 for B, at £67 for C and at £49 for cuttings, c.i.f. U.K. for May-June shipment. Offers of Siam jute continued to be made in Dundee, but spinners were showing no interest.

Mesta was at a more attractive price and quality better. Prices are at £77 for grade A, at £69 for grade B and at £66 grade C, delivered mill Dundee for May-June shipment.

Very little change took in the Calcutta goods market of late. Some buying interest was shown here and a small business took place. Quotations were at 69s 6d for 40in. 10oz. and at 51s 3d for 74oz. a 100 yards f.o.b. Calcutta for May shipment, at 69s 8d and 51s 6d June and at 70s 2d and 51s 11d July-September. B Twills were at 174s 3d, 17s 6d and 17s 8d for the respective shipment periods.

Prices of Dundee jute yarns were raised two weeks ago, and very little buying has taken place since then. However, spinners are very busy with previous orders and so far, they are refusing to accept less than their quoted rates. Buyers are remaining out of the market because of the weakness in the raw material position in the hope that yarn prices will be reduced to their former levels.

Commodity Markets

OPEN AUCTIONS FOR COFFEE WELCOMED

(FROM OUR SOUTH INDIAN CORRESPONDENT)

THE reintroduction of open auctions for export coffee by the Coffee Board has been enthusiastically welcomed by planting circles. According to them, the industry can reasonably hope for a general improvement in coffee prices and a better return to the producer as a result of this change in the sale policy. Open auctions were reintroduced by the Board last month. The results of the two sales held since then are considered encouraging. The system in vogue previously was closed bid tenders. Internal sales are through closed bids still, but the Board has raised slightly the minimum release price in the internal market with a view to helping the growers who think that they are not getting a reasonable price for their coffee.

The coffee industry in India is in need of rehabilitation. Much of the present stand goes back in age well into the last century and, like tea, these wasting assets call for vigorous overhaul in order to reestablish their economic value and ensure an increase in production. Mr. W. S. Massey, chairman, Nilgiri-Wynaad Planters Association, has drawn attention to this pressing need of the industry in the course of his address at the recent annual general meeting of the Association. The coffee plant is a delicate shrub and the lessons of the old days must not be forgotten or ignored. Ceylon lost all her coffee in the last century to the leaf disease, *Hemileia Vastatrix*, within five years of the advent of the disease in the island as did Wynaad and some other districts of south India. In the Nilgiri-Wynaad district, coffee went out almost completely when the planters of those days turned to gold mining, cinchona and at last tea growing. The chairman appealed to all those concerned with pest control to keep a constant watch on the old as well as new pests and diseases and take effective measures to bring them under rigid control.

Another prominent figure in the coffee planting industry, Mr. J. N. A. Hobbs, chairman of the Ouchterlony Valley Estate, said the other day while addressing the annual general meeting of his Company that an insistent export maximisation policy was admittedly inescapable, but mere exhortation might achieve little unless the coffee industry's overall rehabilitation needs were properly assessed and an energetic working plan introduced. According to a recent estimate, the industry would require about Rs. 30 crores over a 15-year period to rehabilitate and modernise its field assets and the processing and handling facilities. World prices were rising. The ability to take advantage of the increasing export quota and to meet the rising domestic demand would depend on how quickly the industry could be rehabilitated. Drought earlier this year seemed to have weakened the crop prospects in certain planting districts. The incidence of Borer has also increased in some areas, in spite of wider application of insecticides.

Mr. W. S. Massey counselled moderation when planning the future yield potential of coffee because factors like the "providential rains" played a very important rôle in determining the size of the crop. "In planning for future crops and increases expected from better use of

fungicides and pesticides, their increased availability for their respective purposes, the further and intensive cultivation and extension in the traditional areas, non-hindrance by forest laws in shade regulation and judicial uses of the manure bag and this ever dependent factor of the rainfall pattern must be taken into consideration", he added.

TEA

Rise in Output

Referring to tea, Mr. Massey said that it was anticipated the Indian output of tea would rise to 1,000 million lbs by 1970. It was also felt that south Indian production would exceed 200 million lbs by the end of 1965, representing an 11-per cent increase over the 1962 figure. "In other competitive countries like Africa, the production capacity is designed or geared to methods, organisation and machinery, compared with which the plantation industry in India might be an old model. The lessons learnt and production techniques evolved over a hundred years of planting in India and Ceylon, is finding fruition in other producing countries today," he said. Most of the estates in India who still have large areas of uneconomic tea with low yields have to be more than doubled up to be made worth while.

Referring to complex labour legislation, he said that "the planters were not getting sufficient time to discharge their duties in this field because the trammels of bureaucratic procedure chained them to their office desk for hours during the day and often at night. Given the planter, manager and his assistants more time without hindrance or obstruction in the field and the factory of his estate in order that he may directly come to grips during most of his working day with the field requirements in the raising of his crops in this all out drive for increased production on which our prosperity and our very survival in the future depends", he added.

Good Prices for Quality Grades

A Special Correspondent writes: While larger crops are expected from north India this year, some members of the trade hold the opinion that quality teas will continue to receive good support. Last week's tea sales in Mincing Lane, London, lend support to this view, for, with only 11,594 packages of Indian tea on offer, strong general demand continued on the lines of last Monday's sale, with prices for bright liquoring tea moving in sellers' favour.

On the other hand, the results of the Murphalani Tea Company were published on 28th April. This is a sound Assam Company manufacturing tea above average, yet the accounts for the year ended 31st December, 1963 disclosed that the profit was down from Rs. 5 lakhs in 1962 to Rs. 1.90 lakhs. The dividend marks a like fall from 25 percent to 17½ percent. The crop, in common with the district, as a whole, was lower, but the main feature was that the price realised was only Rs. 6.82 a kilogram, against Rs. 8.41 a kilogram in the previous year. The actual crop was only 1,695 quintals,

CAPITAL, 7th May, 1964.

and the estimated output this year was 1,800 quintals.

The cost-price spiral continues to be a serious problem, particularly in the tea districts where the prices of raw materials continue to rise and add to production costs. Larger crops should mean lower costs, but at the moment, this is largely neutralised by low commodity prices.

Crop figures available to date show that north India had made 20.2 million lbs, compared with 21.3 million lbs at the same date a year ago, but Ceylon continues to advance and registered 73.8 million lbs against 66.1 million lbs last year. East Africa also marks an advance at 25.6 million lbs, compared with 20.2 million lbs.

The drinking habits in the U.S.A. and Britain provide some contrast. Whereas the youth in Britain are moving away from tea to beverages with a kick, the youth in the U.S.A. is reported to be taking to more tea—to iced tea, although hot tea is not doing well. The tea distribution trade in the U.S.A. finds the promotion of hot tea propaganda an unsolved problem, but it is still trying. During 1963 the sale of instant tea increased by 37 percent from 1962, but the figure in absolute terms has not been disclosed.

The tea drinking appeal to the youth in the U.S.A. is said to be producing good results and might be followed in the U.K. with advantage. India's tea exports to the U.S.A. last year totalling 14,502,000 lbs compared with 15,678,000 lbs in 1962 and 15,912,000 lbs for the 1961-62 season.

COTTON TEXTILES

Prospects for Extra Long Staple

World production of extra long staple cotton may rise to about 3 million bales in 1970, compared with an average of 2.4 million bales in 1960-62. But if consumption is to be stimulated sufficiently to match this 17 percent rise in output, prices may have to fall by around 22 percent. These forecasts are made in a report prepared for the International Cotton Advisory Committee which has recently been published. The authors admit that their projections of both prices and production are based on assumptions that may not all prove to be correct. But in view of the present trends, they believe the returns to cotton producers must be expected to decline sharply. For this reason, they suggest the producing countries may wish to reconsider their plans for future production of extra long staples.

The price forecast assumes that exports of extra long staples to eastern countries will continue to increase at the same rate as they did from 1950 to 1962, reaching a level of 1½ million bales in 1970. If, instead, exports to the Eastern block fell to 1 million bales the quantity of extra long staples available to western countries other than India would be about 1½ million bales—an increase of roughly 75 percent over the quantity consumed in 1962-63. Such a large increase probably would not be used by mills in western countries unless prices dropped very sharply, the report says.

The world crop of extra long staples had more than doubled in two decades since the early 1940s. But since the mid-1950s, the increased production has been absorbed in the world market only at steadily declining prices in relation to prices for other growths of cotton, and exports to the Western countries "have virtually stagnated" in the past 20 years at an average of about 1 million bales annually.

CAPITAL, 7th May, 1964.

Books

BEFORE THE INDUSTRIAL REVOLUTION

England on the Eve of the Industrial Revolution. By Louis W. Moffit. (Published by Frank Cass, Indian agents: Rupa and Co., 15, Bankim Chatterjee Street, Calcutta 12. Price 45s.)

Louis Moffit covers a panorama of economic conditions in the gestation period of the Industrial Revolution in England between the years 1740 and 1760, with special reference to Lancashire in a forthright manner. The book is divided into two parts, and is eminently readable. The first deals with agriculture, and the second with industry and commerce. Although termed a revolution, the industrial changes that swept through England did not take place at any one point of time, but was spread over a few decades that resulted in a change in the social and economic structure of the country so vast that it justifies the term "Revolution". The first half of the eighteenth century was a period of gestation and not of stagnation. New ideas fostered by a spirit of enquiry and new needs were being constantly fed into the boilers of time and the pressures generated by England's growing importance in Continental and overseas trade and the demand for English manufactures could not be contained within the limits imposed by the existing social and economic framework. The latter half of the eighteenth century saw the adaptation of this framework to new requirements. Louis Moffit presents the reader with a study of conditions that existed in this transitional period of adaptation.

The Industrial Revolution in England is by way of being a classic among the industrial revolutions of the world, and it is interesting to compare its genesis with the beginnings of industrialisation in India. The latter half of the seventeenth and the first half of the eighteenth centuries were the age of Addison, Steele, Swift and Defoe who expressed their intellectual dissatisfaction with the society of their times. Commerce was expanding and new methods of manufacture and better and speedier methods of communication were becoming necessary. The profits that were available in trade and commerce promoted further research and investment and flowed back into industry. Increasing production led to a wider appreciation of the problem of marketing and resulted in the growth of middle men. The expanding needs of commerce and trade coincided with the improvement in roads and inland navigation and the foundation of the modern system of credit for financing trade was laid. In agriculture there was a weaving away from the vestiges of feudalism and a movement towards consolidation of holdings and the philosophy of mercantilism gave way to laissez-faire ideas. This pattern is discernible in the early phases of industrialisation in India—albeit with certain differences because of the country's subservient political status. Lokamanya Tilak, Deshbandhu Gupta and others led the intellectual revolt in India and the seeds of industrialisation were sown in Ahmedabad and Jamshedpur.

But whereas the revolution in agriculture presaged the Industrial Revolution in England, in India even though it has for a long time been clear that the success of the latter is inextricably tied up with that of the former, the stagnation in agriculture has been the bane of the five year plans. The other significant differences are that the industrial and agri-

cultural revolution in England were characterised by the growth of the spirit of individualism, the withering away of Governmental control and the consolidation of land holdings. In India today, an industrial and agricultural revolution is being attempted in an environment where individual enterprise is curbed in the name of socialisation where nationalisation and increasing Governmental supervision is hailed as the panacea for all evils and where there are ceilings on land holdings, and fragmentation of land is encouraged in the name of redistribution.

DUTIES OF DIRECTORS

Company Directors. By V. P. Arya. (Published by Oxford Book Company, 17 Park Street, Calcutta 16. Price Rs. 16, pages 164.)

Mr. Arya's book contains in a narrative form the principles of the company form of organisation and the place of directors in it. Many company directors and subordinate officials will find this book to be a useful guide for complying with the requirements and formalities of the law. The book contains a recital and short exposition of the powers and duties of company directors under the Indian Companies Act.

Mr. D. L. Mazumdar, I.C.S., has pointed out in the foreword to the book: "The trend of recent company legislation in this country during the last few years has been steadily to strengthen the legal position of directors in the economy of joint-stock companies. The Company Law Committees of 1952, popularly known as the Bhabha Committee, referred to the pivotal position which the directors occupy in the structure of joint-stock companies and made several recommendations relating to their responsibilities which were intended to restore to them their position and responsibility vis-à-vis the managing agents. The Companies Act of 1956 embodied most of these recommendations of the committee while the Companies (Amendment) Act, 1960, further added to the powers and responsibilities of directors, and extended the scope of their accountability to the shareholders. The net effect of these changes in law was not only to clothe the directors of a company with additional powers and responsibilities, but also to make them more definitely answerable to the shareholders of a company in the exercise of many of their managerial powers, and, in relation to certain specified matters, to subject them additionally to the control and regulation of the State."

INCOME TAX LAW

The Income Tax Act, 1961. By B. L. Jhunjhunwala. (Published by Oxford Book and Stationary Company, Calcutta 16. Price Rs. 20, pages 390.)

Elements of Indian Income Tax. By R. N. Lakhotia. (Published by Asha Publishing House, 74/6A, Baghbazar Street, Calcutta 3. Price Rs. 6, pages 332.)

Practical Problems on Income Tax. By R. N. Lakhotia. (Published by Asha Publishing House, 74/6A, Baghbazar Street, Calcutta 3. Price Rs. 9, pages 380.)

Income Tax Law and Practice. By Om Prakash Chopra and S. Chopra. (Published by S. S. Sarkar

and Sons (Private) Ltd, Calcutta 12. Price Rs. 65, pages 1,428.)

Lectures on Income Tax. (Published by the Chartered Institute of Secretaries India Association, Calcutta. Price Rs. 4, pages 69.)

The law relating to income tax is highly complex. The perpetual race between income and expenditure, between revenue and capital is endlessly backed up by a perennial search for new sources of revenue.

Mr. Jhunjhunwala's book is a balanced, thorough and sound treatment of the law. But as he himself points out, amendments of the income tax law are an yearly affair, and the pace of the legislation is faster than that with which tax payers can arrange their own affairs.

Mr. Lakhotia's *Elements of Indian Income Tax* has reached the sixth edition and has dealt with this question in the form of problems and solutions. It will be of use to all interested in income tax. The author's *Practical Problems on Income Tax*, which is in its third edition, is intended to be a kind of textbook for students appearing at various examinations in which income tax is a subject.

Mr. Chopra's *Income Tax Law and Practice* is intended to be a treatise for reference to tax gatherers and appellate bodies as well as for taxpayers and legal practitioners. Its style is simple and vigorous.

The Chartered Institute of Secretaries India Association arranged a series of lectures from time to time. Lectures on income tax were delivered under the auspices of the Institute by an advocate of the Supreme Court, a former Commissioner of Income Tax, a present Commissioner of Income Tax, a director and a secretary of a company—men most qualified to speak on the subject. The substance of these lectures has been printed and published in a book which will be of interest to those dealing with the subject.

HANDBOOK OF STATISTICS

Handbook of Commercial Information, Volume I. (Published by the Director-General of Commercial Intelligence and Statistics, 1 Council House Street, Calcutta. Price Rs. 11, pages 469.)

The weekly commodity notes published in the *Indian Trade Journal* are presented in a co-ordinated form under 103 specific heads on engineering, chemical and allied industries in this volume. Information on each individual product has generally been summarised in a separate chapter and an attempt has been made in the commodity sections to trace the origin of indigenous production, the growth of the industry and its progress during the two plan periods, the availability of raw materials, centres of production, current

wholesale prices and foreign trade in the commodity. Production figures have been given up to 1961 and data on foreign trade up to March 1962.

METALS REVIEW

The Eastern Metals Review, 1964 Annual Number. Edited by M. Vinayak. (Published by Binani Printers Private Ltd, 38, Strand Road, Calcutta 1. Price Rs. 5, pages 196.)

The latest annual number of the *Eastern Metals Review* contains many interesting articles on the metal industry and trade. Dr. B. R. Nijhawan, Director of the National Metallurgical Laboratory, Jamshedpur, discusses in an article the application of modern technical practices in the iron and steel industry in developing countries. There are also informative reviews and statistics relating to such important metals as copper, lead, zinc, aluminium, tin and nickel.

MANUFACTURING INDUSTRY

Income and Structure of Manufacturing Industry, 1960-61. (Compiled by the National Council of Applied Economic Research, New Delhi. Price Rs. 8, pages 92.)

In the present study, estimates of contribution of manufacturing industry to national and State incomes for 1960-61 are given. Estimates of net output and employment for different types of manufacturing establishments (such as household and non-household establishments, factory, establishments, and small enterprises) are presented here for 18 States of the Indian Union. A review of the currently available statistics in relation to manufacturing industry and the methods of estimate of income are also given in the book.

The total contribution of all manufacturing industries of the States covered in this study has been estimated at Rs. 1,885 crores for 1960-61. Out of this, Maharashtra's share is the highest, more than 20 percent or Rs. 383 crores and next is West Bengal's, 17 percent or Rs. 324 crores. There are 49 statistical tables.

BUSINESS MANAGEMENT

Case problems in Business Management. By V. S. R. Murty. (Published by the Asia Publishing House, Calcutta. Price Rs. 15, pages 30.)

This book has been written to introduce the teaching techniques of management like the case method in the field of Indian management. In about 60 cases carefully selected and classified, the author gives a picture of the organisational, human, quantitative and social aspects of management. The book is not meant for casual reading but is specially designed for group discussion and thinking. It will serve a useful purpose in introducing the case method in the management training programmes.

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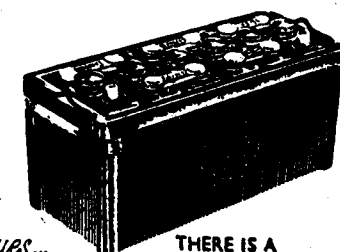
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COMPANY AND PUBLIC NOTICES

DALMIA CEMENT (BHARAT) LIMITED

THE Twelfth Annual General Meeting of the Shareholders of the Company will be held at Dalmiapuram, the Registered Office of the Company, on 1st June, 1964 at 11-00 A.M. Notices of the meeting setting out the Agenda and Explanatory Statement on the special business to be transacted thereat have been sent by post.

By Order of the Board:
S. C. AGGARWAL,
Secretary.

Dated: 4th May, 1964.

JENSON AND NICHOLSON (INDIA) LIMITED

NOTICE is hereby given that the Annual General Meeting of Members of the Company will be held at the Registered Office of the Company, No. 2, Fairlie Place, Calcutta, on Thursday, 21st May, 1964 at 11 a.m. for the following purposes:—

1. To receive and consider the Directors' and Auditors' Reports and the Profit and Loss Account for the year ended 31st December, 1963 and the Balance Sheet as at that date.
2. To declare Dividends.
3. To appoint Auditors and fix their remuneration.

The Share Transfer Books of the Company will be closed from the 15th to 21st May, 1964, both days inclusive

By Order of the Board,
K. S. REGUNATHAN,
Secretary.

2, Fairlie Place,
Calcutta, 6th April, 1964.

Note:—A Member entitled to attend and vote at the above Meeting may appoint a proxy to attend and vote instead of him. A proxy need not also be a Member of the Company.

INDUSTRIAL CONTAINERS LTD.

NOTICE is hereby given to the members of the above-named Company that the Sixth Annual General Meeting will be held at the Registered Office of the Company, 21, Netaji Subhas Road, Calcutta, on TUESDAY, 26TH May, 1964 at 3-45 p.m. to consider the Accounts of the Company for the year ended 31st December, 1963 and to transact other ordinary business.

NOTICE is also hereby given that the Transfer Books and Register of Members of the Company will be closed from 12TH May, 1964 to 26TH MAY, 1964, both days inclusive.

By Order of the Board,
BALMER LAWRIE & CO. LTD.,
D. MANSON,
Managing Director,
Secretaries.

21, Netaji Subhas Road,
Calcutta, 20th April, 1964.

Note:—A member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote in his stead. Such proxy need not be a member of the Company.

THE METHONI TEA COMPANY, LIMITED

THE Annual Ordinary General Meeting of the Shareholders will be held at the Registered Office of the Company, No. 14, Old Court House Street, Calcutta, on Friday the 29th day of May, 1964, at 11-30 A.M., for the following purposes:—

1. To receive and adopt the Directors' Report and the audited Accounts for the year ended 31st December, 1963.
2. To confirm the payment of the ad-interim dividend paid on the 28th December, 1963.
3. To elect Directors in place of the retiring Directors. In this connection Special Notice is hereby given of the intention to move a Special Resolution at the meeting as follows:—
"That Mr. I. P. Goenka who retires by rotation be and is hereby re-appointed a Director of the Company".
4. To elect Auditors for the ensuing year, and to fix their remuneration.

SPECIAL BUSINESS:

5. To re-appoint Mr. F. C. H. Rustomjee as a Director of the Company as he vacates office on having attained the age of 65 years. In this connection notice is hereby given that a special notice as defined in Section 190 of the Companies Act, 1956, has been received by the Company under Section 281 of the Companies Act, 1956, to move the following resolution at the meeting:—
"That Mr. F. C. H. Rustomjee be and is hereby appointed a Director of the Company and that it is hereby declared that the age limit laid down in Section 280 of the Companies Act, 1956, shall not apply to him."

The Share Transfer Book of the Company will be closed from 22nd May, 1964, to 29th May, 1964, both days inclusive.

OCTAVIUS STEEL & CO. LTD.,
I. P. GOENKA,
Managing Director,
Managing Agents.

Calcutta, 5th May 1964.

Note:—(i) A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and on a poll to vote instead of himself and the proxy need not be a member.
(ii) In connection with the business to be transacted under Items 3 and 5 of this Notice an explanatory statement has been sent to the Shareholders.

ISAAC HOLDENS (INDIA) LTD.
Registered Office: 31, Netaji Subhas Road, Calcutta-1.

Annual General Meeting NOTICE

NOTICE is hereby given that the register of members and share transfer books of the Company will remain closed from 21st May to 5th June, 1964, both days inclusive.

By Order of the Board,
DUNCAN BROTHERS & CO. LTD.,
Managing Agents.
Calcutta, 1st May, 1964.

STEEL CONTAINERS LTD.

NOTICE is hereby given to the members of the above-named Company that the Sixth Annual General Meeting will be held at the Registered Office of the Company, 21, Netaji Subhas Road, Calcutta, on TUESDAY, 26TH MAY, 1964 at 3-30 p.m. to consider the Accounts of the Company for the year ended 31st December, 1963 and to transact other ordinary business.

NOTICE is also hereby given that the Transfer Books and Register of Members of the Company will be closed from 12TH MAY, 1964 to 26TH MAY, 1964, both days inclusive.

By Order of the Board,
BALMER LAWRIE & CO. LTD.,
D. MANSON,
Managing Director,
Secretaries.

21, Netaji Subhas Road,
Calcutta, 20th April, 1964.

Note:—A member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote in his stead. Such proxy need not be a member of the Company.

ORISSA CEMENT LIMITED

NOTICE is hereby given that the Registers of Members and Share Transfers will remain closed from 21st May till 14th June, 1964, both days inclusive, except for recording the share transfers received before the closure of the Registers. The dividend for the year 1963, when declared, will be payable to those shareholders whose names would appear in the Register of Members as on 14th June, 1964.

By Order of the Board,
S. C. AGGARWAL,
Secretary.

Dated: 6th May, 1964.

THE GANGES ROPE COMPANY, LIMITED

NOTICE is hereby given that the Board of Directors of this Company has recommended payment of a Dividend at Rs. 20/- per share on the Share Capital of the Company for the year ended 31st December, 1963.

Payment of any dividend declared will be made to those Shareholders whose names appear on the Company's Register on the 26th May, 1964 or in accordance with their instructions. The Register of Members will be closed from 20th to 26th May, 1964, both days inclusive.

By Order of the Board,
MACNEILL & BARRY, LIMITED,
A. N. MITRA,
Secretary,
Managing Agents.

2, Fairlie Place,
Calcutta-1, 5th May, 1964.

BOOK RECEIVED

Finance and Commerce, Special Number, January 1964. (Published by M. C. Bhandari, 134/1 Mahatma Gandhi Road, Calcutta 7. Price Rs. 3, pages 98.)

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	L.S.T. Hours
Dhunseri Tea Co. Ltd.	14-5-64	2-30 p.m.
Punjab National Bank Ltd.	18-5-64	4 p.m.
Bengal Flour Mills Co. Ltd.	19-5-64	3-30 p.m.
Jenson & Nicholson (India) Ltd.	21-5-64	11 a.m.
Indo-Burma Petroleum Co. Ltd.	26-5-64	11 a.m.
Steel Containers Ltd.	26-5-64	3-30 p.m.
Industrial Containers Ltd.	26-5-64	3-45 p.m.
Soorah Jute Mills Co. Ltd.	27-5-64	2-30 p.m.
Philips India Ltd.	28-5-64	11 a.m.
Methoni Tea Co. Ltd.	29-5-64	11-30 a.m.
Kumardhubi Engineering Works Ltd.	29-5-64	3-40 p.m.
Dalmia Cement (Bharat) Ltd.	1-6-64	11 a.m.

DIVIDENDS DECLARED OR PROPOSED.—Choonabhatti Tea Co. Ltd.—Rs. 7.50 per share (o), subject to tax; Ganges Rope Co. Ltd.—Rs. 20 per share, subject to tax; Steel Containers Ltd.—17½ p.c., subject to tax; Industrial Containers Ltd.—30 p.c., subject to tax; Dufflaghur Tea Co. Ltd.—20 p.c., subject to tax; Hindustan Aluminium Corporation Ltd.—Nil; Philips India Ltd.—15 p.c., subject to tax; Kothari Textiles Ltd.—6 p.c., subject to tax.

HIDES AND SKINS QUIET

The market was quiet. Stocks of hides were less but those of skins were higher than in the previous week.

Bazaar Sales

(Between 28th April and 4th May 1964)

Cowhides: Wet salted (Ord.) 6,500 pcs. on the basis of Rs. 7.25 to Rs. 9; Wet salted (Slaughtered) 18,500 pcs. on the basis of Rs. 10.50 to Rs. 16.50 and Rs. 19.50 to Rs. 28.50; Wet salted (Ord.) 1,000 pcs. on the basis of 68 nP a lb.

Goatskins: Wet salted (Daissee, Kustia) 54,200 pcs. on the basis of Rs. 350 to Rs. 360 and Rs. 420 to Rs. 430; Wet salted (he-killed) on the basis of Rs. 4.50 and (she killed) on the basis of Rs. 4.25 a piece; Assam-Dinajpur 7,300 pcs. on the basis of Rs. 250 to Rs. 260; Purneah-Kissenganj 1,000 pcs. on the basis of Rs. 290, Purneah (heavy) 2,900 pcs. on the basis of Rs. 465 to Rs. 475.

Bazaar Stocks

(4th May, 1964)

Cowhides: Wet salted 1,02,800 pcs. **Goatskins:** Wet salted (Daissee, Patna, Kustia, Killed) 49,000 pcs; Assam-Dinajpur-Raiganj 1,63,000 pcs; Muzafferpore-Patna-Pakur-Purneah-Kissenganj 3,89,500 pcs.

SHELLAC STEADY

During the week ended 6th May, the market was steady. The range of quotations was as follows:

	Rs. a package
Pure Buttonlac	156 buyers, 160 sellers, 160 value.
Lemon One Shellac	160 to 164 buyers, 164 to 168 sellers.
Lemon Two Shellac	148, 146 buyers, 152, 150 sellers.
Standard One Shellac	136 buyers, 124, 120 buyers, 128, 124 sellers.
Pure T.N. Shellac	200 value.
Golden Kusmi Seedlac	140 value.
Kusmi One Seedlac	136, 140 buyers, 140, 150 sellers.
Golden Bysack Seedlac	106 to 114 buyers, 110 to 118 sellers.
Manbhumi Fine Bysack Seedlac	90 value, 92, 94 buyers, 96, 98 sellers.
Genuine Bysack Seedlac	80, 84 value.
Grade One Class B Seedlac	106 to 114 buyers, 110 to 118 sellers.
Grade Two Class B Seedlac	86 to 94 buyers, 90 to 98 sellers.

"CAPITAL" STOCK AND SHARE LIST

THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

Official quotations of the Calcutta, Bombay, Madras, London Stock Exchange Associations and other sources.
Figures given after stroke (/) mean Naye paise.

Wednesday, 6th May, 1964.

BANKS

NAMES	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	NAMES	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until
	1960	1961	1962		1960	1961	1962
Allahabad Bank P.	18	18	15-15*	Indian Overseas Bank	14	14	..
Bank of Baroda	17	17	16	National & Grindlays Bank	13½	14	16-14*
Bank of India	20	20	20-18*	Punjab National Bank	20	20	20
Central Bank of India	20 2/5	20	20	Union Bank of India	11 2/5	11 2/5	11 2/5
Chartered Bank	15	15	15-15*	United Bank of India	4.3	6	6-7½
Hindustan Commercial Bank	Nil	Nil	Nil	United Commercial Bank	12	12	12-12*
Hindustan Mercantile Bank	22½	23½	23 1/5				
Hong Kong & Shanghai Bank	15	15	14				

* 1962

JUTE MILLS

NAMES	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	NAMES	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until
	1960	1961	1962		1960	1961	1962
Agarpara P.	10	2½	2½-12*	Hukumchand P.	28½	28½	26½-26*
Alexandra P.	44	15	42½	Inda	14	12	8-22½
Alliance P.	6	Nil	10-12½	Kamarhatty P.	5	Nil	20
Anglo-India P.	20	7	10-12*	Kankannarab P.	Nil	Nil	10
Auckland P.	27	12	Nil-15*	Kelvin P.	15	15	5-20*
Bally P.	25	25	25	Khardab P.	20	5	12½-12½
Barnagore P.	30	10	10-10*	Kinnison P.	20	7	Nil-10*
Bengal P.	5	..	..	Lansdowne P.	Nil	Nil	Nil-Nil*
Birla P.	15	15	15-15*	Lawrence P.	7	15	10-10*
Budge Budge P.	10	Nil	12	Megna P.	12	12½	Nil-22*
Calcutta P.	12	5	..	Naihati P.	..	..	..
Caledonian P.	10	5	Nil-40*	Naskarpara	7½	Nil	10
Champdany P.	Nil	5	25	National P.	3	6	15
Chitvalsa P.	5	Nil	5	Nellmaria P.	15	15	Nil
Clive P.	..	..	..	New Central P.	30	30	20-35*
Dalhousie P.	1	1	Nil-25*	Northbrook P.	8	6	5-10*
Delta P.	7½	Nil	12	Nuddee	8	6	10-10*
Empire P.	12½	7½	12½-15*	Presidency	Nil	Nil	Nil-Nil*
Fort Gloster P.	25	10	12½-20*	Rameshwara P.	Nil	Nil	Nil-Nil*
Fort William P.	22½	22½	10-20*	Reliance P.	Nil	Nil	Nil-Nil*
Ganges P.	10	10	15-20*	Sannugger P.	4	Nil	10
General Industrial	40	10	15	Shree Ambica P.	6	6	Nil
Gourepore P.	30	25	20-20*	Soorah P.	25	25	25
Hastings P.	6	6	6-6*	Sitapur P.	6	Nil	13
Hooghly P.	10	20	7½-10*	Union P.	25	6	Nil-20*
Howrah P.	12½	10	Nil-10*	Victoria P.	6	Nil	10
				Waverley P.	30	30	60

* 1963

COAL COMPANIES

NAMES	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	NAMES	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until
	1960	1961	1962		1960	1961	1962
Amalgamated Bengal P.	10	12½	15	Mundulpur	..	7½	..
Jengal Bhatdee	25	21	19	Nazira	..	..	..
Jengal Nagpur	..	..	..	New Beerbhoom P.	10	10	..
Ahaigora	10	26	..	New Manbhoom	7½	9	12
Bharat Collieries P.	..	..	..	North West	20	20	..
Bhulanbararee	..	..	..	Ondal P.	6	7½	..
Bokaro & Rampur	..	..	..	Parasea P.	1½	1½	..
Borra P.	15	15	..	Pench Valley	10	10	10
Burra P.	13	13	13	Pure Sitapur	15	17	17
Central India	8	10	10	Rangegunge	15	17	17
Central Kurkend P.	..	..	..	Rewa	20	20	..
Churulia	5	..	..				
Dhemo Main	Nil	Nil	..	Samia	10	..	10
East Indian	7½	15	20½	Searsole	Nil	..	..
Equitable P.	15	10	..	Seepore P.	42 6/7	42 6/7	35 5/7
Ghusick & Muslia	Nil	Nil	Nil	Sends	8	3½	..
Guzdar Kajora	..	..	..	South Karanpura	2½	Nil	Nil-2½*
Hurliadidh	..	..	..	Standard	15	10	..
Karanpura Development	5	5	..	Union	..	..	10
	15	15	..	Western Bengal	6	7½	9
Karanpura Collieries P.	7½	10	10	West Jamuria	Nil	Nil	..
Katras Jheriah	95	40	25-30*				
Khas Kajora P.	..	..	..				

* 1963

COTTON MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		6-5-64	29-4-64	A year ago		1960	1961	1962		6-5-64	29-4-64	A year ago
Basant	..	..	..	10	13/50	13/50	12/75	Elgin P.	11½	17½	17½-17½*	10	18/06	18/06	18/56
Bengal Luxmi	..	..	..	40	30/00	30/00	28/00	J. K. Cotton (Rayon) P.	12½	..	..	10	11/00	11/37	13/94
Bengal Nagpur P.	Nil	..	..	10	2/44	2/44	3/80	Jay Shree	10	10	..	10	15/12	15/00	14/81
Bharat Commerce	5	15	15	10	20/00	21/25	23/06	Muir P.	..	..	..	100	63/00	63/00	106/00
Birla Cotton	10	20	20	10	27/00	27/00	26/75	New Victoria P.	Nil	..	..	2½	1/37	1/41	1/44
Bowreah P.	10	20	15	10	22/75	22/75	24/00	Orissa Textiles P.	Nil	Nil	..	10	6/00	4/75	9/00
Cawnpore Textile	7 1/5	10	10	5	6/25	6/25	6/75	Rampooria Cotton	3	Nil	..	10	13/00	13/00	12/00
Delhi Cloth & Genl. P.	12	13	13-13*	25	45/31	45/50	44/37	Swadeshi (Kanpur) P.	5.51	..	..	10	11/00	11/00	11/50
Dunbar	20	20	15	10	27/25	27/00	27/56					10	6/62	6/62	6/75

* 1963

BOMBAY COTTON MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		5-5-64	28-4-64	A year ago		1960	1961	1962		5-5-64	28-4-64	A year ago
Ahmedabad Advance P.	16	12	..	100	140/00	140/00	170/00	Indian	23 1/5	25	..	250	882/50	882/50	761/25
Apollo	Nil	Nil	..	2	1/70	1/76	2/12	Indore Malwa United	8½	10	7½	100	210/00	206/25	185/00
Beharilal Ramcharan	Nil	Nil	..	100	130/00	130/00	76/00	Khatu Mankani P.	32	16	..	100	183/75	186/25	432/50
Bombay Dyeing, etc.	14	14	14	25	61/30	61/00	62/10	Kohinoor	15	18	..	100	332/00	333/00	318/00
Bradbury P.	10	25	..	50	151/00	151/00	150/00	Lakshmi Vishnu P.	5.7	6	Nil	100	100/00	100/00	101/00
Century	30	30	..	100	603/00	613/00	563/00	Morajee Goculdas P.	21½	24	24-20*	100	286/00	288/00	435/00
Central India P.	Nil	Nil	Nil-Nil*	100	88/50	88/50	114/00	Mysore Spg. & Mfg. P.	14	14	..	50	40/00	41/00	46/00
Coorla	11	11	..	100	162/50	162/50	140/00	New City of Bombay	Nil	Nil	..	100	178/00	178/00	142/50
Dawn	30	30	..	50	150/00	150/00	142/00	New Great Eastern P.	Nil	12	..	100	178/00	178/00	270/00
Edward Textiles	9	9	6	200	260/00	260/00	325/00	Phoenix	15	20	..	100	222/00	223/50	206/00
Elphinstone P.	18	22	18	50	97/00	97/00	104/00	Sassoon & Alliance	Nil	Nil	..	10	11/00	11/00	12/24
Finlay	23	23	..	100	309/00	305/00	320/00	Sassoon Spinning	15	20	10	10	36/25	36/00	48/75
Gokak	14	18	..	100	177/00	181/00	170/00	Shree Niwas P.	18	20	22-16*	50	120/50	121/50	134/50
Hindustan	50	50	..	250	950/00	950/00	810/00	Swadeshi P.	17	19	14	100	246/00	249/00	234/00
India United	13½	37½	..	10	21/24	21/48	22/32	Swan	36	21 3/5	17	100	239/50	241/00	248/00
				1Dd	2/56	2/56	2/60	Tata	20	22	20	100	275/00	275/00	300/00
								Western India	46 2/5	25	..	250	850/00	850/00	785/00

* 1963

BOMBAY MISCELLANEOUS COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		5-5-64	28-4-64	A year ago		1960	1961	1962		5-5-64	28-4-64	A year ago
				Rs.	Rs.	Rs.	Rs.					Rs.	Rs.	Rs.	
CEMENT ENGINEERING & METAL															
Associated Cement	12½	12	12	100	151/00	151/75	143/00	British India General	..	..	..	10	12/48	12/48	11/52
ELECTRIC LTG., POWER															
Ahmedabad Electricity	7	6	..	100	95/50	95/00	91/00	Jupiter General P.	..	..	..	15	7/00	7/00	9/00
Andhra Valley Power P.	5½	5	5	1000	1,052/50	1,051/25	1,005/00	New India	38	38	..	15	50/80	45/50	58/00
Bombay Suburban Elec.	8	8½	8½	100	104/50	104/25	101/00	Vulcan	20	20	..	10	15/48	16/00	15/52
Tata Hydro Elec. Power P.	5½	5	5	100	111/50	111/25	102/00	MISCELLANEOUS							
Tata Power P.	5½	5	5	1000	1,115/00	1,112/50	1,022/50	Belapur Sugar	58	50	..	50	216/00	218/00	195/00
Bombay Burmah Trading															
Alcock Ashdown	17	22½	..	100	292/00	297/00	312/00	30	33	33-33 1/5*	25	58/20	59/30	..	
Jost's Engineering	8	10	10-Nil*	50	47/00	47/00	48/00	26	26	12	10	45/50	46/25	..	
Larsen & Toubro P.	12½	18	14-14*	10	22/88	22/80	25/25	6½	6½	..	100	34/75	35/00	40/00	
Mackenzies	10	12	14	100	135/00	135/00	140/00	12½	12½	..	200	77/00	77/50	72/00	
Premier Construction P.	43 1/3	33 1/3	..	300 3½F	181/00	181/50	146/00	22	22	..	100	260/00	260/00	305/00	
Tata Eng. & Locomotive P.	12½	14½	14½-14½*	100	291/00	298/50	293/50	3	3	3	100	358/00	361/00	369/00	
Tata Iron & Steel P.	9.1	10.36	10.36-11*	750	148/25	150/00	134/50	80	Nil	..	10	14/40	15/00	10/32	
								6	6½	6½-10*	10	14/52	16/52	21/00	
								23	23	23-22*	25	17/64	18/24	15/40	
								Volta	13	14	14-14*	100	57/20	59/50	59/50
								Western India Match	16	16	16	100	254/00	258/00	266/00
												100	258/00	259/50	142/00

* 1963

TEA COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until				
	1960	1961	1962		Rs.	Rs.	Rs.		Rs.	1960	1961		1962	Rs.	Rs.	Rs.	Rs.
ASSAM GARDENS																	
Amluckie	Nil	10	7½	10	17/25	17/25	20/00	Brooke Bond P.	15	10	7½-7½*	10	11/50	11/50	11/84		
Anandabag P.	30	32½	20	10	33/25	33/25	33/25	Dejoo Valley	15	20	30	10	45/50	45/50	49/25		
Baghmari	Nil	15	7½	10	13/62	13/62	17/50	Dessai & Purbuttia	Nil	10	15	100	181/00	181/00	140/00		
Barduar Tea	..	..	..	5	8/50	8/50	8/50	Dhelakhat	12½	10	..	10	20/81	20/81	19/62		
Basmatia	35	25	20	10	24/25	24/25	27/25	Dhunseri P.	20	15	10	10	11/12	11/12	15/00		
Bateli	30	30	..	5	15/25	15/25	18/00	Dibruagarh	40	40	30	10	32/00	32/00	31/00		
Betjan	40	45	30	10	30/37	30/37	30/56	Dimakusi P.	25	20	25	10	25/19	25/19	21/87		
Bishnauth	13	13	20	10	17/06	17/12	17/25	Dufflaghur	25	25	30	10	26/12	26/12	27/87		
Bokakhat	Nil	12	13	10	13/12	13/12	13/70	East India	Nil	Nil	10	10	27/69	27/69	14/00		
Bormah Jan P.	15	15	15	10	11/06	11/81	14/25	Gillapukri	25	20	15	10	27/56	27/56	25/44		
Bor Pukhuri	Nil	Nil	10	10	11/25	11/25	11/75	Gohpur	Nil	5	20	10	14/69	14/69	14/50		

* 1962

TEA COMPANIES—Contd.

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		6-5-64	29-4-64	A year ago		1960	1961	1962		6-5-64	29-4-64	A year ago
				Ra.	Ra.	Ra.					Ra.	Ra.	Ra.		
Grob	6	6	6	5	6/12	6/12	9/00	Singell	Nil	Nil	Nil	100	36/75	36/75	36/75
Hoograjuli (Assam)	20	20	17	10	27/62	27/62	27/12	Singtom	2	Nil	2	10	3/50	3/50	3/50
Hoolungoree	10	7½	20	100	200/00	200/00	195/00	Soom	50	40	40	10	40/00	40/00	31/00
Jutlibari	30	30	20	10	27/87	27/87	32/00	Sungama	15	15	20	10	14/25	14/25	13/00
Kingsley Golaghat P.	35	35	..	100	125/00	125/00	130/00	Teesta Valley	Nil	..	8 4/7-10*	10	13/69	14/37	11/25
Kotamullai P.	Nil	Nil	Nil	5	9/81	9/81	10/31	Tukvar	Nil	Nil	..	10	4/06	4/12	7/12
Krishnabehari	15	8	10	10	11/50	11/50	10/50	DOOARS							
Kyang Tea	Nil	..	..	10	8/06	8/06	8/06	Banarhat P.	22½	21	21	100	230/00	230/00	226/00
Ledo	Nil	..	Nil	10	13/75	13/75	17/25	Baradighi	30	25	25	10	23/25	23/25	23/25
Maud Tea & Seed	10	7½	7½	10	12/00	12/00	14/81	Bhatkawa	15	15	20	10	16/19	16/31	18/00
Methodi	5	14	20	10	14/00	14/00	17/31	Birpara P.	17½	12½	17½	100	160/00	160/00	160/00
Mohema	Nil	Nil	..	10	11/50	11/50	11/50	Caron	20	5	7½	100	117/00	117/00	145/00
Mothola	30	30	35	100	607/00	607/00	607/00	Choonabhuhi P.	32½	20	20	100	211/00	211/00	210/00
Murphulani (Assam)	10.63	20.63	30.63	10	26/87	26/87	28/75	Ellenbarrie	5	5	10	100	184/00	184/00	184/00
Naga Hills	10	10	10	10	21/25	21/25	22/25	Engo	60	5	7½	100	136/00	136/00	136/00
Namburnadi	12	12	..	10	12/87	12/87	14/56	Ethelbari	25	20	11	10	11/87	11/87	13/12
New Cinnatollah	Nil	Nil	Nil	100	455/00	455/00	302/00	Gairhatata	15	20	11	10	21/50	21/50	21/50
Rajgarh	40	13½	17½	10	18/50	18/50	11/37	Gopalpur	12	2	10	25	19/50	19/50	19/50
Sapoi	22½	20	10	10	19/50	19/50	19/87	Hantapara P.	15	5	10	100	108/00	108/00	110/00
Seajuli	22½	15	30	10	25/12	25/12	21/12	Hasumara P.	17	..	18-15*	10	12/69	12/50	12/56
Seelajan	25	25	25	10	21/44	21/44	27/75	Huidibari	22½	..	19 2/7-11*	10	12/25	12/00	13/12
Tengpani	30	30	22½	10	36/50	36/50	35/00	Jaybirpara	10	Nil	Nil	10	8/94	8/94	11/12
Tezpora P.	20	20	..	10	14/69	14/69	15/37	Killcoit	25	15	10	10	15/06	15/06	16/25
Tongani	Nil	Nil	..	10	6/31	5/31	6/30	Manabarrie	10	6	10	10	50/50	50/50	50/50
Tycon	10	15	25	10	27/37	27/75	34/37	Nagaisuree	25	15	15	100	170/00	175/00	146/00
CACHAR								New Doocars P.	35	20	14½	100	234/00	234/00	230/00
Arcuttipore	Nil	5	..	10	7/00	7/00	7/00	Oodlabari	12½	7½	..	100	13/75	13/75	14/25
Baitakhal	2½	2½	..	10	7/87	7/87	7/31	Phaskowa	Nil	Nil	Nil	100	125/00	125/00	129/00
Central Cachar	5	7½	5	100	73/00	73/00	73/00	Rajabhat	Nil	Nil	6	10	9/87	9/12	12/12
Eastern Cachar	Nil	Nil	..	10	4/62	4/50	4/12	Ranicherra	15	15	7½	10	12/00	12/00	16/75
Kallinugger Khoreel	6	2	..	100	84/00	87/00	87/00	Rydal	25	20	25	10	24/06	24/06	27/31
Kattikihira	Nil	8	..	10	7/75	7/75	9/12	Sarugaon	40	40	40	10	36/25	36/31	36/25
Kunchanpore	Nil	..	..	10	6/00	6/00	6/00	TERAI							
Loobah	Nil	Nil	..	10	4/69	4/69	4/37	Atal	5	..	..	10	5/31	5/50	8/75
North Western	30	20	10	100	160/00	160/00	160/00	Belgachi	20	20	..	10	20/00	20/25	20/50
Pathmara	Nil	Nil	Nil	10	7/81	7/81	7/80	Gungaram	20	12½	12½	10	126/00	131/00	117/00
Roopecherra	Nil	10	Nil	10	9/94	9/94	13/62	New Chumta	15	..	12 6/7-20*	10	20/37	20/37	20/00
Rungamatiee	5	5	5	50	49/25	49/25	53/50	New Terai	22½	10	15	10	22/50	23/00	36/00
Sonal River	Nil	Nil	..	10	5/06	5/06	9/12	Pahargoomiah	20	20	2½	10	13/75	13/75	31/12
DARJEELING								Putinbaree	14	14	..	10	55/00	45/00	45/00
Bloomfield	Nil	..	..	10	3/19	3/19	3/00	Tirrihannab P.	60	60	60	10	49/00	49/00	49/00
Chamong	Nil	10	10	10	9/00	9/00	9/00	CHITTAGONG							
Darjeeling Tea & Chin.	30	30	30	100	197/00	197/00	197/00	Kodala	Nil	Nil	..	10	9/25	9/25	9/25
Dilaram	8	4	..	100	102/50	102/50	102/50	Kornafull	Nil	Nil	..	10	9/31	9/31	13/06
Giele	Nil	..	8 4/7-15*	10	15/87	16/08	11/69	Oodleah	Nil	Nil	..	10	8/00	8/00	8/00
Ingia P.	15	10	17½	10	14/04	14/00	14/56	SYLHET							
Longview	12½	15	15	10	8/25	8/25	11/00	Chundecherra	Nil	Nil	Nil	10	26/00	26/00	26/00
Margaret's Hope	15	15	27½	100	393/00	430/00	191/50	Dauracherra	22½	22½	20	10	11/84	11/37	7/56
Mim	22½	27½	27½	10	29/62	29/62	27/00	New Samanbagh P.	25	Nil	Nil	10	18/47	18/37	18/37
Nagri Farm	30	25	35	10	600/06	600/04	595/00	Patrakola	32½	40	15	100	120/00	119/00	140/00
Okayti	25	25	25	100	20/00	20/00	20/00	Rajnaagar	Nil	Nil	Nil	10	9/56	9/56	9/56
Pashok	10	Nil	..	10	10/12	10/12	7/50	Teliapara	22½	22½	10	100	94/50	94/50	99/00
Poobong	Nil	Nil	5	10	7/62	7/62	8/87								
Pussimbing P.	Nil	Nil	Nil	10	300/00	300/00	386/00								
Runglee Rungliot	35	20	7½	100	8/50	8/50	8/50								
Seeyok	15	Nil	..	10											

MISCELLANEOUS COMPANIES—Contd.

Dividends per cent								Paid-up per Share			Latest Market Quotations as available until			Dividends per cent								Paid-up per Share			Latest Market Quotations as available until											
NAMES								NAMES			NAMES			NAMES			NAMES			NAMES			NAMES			NAMES										
1960 1961 1962 Rs. Rs. Rs.								6-5-64 29-4-64 A year ago Rs.			1960 1961 1962 Rs. Rs. Rs.			6-5-64 29-4-64 A year ago Rs.			1960 1961 1962 Rs. Rs. Rs.			6-5-64 29-4-64 A year ago Rs.																
ENGINEERING & METAL																																				
Arthur Butler (Muzaffarpore) P.								Nil			Nil			10			10			21/25 21/25 14/50			J. K. Synthetics			3 Nil-10*			10 11/81 11/75 11/25							
Bhartia Electric Steel								10			10			12½			10			14/62 14/75 13/56			{ James Wright P.			50 2/75 2/75 2/75										
Braithwaite India								25			25			14			10			32/62 32/50 28/00			{			1Dd 00/43 00/43 00/43										
Bridge & Root								30			30			30			10			52/25 52/25 52/25			{			7 7 6-7*			100 72/00 73/00 85/50							
Britannia Building & Iron P.								Nil			Nil			Nil			10			3/20 3/20 3/65			{			14 12½ 12-13*			10 14/62 14/81 16/06							
Britannia Engineering P.								10			10			10			10			10/06 10/06 10/00			{			5 12 12-13*			10 25/75 26/19 23/00							
British India Electric Cons.								45			20			15			20			29/12 29/12 33/12			{			5 12 12-13*			10 25/75 26/19 23/00							
Burn P (Engineering)								28½			28½			28½			28½			28½-25*			{			5 12 12-13*			10 25/75 26/19 23/00							
Calcutta Steel								15			15			15			15			15-12½*			{			5 12 12-13*			10 25/75 26/19 23/00							
Dalmia Iron								10			10			10			10			10-10*			{			5 12 12-13*			10 25/75 26/19 23/00							
Guest, Keen, Williams								16			14			14			10			24/31 24/50 33/75			{			5 12 12-13*			10 25/75 26/19 23/00							
Hooghly Docking								Nil			Nil			12½			50			88/00 94/00 108/00			{			5 12 12-13*			10 25/75 26/19 23/00							
Indian Iron & Steel P.								15			16			16-15*			10			24/54 24/72 22/04			{			5 12 12-13*			10 25/75 26/19 23/00							
Indian Malleable Casting								Nil			..			..			50			6/00 6/00 6/00			{			5 12 12-13*			10 25/75 26/19 23/00							
Indian Standard Wagon P.								Nil			28½			28½			28½			28½-20*			{			5 12 12-13*			10 25/75 26/19 23/00							
Indian Steel & Wire Products								23			24			23-28*			100			33/50 33/50 38/87			{			5 12 12-13*			10 25/75 26/19 23/00							
Industrial Containers								Nil			10			10			10			24/00 20/00 22/00			{			5 12 12-13*			10 25/75 26/19 23/00							
Jay Engineering								17 3/20			17 3/20			15-10*			10			19/75 19/75 22/69			{			5 12 12-13*			10 25/75 26/19 23/00							
J. K. Steel P.								20			20			10			10			15/12 15/75 14/94			{			5 12 12-13*			10 25/75 26/19 23/00							
Jessop & Co. P.								6.58			6.58			8.58			10			21/56 22/56 22/19			{			5 12 12-13*			10 25/75 26/19 23/00							
Kumardhul Engineering P.								10			11½			15			3			5/69 5/69 8/00			{			5 12 12-13*			10 25/75 26/19 23/00							
Marshall Sons (India)								Nil			Nil			Nil			2			3/06 2/94 3/06			{			5 12 12-13*			10 25/75 26/19 23/00							
National Iron and Steel								Nil			Nil			Nil			4			5/72 5/75 4/25			{			5 12 12-13*			10 25/75 26/19 23/00							
Saran Engineering								8½			10			12½-10*			10			7/12 7/12 9/00			{			5 12 12-13*			10 25/75 26/19 23/00							
Steel Containers								30			20			20			10			28/12 28/12 19/75			{			5 12 12-13*			10 25/75 26/19 23/00							
Textile Machinery								10			10			..			10			27/60 28/30 23/45			{			5 12 12-13*			10 25/75 26/19 23/00							
SUGAR BREWERIES ETC.																																				
Balrampur Sugar								8			8			4-Nil*			2½			1/75 1/75 2/37			{								5 12 12-13*			10 25/75 26/19 23/00		
Belsund Sugar								18½			10			6 2/3			7½			7/50 7/50 8/50			{								5 12 12-13*			10 25/75 26/19 23/00		
Bharat Sugar P.								15			15			15-15*			10			12/56 12/56 13/00			{								5 12 12-13*			10 25/75 26/19 23/00		
Carew (Sugar) P.								Nil			Nil			Nil			10			12/19 12/06 12/50			{								5 12 12-13*			10 25/75 26/19 23/00		
Cawnpore Sugar P.								Nil			Nil			Nil			10			9/25 9/75 10/06			{								5 12 12-13*			10 25/75 26/19 23/00		
Champaran Sugar								15			12			Nil-Nil*			10			10/78 10/62 15/87			{								5 12 12-13*			10 25/75 26/19 23/00		
Durbhanga								4			Nil			5			10			7/12 7/19 8/25			{								5 12 12-13*			10 25/75 26/19 23/00		
New Savan Sugar and Gur								..			..			..			10			4/00 4/00 5/62			{								5 12 12-13*			10 25/75 26/19 23/00		
Purbapur Sugar P.								..			..			..			10			8/00 8/00 11/50			{								5 12 12-13*			10 25/75 26/19 23/00		
Ramnagar Cane & Sugar P.								30			35			30-15*			10			29/31 29/31 26/12			{								5 12 12-13*			10 25/75 26/19 23/00		
Raza Buland								12½			10			10-10*			10			10/00 9/81 10/06			{								5 12 12-13*			10 25/75 26/19 23/00		
Ryam Sugar P.								..			..			..			10			3/25 3/25 5/75			{								5 12 12-13*			10 25/75 26/19 23/00		
Samastipur Central Sugar								..			..			..			10			3/75 3/75 9/62			{								5 12 12-13*			10 25/75 26/19 23/00		
Shree Krishna Gyanodaya Sugar P.								15			..			..			10			8/06 7/37 7/19			{								5 12 12-13*			10 25/75 26/19 23/00		
Shree Sitaram Sugar								..			..			..			10			8/00 8/00 7/12			{								5 12 12-13*			10 25/75 26/19 23/00		
Sitalpore Sugar								4			Nil			Nil-Nil*			10			3/69 3/69 8/12			{								5 12 12-13*			10 25/75 26/19 23/00		
United Provinces								15			5			Nil			10			11/25 11/25 10/62			{								5 12 12-13*			10 25/75 26/19 23/00		
Upper Ganges Sugar P.								72½			72½			72½			10			60/25 60/25 65/00			{								5 12 12-13*			10 25/75 26/19 23/00		
MISCELLANEOUS																																				
A Firpo (Restaurant)								7½			10½			8			10			5/90 5/90 5/90			{								5 12 12-13*			10 25/75 26/19 23/00		
Aluminium Corporation P.								12			12			12-5*			10			12/12 12/12 13/62			{								5 12 12-13*			10 25/75 26/19 23/00		
Anderson Wright Ltd P.								11½			Nil			6			10			11/50 11/50 11/50			{								5 12 12-13*			10 25/75 26/19 23/00		
Angelo Bros								25			28½			28-28*			10			23/56 23/44 22/50			{								5 12 12-13*			10 25/75 26/19 23/00		
Assam Match								18			20			20			10			26/37 26/37 28/75			{								5 12 12-13*			10 25/75 26/19 23/00		
Assam Saw Mills & Timber								Nil			Nil			3			3			2/56 2/50 2/50			{								5 12 12-13*			10 25/75 26/19 23/00		
Associated Battery								25			15			15-15*			10			23/37 23/37 25/00			{								5 12 12-13*			10 25/75 26/19 23/00		
Associated Hotels of India P.								Nil			10			10-15*			10			10/31 10/31 10/31			{								5 12 12-13*			10 25/75 26/19 23/00		
Balmer Lawrie & Co.								25			25			25			100			258/00 258/00 247/00			{								5 12 12-13*			10 25/75 26/19 23/00		
Bararee Coke								Nil			Nil			15-15*			10			19/88 20/56 24/37			{								5 12 12-13*			10 25/75 26/19 23/00		
Birds Investments P.								9½			10			10			10			9/00 9/00 9/94			{								5 12 12-13*			10 25/75 26/19 23/00		
Britannia Biscuit P.								25			30			25-21*			10			9/25 9/25 41/62			{								5 12 12-13*			10 25/75 26/19 23/00		
British India Corporation P.								4			7			9			5			9/69 9/65 8/94			{								5 12 12-13*			10 25/75 26/19 23/00		
British Paints								12½			15			10			10			21/00 20/81 20/50			{								5 12 12-13*			10 25/75 26/19 23/00		
Calcutta Silk Manufacturing P.								Nil			Nil			..			10			6/94 6/94 7/15			{								5 12 12-13*			10 25/75 26/19 23/00		
Clive Row Investment								8			7½			7½			10			8/44 8/44 8/35			{								5 12 12-13*			10 25/75 26/19 23/00		
Duncan Brothers & Co Ltd P.								14			14			14			100			136/00 136/00 147/00			{								5 12 12-13*			10 25/75 26/19 23/00		
Dunlop Rubber Co (India) P.								21½			20			15			10			36/31 37/00 33/75			{								5 12 12-13*			10 25/75 26/19 23/00		
Dyer Masani (Breweries)								25			30			..			5			25/50 25/50 28/00			{								5 12 12-13*			10 25/75 26/19 23/00		
Eastern Investments Ltd P.								14			14			12-10*			10			107/00 107/00 129/00			{								5 12 12-13*			10 25/75 26/19 23/00		
Electric Construction								10			10			10-10*			10			12/69 12/62 13/00			{								5 12 12-13*			10 25/75 26/19 23/00		
French Motor Car								20			20			..			20			31/75 31/75 35/12			{								5 12 12-13*			10 25/75 26/19 23/00		
Ganges Rope								17½			20			20			100			235/00 236/00 235/00			{								5 12 12-13*			10 25/75 26/19 23/00		
General Investments Trust P.								5			5			5-5*			75			43/00 43/00 43/00			{								5 12 12-13*			10 25/75 26/19 23/00		
Gillanders Arbuthnot & Co Ltd P.								10			11			11-11*			10			15/00 15/00 13/50			{								5 12 12-13*			10 25/75 26/19 23/00		
Gladstone Lyall & Co Ltd P.								42/5			..			..			10			..			{								5 12 12-13*			10 25/75 26/19 23/00		
Godfrey Phillips (India) Ltd P.								40			40			80			10			28/12 28/12 33/25			{								5 12 12-13*			10 25/75 26/19 23/00		
Great Eastern Hotel								9			6			..			250			245/00 236/00 441/06			{								5 12 12-13*			10 25/75 26/19 23/00		
Hindustan Aluminium P.								Nil			..			..			10			12/78 12/94 13/69			{								5 12 12-13*			10 25/75 26/19 23/00		
Hindustan Motors P.								9			12			12½-11½*			10			18/41 18/25 17/00			{								5 12 12-13*			10 25/75 26/19 23/00		
Hindustan Pilkington								..			..			..			10			13/19 13/12 14/87			{								5 12 12-13*			10 25/75 26/19 23/00		
Hindustan Pyrolysis P.								Nil			Nil			Nil-Nil*			10			12/62 12/62 13/94			{								5 12 12-13*			10 25/75 26/19 23/00		
Hoare Miller & Co Ltd								6			6			6			10			5/50 5/50 5/97			{								5 12 12-13*			10 25/75 26/19 23/00		
Imperial Tobacco								8			9			9-8*			10			9/72 9/87 11/00			{								5 12 12-13*			10 25/75 26/19 23/00		
Indian Aluminium Co. Ltd P.								15</																												

* 1963



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76th YEAR OF ISSUE

CONTENTS

Editorials	
Fourth Plan: Despatching the Starving to Heaven...	741

sector. Finally, carried away by the windiness of their own verbosity, they even begin to visualise a stage, eleven years hence, when the rapid growth of the economy. . . . should start making labour scarce". The conclusion is inescapable that

ANOTHER REPORT ON SOCIALISM

IT is hard to understand what the Dhebar Committee's report is about. Appointed by the Congress President, Mr. K. Kamaraj, to give concrete shape to the resolution on democracy and socialism adopted by the Party at the Bhubaneswar session last January, a Committee of five has produced a long document which is singularly unoriginal. In most matters, it rests content with repeating the arguments which the perspective planners have already made familiar in their advocacy of a "big push" over the decade 1966-75 to get the economy over the hump. This is surely not enough. A group of people with considerable political and administrative experience—the Committee includes two Central Ministers currently in office—could justifiably be expected to make an effort to wed theory to practice. As Mr. Kamaraj's chosen advisers, they should have been able to pinpoint for him the political risks inherent in the "big push"—the privations and sacrifices implicit in this "jam tomorrow" approach. Drawing from their own knowledge and experience, they should have come out, one way or another, with an answer to the basic question whether the degree of discipline (which some might describe as regimentation) can at all be achieved in a society already subject to strong centrifugal pressures.

The Committee has plainly shirked this task. And to cover up the failure, it has added to the existing confusion by peddling a nostrum or two to check the ills of economic concentration. If the problems involved were so easily amenable to cure, there would hardly be any need for the high-powered Monopolies Commission just set on its long and arduous task by the Finance Minister. Nor would India, or many other similarly placed countries, have had any difficulty at all in correcting concentration by simple legislative expedients. It is misleading, therefore, to give the impression that a simple executive decision denying further licences to big business groups is all that needs to be done. In any case, the propriety of the suggestion is questionable because it comes at a time when the whole question has still to be properly investigated.

The Central Finance Minister, Mr. T. T. Krishnamachari, acting presumably on the basis of the Mahalanobis report, has remitted the problem to the Monopolies Commission—a move which must have been made after consultations within the Government and with the Party. Therefore, to ask the Government rightaway "not to issue any licences for new projects to existing large industrial concentrations" ill accords with the line already adopted. The discrepancy need not have worried anyone but for the fact of the Committee's composition. Is one to conclude that Committee members like Mr. C. Subramaniam, Central Minister for Steel, Mines and Heavy Engineering, and Mr. B. R. Bhagat, who happens to be Mr. Krishnamachari's deputy, are wholly out of sympathy with Mr. Krishnamachari's approach and are trying, via the Party, to make him change his line? If this is indeed the case, their functioning within the framework of collective Cabinet responsibility is hard to imagine.

Yet there has been no suggestion that either of these gentlemen are contemplating packing their bags to depart for their home towns. This facet of Indian political life—the yoking together of incompatible individuals—is perhaps at the heart of the problem the country is faced with today as economic performance falls more and more behind promise. The defaults in implementation, which the Dhebar Committee bemoans, stem directly from the delays inevitable in a situation where decision-makers pull in various directions at once. A notorious example is provided by the Durgapur alloy steel project—the Steel Ministry under Mr. Subramaniam wanted to go ahead with it, while the Finance Ministry just refused to be persuaded that the scheme as evolved was sound. The result was that although included in the third plan and technically approved

if, instead of the planners alone, more people could make money from private dreams and empty promises, there would be no need to wait for eleven years; there would have been a labour shortage in India already.

by experts before March 1961, the financial sanction from the Cabinet was secured only in February 1963—a two-year period during which construction activity was confined to the building of compound walls.

Yet the Committee has nothing to say on this central problem of inchoate decision-making, although it quite rightly (but again unoriginally) blames the shortfalls of the past years on failures in implementation. The recommendation that Ministers should be periodically hauled up before the Congress Parliamentary Board to account for their performance may be intended as a corrective but is quite worthless. The Board itself cannot be any more clear-cut and decisive in its judgments than the Cabinet or collective bodies at other levels because of the same lack of single-mindedness. That such a suggestion should be made at all by responsible Party men is an index more of their desperation than of a determination to get to the roots of the problem.

On the purely economic level, the Dhebar Committee's ideas do not warrant serious discussion. It is not that the ideas are of no consequence, but that they are already being discussed—more properly perhaps—in the context of the fourth plan. It is interesting to note, however, that, via this report, the All-India Congress Committee, meeting in Bombay later this week, will be expected to endorse the perspective planners' idea that the fourth plan must aim at a 7 percent or 7½ percent rate of growth. Should this happen, it would amount to dictating to the executive a course of policy which has yet to be given serious consideration at the administrative levels. Only the first of a series of three meetings which the Planning Commission is holding to thrash out this issue has so far taken place. Reports from New Delhi suggest that serious differences were revealed last Sunday when Mr. Krishnamachari voiced grave doubts about the foreign exchange budgeting adopted by perspective planners in their projections. Whereupon, so the reports say, the plan-

ners were sent back to do more homework in the context of Mr. Nehru's general directive to adopt a "cautious" approach. How can the Congress Committee, then, take any position at all at this early stage on a matter which Mr. Dhebar and his colleagues regard as fundamental to the problem of fairer shares? Unless evidence is adduced to the contrary, suspicions will be justified that the Committee has made itself the cat's-paw for those trying to force the pace.

Mr. Dhebar and his colleagues have a good deal to say on many other matters—from land reform at one end to standardisation of consumer goods at the other. Their whole aim in discussing these diverse subjects is to strike a "socialist" stance without stopping to examine the implications of their often conflicting recommendations. Big business is bad, they seem to argue, but proceed coolly to suggest that smaller, less resourceful groups should be encouraged with Government finance to become big, it being conceded that bigness is often a technological imperative. In other words, the Committee wants to have the cake and eat it too because it affirms that the logic of size and location should receive greater recognition in the future.

Likewise, it faces both ways when it says that the industrial policy resolution is sound but machine-building and the production of key intermediate goods should be brought more fully under State control. A Committee which included Mr. Subramaniam should surely have known that machine-building must necessarily be a decentralised endeavour, because efficiency falls off sharply after the span of supervision reaches the critical limit. The State may well build giant enterprises like the Ranchi complex but their value to the economy will depend ultimately on how well geared the smaller producers are to meet its need for components and sophistications in consumer goods to damp down the consumption urge with the Committee's own proposal to use the carrot of higher prices to get the farmer to make a bigger effort. One of the lessons underlined by current procurement difficulties is that the more affluent farmers—they alone have surpluses to trade—need to be lured to the market-place by attractive city-made consumer goods. But to seek logic and consistency in the Committee's report is to regard it as a serious document. This it clearly is not, being so transparently intended to achieve undefined political ends within the Party.

STRENGTH OF RESERVE CURRENCIES

THE expansion of U.S. business is now well in its fourth year, and there is still no serious evidence of inflation in the country. Bankers and economists are naturally aware that this healthy development may be disturbed. The expansion may cease; or, continuing, it may generate the inflation that has been avoided until now. But already, after the longest period of continuous expansion in the peacetime history of the United States as a developed economy, it is evident that the cycle pattern has been either broken or considerably lengthened, and that inflation is not an inevitable consequence of years-long expansion. The current expansion of the U.K. economy began much later, and it is too early to say that it will follow the same course, but British observers are hopeful. Continuous expansion without inflation is official policy, and the behaviour of sterling, which has so far withstood the severe test of import expansion (much of it attributable to stock-building), suggests that no currency crisis such as has interrupted expansion in the past will frustrate this policy in the next few years.

These are the two countries which (with some assistance from others when needed) manage the reserve currencies. Until recently they were rated in the "growth chart" much lower than other industrial countries that were not similarly burdened with monetary responsibilities. In 1963-64, by contrast, their growth rates have exceeded those of the European Economic Community, which were previously at or near the top of the "chart". And the E.E.C. has not avoided inflation, to prevent the spread of which it is already in some degree restricting growth. This trouble has not yet afflicted

West Germany (though the authorities are apprehensively preparing defences against "imported" inflation), and the deutschemark is still one of the world's strongest currencies, but the other major E.E.C. currencies have lost their superiority over the dollar and the pound. Recent international discussions on strengthening the world's monetary system have continued to treat the dollar as a "problem", for a habit acquired over a period of years is not easily discarded; but in fact the pendulum is inclined to swing the other way, and it is not unlikely that within a year or two the "dollar problem" will be, as previously, a problem of scarcity. The relative stability of U.S. prices is not, of course, the only factor that has rapidly improved that country's balance of payments: the reduction of governmental spending abroad and the restriction of private investment abroad are others. The combination of factors eliminated the notorious deficit in the first quarter of this year. The balance may fluctuate for some time, but it will probably be established, much sooner than was recently thought, as a credit balance.

A world deprived of the flow of dollars emanating from the annual deficits of some thousands of millions of dollars that have been a characteristic of recent years, would be seriously deficit in liquid resources if no alternative liquidity were arranged but the authorities are considering alternatives. I should not be forgotten that excess dollars have been an embarrassment: it has been necessary to neutralise them, by accumulating them in central banks and by other such artificial means. While the outflow of dollars has statistically increased non-U.S. reserves, it has weakened rather than

strengthened the sense of financial security, for countries holding dollar reserves have not maintained their confidence in the dollar, and only with some difficulty have they been persuaded to refrain from converting dollars in excess of working balances. Usually, in the past, strengthening of confidence in one reserve currency has implied weakening of confidence in the other, as funds have been transferred on a massive scale; and a general scarcity of dollars would again cause trouble for sterling if it were not counteracted. But there is now a real possibility that the U.S.A. and the U.K., the two "Anglo-Saxon" countries which together are responsible for the reserve currencies, are being rehabilitated simultaneously, and that both their currencies will gain strength together.

This simultaneous rehabilitation would create an unfamiliar situation. The scarcity of dollars in the early postwar years was caused essentially by the weakening of Europe in the war, as a consequence of which many products were available in adequate quantities only from the U.S.A. This abnormality was gradually corrected years ago, and a similar scarcity of dollars cannot recur. It seems now that the circumstances in which the "Anglo-Saxon" countries' economic growth and exports lagged behind those of other sophisticated countries (mainly but not only European) were likewise abnormal. If the laggards have moved ahead, and can maintain their lead, a new situation is emerging. The difficulties of these two countries have in the past caused general monetary problems and hindered the growth of world trade. The world will be healthier if these difficulties are resolved. But one big monetary problem remains. While exchange rates are fixed, the relative positions of countries, and therefore of their currencies, vary, and monetary stresses occur periodically. As the U.S.A. is still the most important country, and the dollar is still the most important currency, the most acute stresses involve the dollar. The world is emerging from a period of surplus of dollars into a period of scarcity of dollars. And it has not yet broadened the base of monetary reserves enough to counteract this scarcity.

EXPANSION PROSPECTS FOR ALUMINIUM

THE chairman of the Indian Aluminium Company, Mr. H. V. R. Iengar, said recently that the Company was planning to put up a 30,000-tonne smelter on the western coast. This would form the nucleus of a much larger scheme for the integrated production of aluminium in western India. According to the Company's estimates, India's requirements of aluminium by the end of the fourth plan will be much larger than have been planned for so far. The Development Council for Non-ferrous Metals estimated that the annual demand for aluminium would rise from 50,000 tonnes at the beginning of the third plan to 120,000 tonnes in 1965-66. Although the output of aluminium has risen sharply from 18,250 tonnes in 1960 to 55,220 tonnes in 1963, the country has to depend considerably on overseas sources, the imports in 1963 being about 21,200 tonnes. As against an estimated demand of 82,000 tonnes for 1963, supplies amounted to only 76,400 tonnes. The main reason for the spurt in demand from 50,000 tonnes in 1961 to 82,000 tonnes in the electrical industries, since indigenous resources for producing copper are very limited and its import costs are high. There are also plans for making more extensive use of aluminium in the manufacture of motor-vehicles.

The third plan production target, which was originally fixed at 87,500 tonnes, has undergone several changes, and it now stands at 110,000 tonnes. But there has been a serious lag in implementing the licensed projects, and it is likely that only 73,000 tons of capacity will be established by the end of the plan. This will be made up of 35,000 tons belonging to the Indian Aluminium Company, 20,000 tonnes to the Hindustan Aluminium Corporation, 8,000 tons to the Aluminium Corporation of India and 10,000 tons to the Madras Aluminium Company. The smelter of the Madras Aluminium Company, which is being put up in Salem, is likely to be ready for commissioning by the end of this

year, while the other units are already in production. Hindustan Aluminium has been permitted to expand its capacity to 60,000 tonnes. But this is likely to materialise only during 1966-67, when the fourth plan will be a year old. The 30,000-tonne Sharavathy project (in Mysore) and the 20,000-tonne Koyana project (in Maharashtra), whose industrial licences had to be revoked, are now to be taken up by the public sector, although minority capital participation by private entrepreneurs on the lines of the Cochin oil refinery will be permitted. Both these, as well as the Hungarian-aided project in Madhya Pradesh which is to have an annual capacity of 30,000 tonnes, can obviously be implemented only during the fourth plan period.

Strangely enough, the Government of India has failed to take into account the economies of scale while licensing new plants. While it has been quick to increase the capacity of public-sector projects, even against the advice of collaborators—as in the case of the Heavy Engineering Corporation in Ranchi—it has been reluctant to license the optimum capacity for private ventures. By European standards, the minimum economic size of an aluminium smelter is 30,000 tons, while in the U.S.A. it is over 100,000 tons. None of the existing plants has a capacity of 30,000 tons. The biggest producer has, no doubt, a total capacity of 35,000 tons, but it is distributed over two smelters—one in Orissa and another in Kerala. The largest existing smelter can produce only 20,000 tons a year. Similarly, only one of the four projects originally licensed—the Sharavathy project—was for 30,000 tons; two were for 20,000 tons and the third for 10,000 tons. The importance of setting up bigger units to save on capital costs and spread overheads has often been emphasised by the parties concerned and by a National Productivity Council team. According to a study of the aluminium industry by the U.N. Economic Commis-

Bonus Report Criticised

Representatives of industry have strongly criticised the Bonus Commission's recommendations on the ground that if they are implemented, they will put a heavy burden on producers. Expansion plans will suffer, and if the industry happens to produce goods for export markets, its competitive position will be seriously impaired. One of the main objections to the Bonus Commission report centres on the suggestion to pay a minimum bonus of 4 percent of workers' annual earnings even when there are no profits. The second one relates to the disallowance of a specific provision for rehabilitation and super profits tax as prior charges for determining bonus. The third objection is to fixing a return of 7 percent on paid-up capital and 4 percent on reserves used as working capital, both taxable. The Engineering Association of India has recently sent a memorandum to the Central Ministry of Labour drawing attention to the implications of the Bonus Commission's recommendations. There is an obvious inconsistency between the Commission's suggestion to offer a minimum bonus of 4 percent of the workers' annual earnings even when there are losses and its definition of bonus as a share of workers in the prosperity of their concern. By not linking bonus with productivity and efficiency production will be jeopardised. The Engineering Association has suggested that bonus should be allowed only if profits permit, and that it should be subject to a maximum of 20 percent in a year.

The Bonus Commission has rejected the plea for allowing a special provision for rehabilitation as a prior charge on the ground that allowance had been made for normal depreciation. Since the Commission wants that 60 percent of the available surplus after meeting prior charges should be allocated for distributing bonus, a concern will be left with only 40 percent for other purposes. Considering that innumerable obligations have to be met out of the remainder such as surtax, additional return on capital and reserves, repayment of loans (including deferred payments, debentures and redeemable preference shares), provision for gratuity and reserves for contingencies, very little is likely to be left for meeting the needs of rehabi-

litation. A special provision for this purpose is particularly necessary because replacement costs of plant and machinery have been rising steadily. If industry were to remain efficient and competitive, the need for a specific allowance for rehabilitating plant and machinery is imperative.

As for the Commission's suggestion to adopt a system of "set on" and "set off", the Engineering Association says that it will create many complications and hamper production. If during a year of good profits a firm, after paying 20 percent of the available surplus as bonus, has to carry forward a further 20 percent to the next year, it will amount to assuring its workers that bonus at the maximum rate will be paid irrespective of whether production targets are fulfilled or not. Workers under misguided leadership can even dislocate the entire production programme of such a concern with impunity.

Perhaps the most illogical part of the Bonus Commission's report relates to the return on paid-up capital. The 7 percent recommended is completely unrealistic and does not take into account the facts of the capital market. As far back as 1950, the Labour Appellate Tribunal considered the fair return on capital to be 6 percent tax-free, which is equal to 8.57 percent taxable. The taxable return of 7 percent now suggested is equal to only 4.9 percent tax-free. It is difficult to understand how the corporate sector can attract risk capital when even Government securities yield about 4½ percent tax-free. Borrowing rates have gone up recently because of the Reserve Bank's dear money policy and industries have had to borrow from the public at as high a rate as 12 percent. The Engineering Association suggests that a minimum return of 10 percent should be allowed. This is a percentage which even Mr. Asoka Mehta, Deputy Chairman of the Planning Commission, has suggested as being necessary for growth.

High Taxes Retard Growth

In his presidential address at the annual meeting of the Indian Chamber of Commerce in Calcutta on Friday, Mr. K. K. Birla strongly cri-

ticised India's taxation system. Referring to the multiplicity of taxes, he said that never in the economic history of any democratic country had such drastic and far-reaching fiscal changes been made in so short a time. The target for additional taxation fixed for the third plan has already been exceeded by the Central Government. It is estimated that the total revenue from additional taxation at the end of the current plan will exceed Rs. 1,900 crores. The lack of stability in the Indian tax system has been felt not only by Indian business men but also by foreign investors. Almost every year, there is a major change in the tax structure. A new tax is introduced, or an existing one is withdrawn, or a discarded measure is re-introduced, or drastic changes are made to give existing legislation an entirely new shape.

The super profits tax, which was introduced in the 1963 Budget, has now been replaced by the surtax. The dividend tax has been reimposed. The net relief granted to assessees through the replacement of the super profits tax by the surtax and the dividend tax is only marginal. Besides, when the super profits tax was originally levied, the Government stated that it was being introduced on account of the emergency. "That might have been one of the reasons, but there appears to be no justification for perpetuating the high incidence of the super profits tax on company profits by other measures which have the same result, though they bear different names". Mr. Birla said that the crippling effect of the enhanced gift tax and estate duty had not been fully realised. Under the gift tax, high rates have been introduced, which will affect not only the richer classes, but also the middle classes who, out of social obligations, offer gifts to their near and dear ones. To add to the harshness of the tax, it has been laid down that a gift given to the same person in earlier years will be taken into consideration for determining the rate of tax.

As for estate duty, whereas formerly its maximum rate was 40 percent, it has been increased to 85 percent in the new Budget. Moreover, while previously the maximum rate was levied on an estate of over Rs. 50 lakhs, now the maximum rate has been made applicable to all estates over Rs. 20 lakhs. Although the maximum rate of estate duty has been fixed at 85 percent in the new Budget, it will be much higher in practice. Citing a concrete example, Mr. Birla said that if a man died with his assets valued at Rs. 1 crore, he would be required to pay about Rs. 75 lakhs by way of estate duty. In order to pay this high duty, he would have to sell off his estate. But in doing so, he would be asked by the tax-gatherers to pay the capital gains tax. In income tax too, the rate on the highest income exceeds 88 percent. So about nine-tenths of the earnings of those belonging to the higher income brackets are taken away by the Exchequer. A sense of despondency has, therefore, been created by the expropriatory tax measures which, in effect, are retarding the flow of new investment in the economy.

Railway Expansion Plans

Taking a forward look at the country's transport requirements, the Railway Board has drawn up preliminary proposals for expansion during the fourth plan. These visualise a 50-percent increase in investment to cope with a 53-percent rise in originating traffic over the levels expected to be achieved in the current plan period. The provision for new traffic is modest. During the present plan, originating tonnage will increase (going by the estimates put forward in the mid-term appraisal) from 168 million tons in 1960-61 to 241 million tons in 1965-66—an increase of 43 percent despite the serious shortfalls in steel, coal and other bulk transport industries. If growth should indeed accelerate, as one very much hopes it will, the target of 370 million tonnes on which the railways are basing their planning is perhaps conservative. Although the physical target may be too low, the expenditure proposed does warrant a long second look. The close correspondence between the additional traffic the railways propose moving and the step up in investment suggests that, despite all the money that will have been spent on development over the 15 years of planning, economies of scale are nowhere in sight. This view,

may, however, need to be modified when one takes note of the backlog of replacements and renewals. At the last count, at the close of 1962-63, 27 percent of broad-gauge and 21 percent of metre-gauge locomotives were over-age. As for wagons, the railways were only a little better off. If a determined attempt is to be made to eliminate these arrears, it follows that the investment required in the fourth plan will be fairly high, notwithstanding any benefits supposed to accrue from the modernisation already completed.

From a technical viewpoint, the more interesting aspect of the railways' proposals is the declared long-term aim of switching over to diesel and electric traction. The steam engine is certainly not particularly efficient in its tractive effort because the coal burnt in the boiler to raise steam can be put to far better use in generating electricity. From the country's standpoint, coal burnt directly by the railways or used to generate power makes no great difference except the additional capital investment needed for transmission lines and the like. Since this is offset by an increase in line capacity (but for which the railways would need to be building extra lines), this is on the whole a decision which is consistent with the economic use of resources. The same argument does not hold good—not at least in the same form—for diesel locomotives. Diesels certainly represent a great improvement in efficiency, but they depend on what is still very largely an imported fuel. Until more oil is discovered or in the event of India striking it rich in off-shore drilling in the Persian Gulf, any increase in consumption must reckon with import constraints. This is an aspect with which the Railway Board is not directly concerned, but needs looking into at the policy level by those who will pass judgment on the proposals in the Planning Commission and the Finance Ministry. Another immediate consequence of the switch-over also needs to be noted. Domestic capacity in locomotives will not be sufficient to supply the 450 electric and 900 diesels that the railways propose to acquire. This will mean fairly substantial imports, and therefore a continuing dependence upon aid such as the World Bank and the U.S.A. have provided. This is a parameter which will need careful thought in the light of the estimates indicating declining availability of official aid, although the railways will argue that their total import requirements are going down year by year as domestic manufacture of rails, sleepers, etcetera, gets into stride.

The railways will, on present indications, undertake as much doubling and construction of new lines as during the present plan. In most cases, these steps for enlarging capacity are either already overdue (as on the east coast) or are planned to meet emerging regional needs (as in the Kandla port's immediate hinterland or in Assam in defence context). But what remains to be explained is the investment apportioned to improving efficiency on the routes already open. A U.S. team looking into the performance of the railways, in the context of Bokaro, pinpointed the deficiencies in signalling which prevent India from getting as much use out of each track as its counterparts elsewhere customarily get. Admittedly there are difficulties, such as insulation problems on tracks laid on steel ties or cast iron sleepers, which rule out a switch to automatic signalling. But these are not insuperable; the U.S. team gave the verdict that the railways may have found other solutions if they had not been content to plod along on conventional lines. Mr. H. C. Dasappa, Central Minister for Railways, seems to have taken this U.S. appraisal to heart. He spoke the other day of using computers to deploy wagons more rationally—an idea which the U.S. team had suggested. Since a piecemeal approach is hardly adequate, it would be interesting to know what else is being done to help the railways do better. The greater their efficiency, the less will be the need to invest in new capacity. Consideration of the railways' fourth plan proposals should proceed not merely in relation to the tonnage they may have to move, but also the efficiency norms they must attain.

Importance of Marketing

The vital rôle of marketing in a developing economy was explained by Mr. P. L. Tandon, chairman of Hindustan Lever Ltd., while delivering the first R. K. Sirkar Memorial Lecture under the

auspices of the Advertising Club in Calcutta last Friday. India offers a vast and untapped market, which is highly sheltered because of import restrictions. But far from reducing the importance of marketing, this factor invests it with greater significance. In fact, marketing is a growth factor in a developing economy since, by promoting consumption, it can spur productive effort. An international economist, Mr. Tandon pointed out, recently suggested that better supply and distribution of consumer goods could stimulate agricultural production by making the farmer want to earn more in order to buy the things useful to him.

In India, trading is an ancient tradition, and even a hereditary caste has been based on this vocation. The efficiency of the trade network may be seen from the fact that it operates on very low profit margins in normal times, although there have been abuses during times of scarcity. The great need today, according to Mr. Tandon, is to change the traditional trading approach to one of modern industry, and in this marketing is an important element. He defined marketing as "the chain of processes and creative thinking that spreads from the concept of the product through strengthening the 'want' for the product to when it is consumed". Since it involves a study of the needs of the consumer and the most efficient and economic method of satisfying them, marketing assumes great importance. It makes the consumer the supreme arbiter of what he will buy. Mr. Tandon said that this definition might not be quite acceptable to many in India since, because of scarcity, production might get all the emphasis and marketing might be regarded as a luxury. But marketing, in fact, made production meaningful and oriented it to consumer needs. An exclusively production-oriented economy would lose the efficiency and humanity which came from respect for the consumer in the same way as the Government that did not believe in consulting the public—the ultimate "consumers" of its policies—would be prone to make more mistakes in the long run. Advertising plays an important part in marketing. Having assessed the needs, said Mr. Tandon, it was the job of advertising to make the want sufficiently "felt".

RECRUITMENT OF TEA LABOUR

It is curious from what sources information is sometimes gained and how incorrect it can be. We noticed a small leaderette in a weekly contemporary a short time ago, announcing that shortly any amount of labour would be available for the tea districts; and we feel certain that our planter subscribers, who number not a few, would be only too delighted, if they thought there was any chance of such a thing coming off, but living in the thick of the fight, we fancy they do not view any statements of this kind, which have really no foundation, with a favourable eye, as such thoughtless statements, if they do no other harm, have a tendency to make the Government officials rather underestimate the gravity of the situation. The writer of this leaderette gives the panacea in "free" labour. We presume he refers to Assam, as "free" labour already exists in the Duars and Darjeeling. One has but to read the annual reports now appearing of Duars estates, to find out that "free" labour cannot be got at any price for some of the gardens there, so how would Assam fare in the competition if it was thrown open to "free" labour? The system of free labour has existed since the Duars first was opened out as a tea district, some 20 odd years ago, and Bengal, under which Government it is, naturally assists to foster its own industries, as opposed to outside ones, and views free recruiting with a favourable eye, instead of throwing every obstacle in the way of recruitment if the name of Assam is mooted. Whatever be the cause of it, there is no doubt that recruiting has had a set back the last three or four years. Whether this is due to the inimical attitude of Government officials in the recruiting districts, or to a "seven" years of famine instead of plenty, as has been the case in the Central Provinces, the fact remains the same, that the procuring, not of suitable coolies, but of coolies of any kind, in the well-beaten paths for such, has been almost impossible, even at fabulous prices.

FROM

CAPITAL
19th May, 1904

A Ditcher's Diary

I AM ALTOGETHER UNABLE TO OBLIGE MR. JUSTICE Tek Chand by doing what he thinks, entirely erroneously, is the duty of the Press: to propagate Prohibition. The sole duty of the Press is to tell the truth; and the truth about his team's 548-page report, of which ten thousand copies have been printed at immense cost to the public, is that the document is a monument to human stupidity. (A contemporary has already exposed the team's childish addiction to what must be called the artless aid of alliteration, besides quoting the glorious misprint: The "Bottle of Waterloo".) All I can suggest now, instead of crying over the paper already wasted, is future action, which is that somebody should prevent publication of the promised second volume. That is my adequate comment on the first. Attention does not appear to have been drawn yet to Chapter XIX in which diplomatic whisky, hard currency in corruption in "developing" countries, especially if there is a "free" Press, is dealt with. There is a statement showing quantities of spirits cleared by foreign missions for their official and personal use during 1963: here is ammunition for anyone seeking an American doctorate; that spirits, wines, beers and liquors are virtually lumped together (with no mention of liqueur—"strong alcoholic liquor sweetened and flavoured with aromatic substances", according to the C.O.D.) is perhaps proof of the team's innocence. The omission, however, from the list of an embassy recently figuring in some litigation seems a triumph of tact. The report does refer to the possibility that some foreign embassies are in regular business in duty-free irregular hooch. A colleague charitably suggests that many diplomats are paid no salaries and are required to live on their diplomatic privileges. On this I have a story. An Indian diplomatist abroad bought a car from a departing ambassador without prior sanction of a loan from New Delhi. He was duly reprimanded by the External Affairs Ministry for taking the loan out of the embassy funds; he was told that the receipt forwarded was unacceptable because it had not come from a regular motor-car dealer. The Indian diplomat wrote back, "The receipt was from a [I dare not name the region] diplomat; and if he is not a regular dealer in motor-cars, and various other things besides, who is?"

CONTINUITY OFTEN WEARS THE MASK OF COHERENCE. This piece of profundity occurred to me last week as I was listening to a friend who, after extensive travel in parts of the world where Indian news is scant, has just descended on the Indian scene and comprehends it not at all. (Do I? Do you?) He

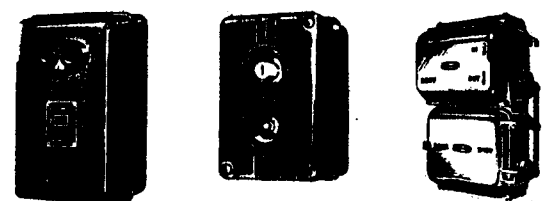
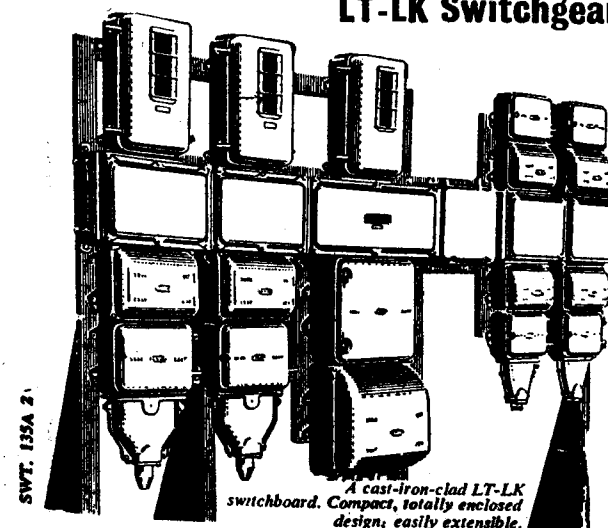
asked me what was the immediate provocation for Sheikh Abdullah's release, just when Mr. Chagla at the United Nations was eloquently arguing a case the Sheikh was predictably unlikely to strengthen. My answer, such as it was, carried little conviction with my friend. If he was unable to compliment the Government of India on its handling of Kashmir and its lion let loose, he was full of admiration for the dexterity with which the Sheikh has been roaring since his release. Not a word out of turn, my friend thought, and yet his intentions made crystal clear to everyone—with the possible exception of Mr. Nehru and his advisers. (Who are they? I was asked; again, I was unable to answer.) In the decade of incarceration Sheikh Abdullah has certainly acquired a lot of diplomacy, I suggested. From the other side of the desk came a demurrer. The Sheikh's shrewdness and tact, my friend is convinced, are important articles. It has long been known that the Anglo-American interest in the Kashmir question is out of all proportion to their national interests involved; and I am always sceptical when Afro-Asian nationalists ascribe all their ills to foreign machinations. Yet it seems probable that the Sheikh has hidden mentors. What is manifest is that the decision to release Sheikh Abdullah was taken without any very clear calculation of the possible consequences. If the Sheikh is pressing his enormous bargaining advantages to the utmost, the Government of India has only itself to blame. Foreign observers should not be cursed if they discern in New Delhi's hesitancy a dormant guilty conscience. India rightly argues that any change in the status quo will be for the worse. My friend submits that a change, and for the worse, has been brought about by the Government of India itself, the change being the release of Sheikh Abdullah. Infinite is New Delhi's capacity to create embarrassments for itself!

THE ALMOST WORLDWIDE REACTION TO PRESIDENT Johnson's habit of lifting his Beagle dogs up by their ears strikes me as being, to put it mildly, a little surprising. I should have thought that most of us had better things to do than worry about other people's dogs. Characteristically, reactions to the discovery have differed. In the United States, opinion seems to be divided roughly according to whether or not one voted Republican at the last Presidential election. In Britain, where these matters are always taken more seriously than such comparatively minor ones as war, plague or revolution, the news has been received with much the same shocked horror as might be expected if Sir Alec Douglas-Home were caught shooting grouse on 11th August. Not since the Russians

grieved animal lovers by rocketing dogs into space has there been such a feeling of outrage in drawing rooms up and down that country; and not since Suez has the Atlantic alliance sustained such a blow. In India, the main reaction has been one of surprise that there should have been any reaction at all. But it must be admitted that the world is full of people who, either because they are on the verge of starvation and have other similarly petty problems of their own, or perhaps because they have no inherent sympathy with Beagle dogs, habitually do not show the concern over incidents of this kind which might properly be expected of their more sensitive fellows. We need bother ourselves no more about them. The only trouble, though, at least as far as I am concerned, is that I have to confess they include me. It might seem little short of heresy among animal lovers, but I cannot see why the practice of lifting Beagle dogs by the ears makes a man less qualified to be the President of the United States, or even implies that he is not otherwise capable of being a devoted husband and a loving father. There are parts of the world where a little playful cruelty is regarded as a mark of true affection, and appreciated as such by the objects of it. I once came across a working man in Paris who got drunk and beat his wife every Saturday evening; she worked hard and willingly all week as a lavatory attendant in order to earn enough money to buy him the liquor. If there is anybody who misses my point, I would advise them to search those horrified reports about President Johnson for any mention of protest on the part of the dogs. And I would remind the sceptical that a Beagle is a large animal and quite capable of defending its interest if it feels so inclined, even against the most powerful man in the world. The real lesson from all this, I suppose, is that people in high places should watch their public behaviour more closely. There was a similar outcry, if you remember, when Queen Elizabeth was caught surreptitiously licking her fingers after eating bread and butter at a dinner party.

TO SEE A SHAKESPEAREAN PLAY COMPETENTLY produced on the stage is always a pleasurable experience. This was certainly so in the case of *Much Ado About Nothing*, which The Amateurs presented at the New Empire last week as their contribution to the quatercentenary celebrations. The group's previous experiments in the sphere of Shakespearean drama have not always been an outstanding success, but the latest one was commendable indeed. *Much Ado About Nothing* is not, of course, one of Shakespeare's great plays; and, as a pleasant comedy, it suited the talent and the resources of The Amateurs well. Yet to ascribe their success to this fact alone would be doing them an injustice, for they had clearly worked hard through intensive rehearsals to achieve a degree of confidence and skill that one does not often associate with non-professional performances.

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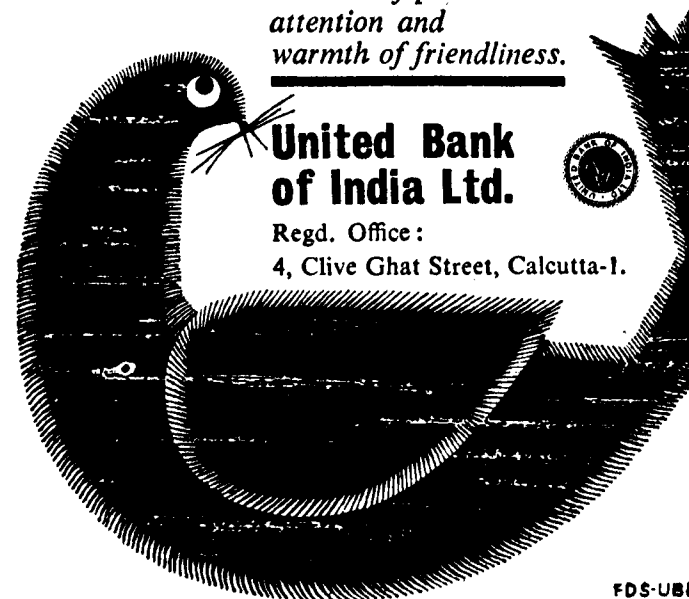
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FDS-UBI

CAPITAL, 14th May, 1964.

Among the *dramatis personae*, Vimal Bhagat as Benedick and Anjali Malik as Beatrice—engaged as they were in "a merry war" and "a skirmish of wits" before they were tricked into marriage—were outstandingly good. Zahid Baig as Don Pedro, the prince, and Zia Ahmed as Claudio gave a competent performance too. Jacob K. Jacob as Leonato, the Governor of Messina, was a little weak and indecisive at the start, although he made up for it later; and Meera Bhagat as Hero, while looking as lovely as the character visualised in the play, seemed more subdued than she need have been. Ernani Giambuzzi, appearing otherwise in the minor rôle of an attendant, is to be complimented on his neat and imaginative management of the stage. The faults, such as they were, were minor; and it is no exaggeration to say that the evening, on the whole, was most enjoyable. I now look forward to *Othello*, which the Dramatic Club of Calcutta will be presenting next week, also as part of the quatercentenary celebrations. The D.C.C. and The Amateurs have in fact joined hands to commemorate the quatercentenary, and the Shakespeare Festival Committee, under whose auspices the plays are being staged, includes members from both organisations. The relatively recent phase of healthy rivalry between the two thus appears already to be leading to one of fruitful and cordial co-operation.

IF IN SPORT NATIONALISM IS BY NOW VERY MUCH an accepted thing, there is no reason, I suppose, why people should throw up their hands in horror when a mild provincialism makes its way into mountaineering. Congratulations, therefore, to the Bengali team that recently climbed Kabru Dome and just missed another difficult peak. Many of the boys were associated with the successful expedition on Nandaghunti and the gallant attempt on Mana two years later. I understand that mountaineering is fast becoming infectious in West Bengal, which is not really surprising. In fact, no people living right at the foot of the Himalayas could long ignore the call of the mountains. I am inclined to believe that, if there were no such distractions as politics which hereabouts often took the form of terrorism, Bengalis would have taken to mountaineering much earlier. The love of altitudes has ever been there; mist and mysticism have much in common besides phonetic affinity. Maharshi Debendranath Tagore took his son to Dalhousie when the Poet was a mere boy and travel was slow and painful. The Bengali team's recent success in the Sikkim Himalayas is the more remarkable because the equipment it could afford to carry was at its best inadequate. Although some romantics frown upon elaborate equipment—some go to the extent of disapproving even oxygen—a Himalayan expedition needs certain minimal aids besides a lot of courage. Here again I see something of the spirit of terrorism. Many are old enough to remember that those young men of the 'twenties and 'thirties attempted daring raids with weapons that children elsewhere would have scorned. It is a failure of leadership in Bengal that this indomitable spirit is so often dissipated in exercises in futility. I sincerely hope that the new enthusiasm for mountaineering will soon blossom in this State of gloom into many new creative ventures. The team received unexpected support from a large variety of quarters which, I hope, will not forget the boys on their return. Since most of the helpers were commercial concerns, it is in the field of commerce that I would like Bengali enthusiasm and adventure to regain their rightful place. I do not mind repeating that Bengal's culture, great as it is, still lacks a strong economic base.

AN ANGLICAN MINISTER WAS ASKED BY AN ORGANISATION interested in promoting better understanding between Jews and Gentiles to give a lecture to a Jewish Society. He chose Moses as his subject and was surprised to find that his views on the grand old patriarch did not appear to meet with the entire approval of his Jewish audience. After the talk he approached some of them and asked why.

"Well," said one, "we used to take a very good view of the old gentleman, but we now realise he made one big mistake. When he crossed the Red Sea if he had only turned right instead of left, the Israelis would have had the oil instead of the sand and the stones."

THE DITCHER

CAPITAL, 14th May, 1964.

Guide for Investors

POOR OUTLOOK FOR NEW ISSUES

(BY A SPECIAL CORRESPONDENT)

THE outlook for the shares of new companies is considered poor since the confidence of investors has been shaken by the Budget. In spite of the marginal benefits given to the corporate sector in the form of special tax rebates for specified industries, the general prospect for equities has suffered greatly because of two new levies. The dividend tax will tend to restrain companies from paying higher dividends. It is unfortunate that this burden should be imposed on the corporate sector at a time when investors expect bigger dividends because of the Government's dear money policy. The growth prospects for equities have been affected by the capital gains tax on bonus shares. In view of these two imposts, combined with the fact that new companies generally take at least four or five years before they can declare dividends, investors have preferred to keep out of new shares. The apathy is increased by the heavy discount at which the majority of new shares are quoted.

The trend is unfortunate since it is essential to attract savings for industrial investment. The Chinese aggression towards the close of 1962, combined with the stiff Budget for 1963-64, had affected investment confidence. When Mr. T. T. Krishnamachari took over as Finance Minister, sentiment improved on his assurance that he would take steps to restore confidence in the capital market. Encouraged by his assurance, the new issue market too revived slightly during the last quarter of 1963. In the latest issue of *Company News and Notes* under the title "Study of Prospects issued during October-December 1963" compiled by Messrs S. M. Dugar and G. C. Banga, it has been shown that the capital issues during the quarter ended December 1963, amounted to Rs. 14.22 crores. This is an improvement over those for the previous two quarters. The striking improvement in preference shares during the quarter ended September 1963 was reversed in the quarter ended December 1963. Equity issues were more prominent than preference shares in the latter quarter, their share of the total capital issues being 86.3 percent and 13.7 percent, respectively, compared with 72.6 percent and 27.4 percent in the preceding quarter. There was a substantial increase in the percentage of shares taken by foreign collaborators, promoters, directors and their friends. There was, therefore, a corresponding decline in the percentage of shares offered to the public. Shares offered to the public amounted to 57.2 percent, those offered to promoters, directors and their friends formed 23.5 percent and those offered to foreign collaborators amounted to 16.7 percent. The corresponding percentages for the preceding quarters were 83.6, 14.1 and 2.3.

The participation of the financing institutions in the total share capital during the quarter ended December 1963 was significant when compared with their rôle in the preceding quarter. Their contributions amounted to 2.9 percent of the total capital issues, against nil in the previous quarter. About 51.2 percent of the project costs of various companies were met from the proceeds of share capital, while share capital formed only 35.2 percent of the total project costs in the preceding quarter. The next important source for financing

project costs were Indian commercial banks. Various financial institutions played an important rôle in providing long-term finance to meet the project costs of several companies. The Industrial Credit and Investment Corporation of India and the Industrial Finance Corporation advanced loans totalling Rs. 4.32 crores for financing project costs, while foreign agencies like the Agency for International Development, Washington and the U.S. Export-Import Bank provided funds to the extent of Rs. 2.81 crores. Foreign financial assistance in the form of share capital and long-term loans amounted to Rs. 5.55 crores during October-December 1963, compared with Rs. 4.84 crores for the quarter ended September 1963.

The total cost of raising capital amounted to 2.4 percent of project costs during the quarter ended December 1963, compared with 1.6 percent for the preceding quarter. The underwriting commission and brokerage accounted for 0.9 percent, against 0.7 percent in the preceding quarter while preliminary, pre-incorporation and other expenses on the capital issues accounted for 1.5 percent. The amount which was underwritten constituted 91.4 percent of the aggregate amount offered to the public by all the 23 companies which were surveyed. The corresponding percentage for the previous quarter stood at 83.7. Of the total amount, 75.5 percent was underwritten by institutional underwriters like Industrial Finance Corporation, Industrial Credit and Investment Corporation of India, State Financial Corporations, Investment Corporation of India, Life Insurance Corporation, general insurance companies and banks. The amount underwritten by these institutions accounted for 56 percent of the total issues in the preceding quarter. There was only one company which had appointed managing brokers. No payment, apart from reimbursement of expenditure actually incurred by them, was made to the promoters in connection with the capital issues.

Andrew Yule Jute Group Does Well

been operating at the maximum level.

Cheviot Mills Co. Ltd. has earned a profit of Rs. 37.56 lakhs, against Rs. 41.58 lakhs for 1961-62, after transferring Rs. 7.84 lakhs (against Rs. 7.87 lakhs) to depreciation. The taxable ordinary dividend of 25 percent, including an interim of 7.5 percent, has been repeated which amounts to a yield of 12.3 percent at the present price of Rs. 20.37 a share of Rs. 10 each. Taxation, including Rs. 2.50 lakhs for surtax on profits, is allocated Rs. 22.73 lakhs (against Rs. 12 lakhs), development rebate reserve Rs. 1.20 lakhs (against Rs. 6.73 lakhs) and general reserve Rs. 3 lakhs (against Rs. 12.49 lakhs). Gunny sales rose from Rs. 2.92 crores to Rs. 3.06 crores. Orders for machinery to expand modernisation of the fine side drawing, spinning and warp winding machinery up to 100 percent of the mill's registered loomage have been placed. Pre-beaming machines are being installed to cover all hessian looms. Orders have also been placed for 20 broad looms, together with all ancillary machinery, for the manufacture of carpet-backing cloth and for the construction of an extension to the main mill building for this purpose. In view of the large stock of jute which the mill has to carry, it has been found necessary to construct two more godowns. The estimated costs of these projects are Rs. 30 lakhs.

The profit of Delta Jute Mills Co. Ltd. has dropped from Rs. 38.24 lakhs to Rs. 37.85 lakhs, after providing Rs. 11.75 lakhs (against Rs. 12.20 lakhs) for depreciation. The taxable ordinary dividend has been increased from 12 percent to 16 percent, including an interim of 6 percent. The yield works out to 11.1 percent at the present price of Rs. 144 a share of Rs. 100 each. Taxation, including Rs. 2.90 lakhs for surtax on profits, absorbs Rs. 23.49 lakhs (against Rs. 13.65 lakhs), capital reserve Rs. 89,542 (against Rs. 1.84 lakhs) general reserve Rs. 3.50 lakhs (against nil) and development rebate reserve Rs. 96,000 (against Rs. 7.62 lakhs). The carry-forward amounts to Rs. 23,475, against Rs. 28,674 brought in. Gunny sales rose from Rs. 3.56 crores to Rs. 3.98 crores. Orders for machinery to extend modernisation of the fine side drawing, spinning and warp winding machine up to 100 percent of the mill's registered loomage has been placed. Pre-beaming machines are being installed for all hessian looms. The cost of the project has been estimated at Rs. 12 lakhs. The Central Warehousing Corporation has leased from the Company the major part of

Belvedere Mills for the storage of jute on account of the State Trading Corporation of India.

Orissa Minerals Pays the Same

THE profit of the Orissa Minerals Development Co. Ltd. for the year ended June 1963, has dropped from Rs. 6.83 lakhs for 1961-62 to Rs. 2.78 lakhs for 1962-63, after transferring Rs. 6.01 lakhs (against Rs. 6.02 lakhs) to depreciation, Rs. 7.03 lakhs (against Rs. 6.35 lakhs) to taxation and Rs. 6,000 to super profits tax relating to the previous year. A sum of Rs. 7.02 lakhs has been transferred from liability no longer required. The taxable ordinary dividend of 10 percent has been repeated which works out to a yield of 4.5 percent at the present price of Rs. 22.12 a share of Rs. 10 each. General reserve is allocated Rs. 80,000 (against Rs. 2 lakhs), statutory development rebate reserve Rs. 4,000 (against Rs. 1.41 lakhs) and staff compensation and pension reserve Rs. 27,778 (against Rs. 44,555). The carry-forward is Rs. 5,266, against Rs. 38,801 brought in.

Raisings of iron ore fell from 664,881 tons to 407,336 tons and despatches dropped from 650,797 tons to 386,749 tons. The output of manganese ore amounted to 57,528 tons, against 77,091 tons and sales declined from 64,166 tons to 54,031 tons. The directors have mentioned that the principal buyers have reduced their orders due to the relining of their blast furnaces and because of increased supplies of iron ore from their captive mines. The outlook for manganese ore has deteriorated further due to new sources of supply and because of the lesser dependence of the steel industry on the ore following technological advances in steel-making.

The total world production has been in excess of demand. The outlook for Indian manganese ore is not considered promising since the new sources of supply enjoy freight advantages over Indian ore. The Bolani mine is now equipped to produce and despatch at the rate of 2 million tons of iron ore a year. The Durgapur steel plant is expected to increase its offtake in the near future. An application has been submitted by the Company to the Agency for International Development, Washington, for a loan to meet the foreign exchange requirement of the expansion schemes. These projects are expected to produce 2 million tons of lump ore and 1 million tons of fines in order to meet the requirements of the Durgapur steel plant.

Indo-Burma Petroleum Repeats

THE directors of the Indo-Burma Petroleum Co. Ltd. have emphasised the increased competition in the report for the year ended December 1963. Sales in India were smaller than those for 1962. Sales in East Pakistan improved, but the

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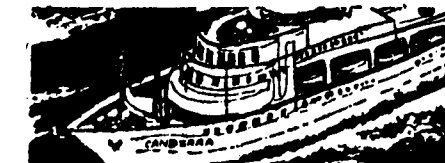
The requirement: a microscope capable of magnification well over a million times. AEI's answer for the National Metallurgical Laboratory, Jamshedpur: the EM6. An electron microscope capable of direct magnification up to 120,000 times, the image it produces can be enlarged by photography well over a million times. The EM6 is being used to observe minute disorders in the arrangement of the atoms in a metal, an invaluable aid to metallurgists in their search for the Why and How of metal and alloy fatigue. Another highly sophisticated AEI instrument, the MS-3 Mass Spectrometer, is installed in the research laboratories of The Indian Association for The Cultivation of Science at Calcutta. It is used in the chemical and isotopic analysis of gases and volatile liquids; this institution is also equipped with AEI's RAYMAX-60 Diffraction Apparatus, used for quick accurate analyses of specimens. Precision AEI instruments like these are serving science the world over.

720 mile journey for oil

Three million tons of crude oil a year will soon be piped from the jungles of Assam to the refineries being built at Noonmati and Barauni. As a result, production of crude oil in Assam is expected to increase six times to three million tons per annum. The 720 mile pipeline makes 78 river crossings as it cuts through jungles, swamps and paddy fields. Radio signals giving temperatures, pressures and rates of flow along the pipeline will be received at a central headquarters. It will switch on by remote control the electrical motors operating valves and engine controls. Two independent communications systems will ensure absolute reliability. AEI is supplying part of it—a multi-channel carrier system and voice frequency telegraph equipment.

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'Canberra', the P. & O. Orient Lines' 45,000 ton passenger liner, is the newest and brightest addition to a proud fleet. Revolutionary in design, electricity has



helped in many ways to make the 'Canberra' a finer ship. Two of the world's largest marine propulsion motors, 42,500 shaft h.p. each, give her a swift, quiet 27½ knots. Electric drive allows the synchronising of propellers,

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Last year, nearly three thousand ships entered Bombay docks to load and unload over 117 lakh tons of cargo. Without the cranes that swing these vast amounts of merchandise between wharves and ships, by day and night, the docks would come to a standstill. The cranes must be completely dependable. And that largely depends on the quality of their electrical equipment. As dock traffic increases, so new cranes must be installed. Seventy-two have been commissioned; they are equipped with AEI motors and controlgear totalling 5868 h.p. AEI will soon provide yet another eighteen sets of motors (totalling 1,314 h.p.) and controlgear for new cranes in Bombay's Alexandra Docks.

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profit margins in both the countries have shrunk. The Company did not trade in Burma during 1963. The exploration wells drilled in the U.K. failed to find oil or gas and it has now been decided to undertake a seismic survey over another part. The directors have been examining a number of projects which may offer suitable opportunities for investment.

The profit has amounted to Rs. 52.61 lakhs, against Rs. 54.64 lakhs, after transferring Rs. 6.28 lakhs (against Rs. 6.01 lakhs) to depreciation. An interim taxable ordinary dividend of 10 percent was paid earlier. The final taxable ordinary dividend of 7½ percent has been declared. A special distribution of 5 percent, subject to tax, has also been made to the ordinary shareholders since the final instalments of the agreed price for the acquisition of the Company's investments and marketing assets in Burma by the Government of that country, have been received. So the total distribution for 1963 amounts to the same figure of 22½ percent. At the present price of Rs. 22 a share of Rs. 10 each, the yield amounts to 10.2 percent. Taxation is allocated Rs. 31.15 lakhs (against Rs. 31.28 lakhs).

Good Outlook for Alcock, Ashdown

THE working results of Alcock, Ashdown and Co. for 1963 show an improvement over the previous year, with both sales and gross profit recording a rise. The increase in the gross profit is, however, much smaller, compared with the rise in the sales and work done. The gross profit at Rs. 30.85 lakhs shows an increase of hardly 6 percent, whereas sales and work done has risen by some 21 percent from Rs. 1.73 crores to Rs. 2.10 crores. The profit margin has been squeezed by the higher cost of stores consumed, enhanced wage bill and increased interest charges due to the substantial increase in borrowings. Appropriations include depreciation Rs. 3.81 lakhs (against Rs. 1.66 lakhs), development rebate Rs. 3.90 lakhs (against Rs. 48.412), taxation Rs. 9.78 lakhs (against Rs. 9.67 lakhs), general reserve Rs. 75,000 (against Rs. 4.80 lakhs), bonus for earlier years Rs. 34,996 (against Rs. 2.49 lakhs) and dividend reserve Rs. 10 lakhs. The dividend has been maintained at 19 percent, but it is on the increased capital, and the dividend distribution at Rs. 9.91 lakhs is about 10 percent more than in the previous year. The dividend is to be paid out of the dividend reserve. On account of the changes in the statutory tax deduction, the net dividend is placed at 15.2 percent, against 14.59 percent in the previous year, which also included a tax-free element and which benefit is no longer available.

The directors state that all the shops in the Company's defence works in Bombay were fully employed in one shift and most of them were also working partially or fully in the second shift. Improvement in turnover in the ship repair department has been maintained. The boat building yard was also fairly occupied with the construction of dredgers and barges. In his statement to the shareholders, the chairman, Mr. K. D. Ryall, says that 1963 was a period of consolidation and preparation for further advances and he has held out the hope of encouraging results for the current year, unless, of course, there are some material changes in the meanwhile. Progress to-date has been well maintained. The large quantities of steel received from indigenous producers and allocated from steel imports to cover the orders in hand for the next two years, resulted in the Company working overdraft and a very considerable increase in work-in-progress from

Rs. 44.39 lakhs to Rs. 1.485 crores by the end of the year. Since then, the overdraft has been substantially reduced, and as deliveries of fabricated structure increase, the work-in-progress figure should also come down. This, however, depends entirely on the receipts of steel from producers. The chairman says that while the overall steel position has considerably improved, there are still shortages in certain sections which are required for large Government contract that the Company has in hand for railway bridge girders and transmission line towers. With the decontrol of most of the categories of steel, these obstacles are likely to disappear. The Company has recently despatched to Nigeria its first export order for transmission line towers, and efforts are being made to secure further orders from abroad. The Bhavnagar extension which went into production last year and which is now working on one shift basis, is gradually building up its output. Provided necessary supply of steel is forthcoming, a considerable increase in output is expected this year. The boat building yard in Bhavnagar has received a further order for barges for the Gujarat Government and according to the present position of orders booked, the yard will be busy till the end of 1966.

Further progress is said to have been made in the diversification programme of the Company. The agreement for the manufacture of marine diesel engines has been finalised with Bergius Kelvin Co. of the U.K. Import licences for certain balancing machinery are awaited and the production of smaller horse-power engines is expected to commence by about the middle of 1965. Likewise, the Company has also made an agreement with Clyde Crane and Booth of the U.K. for the manufacture of cranes, other than the light industrial overhead travelling cranes, of up to 10-ton capacity, and the Government's approval is awaited.

B.I.C.C. Earns More

BRITISH Insulated Callender's Cables Ltd has done well during 1963. Sir William Mcfadden, chairman, has taken an optimistic view of the outlook in his statement circulated along with the accounts of the Company. (A fuller version of his statement was printed in the last week's issue of *Capital*.) The Company is expected to have another successful year in 1964. Sales and profits for 1963 have risen considerably. The group trading profit has improved by £4.2 million to £12.3 million, compared with that for 1962. There has been a substantial improvement in exports of the Company's products. B.I.C.C. has been busy in the sphere of railway electrification, particularly on the Euston-Crems scheme and in India. The Company has received many valuable contracts from the Indian railways for the latter's electrification schemes. Its overseas branches have made excellent progress.

Bisra Stone Lime Raises Dividend

THE Bisra Stone Lime Co. Ltd has increased the taxable ordinary dividend from 10 percent to 12.5 percent, including an interim of 5 percent, for the year ended March 1963. The yield amounts to 7.1 percent at the present price of Rs. 17.69 a share of Rs. 10 each. The profit has amounted to Rs. 13.51 lakhs, against Rs. 14.20 lakhs for 1961-62, after transferring Rs. 11.72 lakhs (against Rs. 8.07 lakhs) to depreciation, Rs. 9.40 lakhs (against Rs. 11.85 lakhs) to taxation and Rs. 1.10 lakhs to super

profits tax. Pension reserve is allocated Rs. 2.95 (the same), statutory development rebate reserve Rs. 1.93 lakhs (against Rs. 3.73 lakhs), general reserve Rs. 4.10 lakhs (against Rs. 2.50 lakhs). The carry-forward is Rs. 3,345, against Rs. 50,122 brought in. The output of limestone amounted to nearly the same figure of 1.5 million tons, but sales dropped slightly to 1.4 million tons. The production of dolomite rose from 455,052 tons to 497,869 tons and sales improved from 445,723 tons to 504,042 tons.

Andrew Yule Tea Group Results

THE results of the Andrew Yule group of tea Companies for the year ended December 1963, have been published. The profits of Rajgarh Tea Co. Ltd (an Assam garden) has dropped from Rs. 3.63 lakhs for 1962 to Rs. 1.59 lakhs for 1963, after providing Rs. 72,764 (against Rs. 71,147) for depreciation. The taxable ordinary dividend has been reduced from 17.5 percent to 12.5 percent, which gives a yield of 6.8 percent at the present price of Rs. 18.50 a share of Rs. 10 each. Taxation is allocated Rs. 68,000 (against Rs. 2.25 lakhs), development rebate reserve Rs. 7,000 (against Rs. 330) and general reserve Rs. 30,000 (against Rs. 40,000). The carry-forward is Rs. 36,997, against Rs. 38,418 brought in.

The crop declined from 2,307 quintals to 1,991 quintals due to the unfavourable weather. The average sale price showed a fall of 51nP a kilogram over that for 1962. The 1964 crop has been estimated at 2,300 quintals. Capital expenditure of Rs. 1.81 lakhs has been incurred on the extension of the tea acreage and for the construction of labour and staff quarters.

Basmatia Tea Co. Ltd (an Assam garden) has made a profit of Rs. 93,901, against Rs. 3.94 lakhs after transferring Rs. 1.18 lakhs (against Rs. 1.09 lakhs) to depreciation. The taxable ordinary dividend has been reduced from 20 percent to 7½ percent, which works out to a yield of 3.1 percent at the present price of Rs. 24.25 a share of Rs. 10 each. Taxation absorbs Rs. 45,000 (against Rs. 2.42 lakhs) and development rebate reserve Rs. 2,300 (against Rs. 600). The carry-forward amounts to Rs. 36,156, against Rs. 46,930 brought in. The crop declined by 483 quintals to 2,385 quintals and the average sale price dropped by 20nP a kilogram to Rs. 6.40 a kilogram. The crop was affected by an attack of red spider but stringent precautions have been taken to prevent a similar attack. The 1964 season has started well, and it is expected that the crop will show a satisfactory recovery. It has been estimated at 2,900 quintals for 1964. Extension of the tea area of 3.06 hectares was implemented towards the close of 1963. Although the directors fixed the extension programme for four hectares a year originally they have now decided to increase the annual target to eight hectares from the cold weather of 1965-66.

Podar Mills Fares Well

THE Podar Mills reports satisfactory results for 1963. Sales of cloth, yarn, waste and imported colours and chemicals have risen by a little over 7 percent from Rs. 2.60 crores to Rs. 2.79 crores, and the gross profit has gone up by nearly 20 percent from Rs. 21.96 lakhs to Rs. 26.08 lakhs. After providing Rs. 13.83 lakhs (against Rs. 6.40 lakhs) for depreciation, Rs. 5.10 lakhs (against Rs. 1.25 lakhs) for development rebate and Rs. 2.75 lakhs (against Rs. 1 lakh) for

taxation, the net profit amounts to Rs. 3.26 lakhs, against Rs. 12.29 lakhs in the preceding year. Taking into account Rs. 4.09 lakhs (against Rs. 8,869), being profit on the sale of fixed assets and Rs. 1 lakh, being excess provision for taxation for earlier years, and including Rs. 1.23 lakhs brought forward from the previous year, the disposable surplus amounts to Rs. 9.58 lakhs. From this, the directors have provided Rs. 2.37 lakhs (against Rs. 5.34 lakhs) for bonus to staff and workers. Preference dividend takes up Rs. 57,500 (the same) and equity dividend of 12 percent will absorb Rs. 6.60 lakhs (the same). After making various appropriations, there remains a small balance of Rs. 3,646 to be carried forward.

The directors state that since the textile industry's cost structure has been continuously under pressure, and cloth prices have been pegged at the 1960 level, the Company's performance during 1963 can be considered quite satisfactory. The Company is going ahead with its programme of modernisation and rehabilitation. During 1963, the Company added 5,400 spindles to its spinning capacity, thereby increasing the total spindleage to 38,000. The entire spinning department of the mill is being worked three shifts while the weaving department is working full two shifts and two-thirds of the capacity is worked third shift. The Company spent about Rs. 19 lakhs on modernisation and rehabilitation last year, thus spending nearly Rs. 1 crore in the past eight years. As a result of this, the Company has 75 percent of spinning department with new machines. The weaving department, too, has been modernised with the latest Barber Colman winding and warping machines and Schweiter auto-pirn winders and Lessona cone winders. The mill is now a highly rationalised unit with very low complement of labour.

The Company proposes to install a modern dyeing, bleaching, finishing and printing plant in Bombay at a cost of nearly Rs. 50 lakhs. It has already received a printing quota of 2 million yards a year. The Company also proposes to purchase additional new machinery besides installing additional spindles and looms to the Bombay unit. This programme of modernisation, rehabilitation and expansion is estimated to cost approximately Rs. 40 lakhs. The construction work of the new spinning unit of 25,000 spindles in Jaipur has started. Orders have been placed for indigenous machinery like ring frames, cards, doublers and the I.C.I.C.I. has agreed to give about Rs. 24 lakhs of foreign exchange loan for the import of other machinery like blow room line, fly frames, draw frames, combing equipment, doubler winders, etcetera. The Jaipur unit which is being built with capital assets worth about Rs. 1.5 crores is expected to commence production during the first half of 1965. The Company's subsidiary—the Jaipur Spinning and Weaving Mills Ltd—has also undertaken a substantial expansion programme. Its spinning capacity will be increased this year by additional 11,200 spindles, thereby having a total capacity of 26,880 spindles. The other subsidiary—the Sassoon and Alliance Silk Mill Company—has made very good progress. The Company has a share capital of Rs. 65 lakhs of which equity capital amounts to Rs. 55 lakhs. Its reserves and surplus total Rs. 54.8 lakhs. Its gross block of Rs. 1.49 crores has been written down to Rs. 88.56 lakhs. The Rs. 10-paid share of Podar Mills is currently quoted around Rs. 12, offering a gross return of 10.9 percent.

The Company's expansion schemes, including the setting up of the new mill in Jaipur and the processing plant in Bombay, are proposed to be financed partly by borrowing on the

fixed assets for which arrangements have been made and partly by raising additional capital of Rs. 95 lakhs, consisting of Rs. 55 lakhs in equity shares of Rs. 10 each and Rs. 40 lakhs in preference shares of Rs. 100 each.

The shares will be offered simultaneously to the Company's shareholders as rights and to the public. The necessary consent of the Controller of Capital Issues has been obtained. After the completion of the expansion programme, the Company's turnover is expected to rise to around Rs. 6 crores a year.

Ambika Silk Mills Pays Less

ALTHOUGH the dividend has been reduced from 20 percent to 15 percent, including silver jubilee payment of 2.5 percent, the working results of Ambika Silk Mills Ltd for 1963, show an improvement over the previous year's performance. Sales have risen from Rs. 1.78 crores to Rs. 2.42 crores, and the gross profit has gone up from Rs. 31.35 lakhs to Rs. 33.98 lakhs. The dividend for 1963 is on the increased capital of Rs. 25 lakhs (against Rs. 20 lakhs in 1962); even so, the total distribution is smaller at Rs. 3.75 lakhs, against Rs. 4 lakhs. Apart from the fall in the net profit as a result of larger allocations, especially for taxation, the directors have considered it advisable to reduce the dividend in order to strengthen the Company's internal resources by building up reserves.

Appropriations of the year's profit include depreciation Rs. 3.55 lakhs (against Rs. 3.02 lakhs), development rebate Rs. 27,150 (against Rs. 42,000), taxation Rs. 20.35 lakhs (against Rs. 17.31 lakhs), goodwill account Rs. 5,000 (the same) and general reserve Rs. 7.70 lakhs (against Rs. 3.50 lakhs). After making various allocations and some minor adjustments, there remains a balance of Rs. 21,367 to be carried forward, against Rs. 26,452 brought in. The proposed dividend is to be paid from general reserve. Continuing the policy of renovation, replacement and modernisation, the Company placed orders for further machinery worth Rs. 8.72 lakhs during 1963 and delivery is expected this year. The directors state that with the installation of new machinery, the profit earning capacity of the Company will be enhanced. Its fabrics continue to be in good demand.

Gokak Mills Raises Dividend

GOKAK Mills has done well in 1963. Sales have risen by about 13 percent from Rs. 4.29 crores to Rs. 4.84 crores, and the gross profit has increased by about 9 percent from Rs. 58.30 lakhs to Rs. 63.59 lakhs. The improved performance has encouraged the directors to step up the dividend from 12 percent to 14 percent. Appropriations include depreciation Rs. 13.27 lakhs (against Rs. 14.30 lakhs), development rebate Rs. 90,000 (against Rs. 1.22 lakhs), taxation Rs. 24.25 lakhs (against Rs. 20 lakhs), additional bonus for the previous year Rs. 1.91 lakhs (against Rs. 1.99 lakhs), staff gratuity reserve Rs. 15,000 (against Rs. 1.58 lakhs), contingency reserve Rs. 3.56 lakhs (against Rs. 3.35 lakhs), general reserve No. 1 Rs. 5.82 lakhs (against Rs. 64,000) and dividend reserve Rs. 10.26 lakhs (against Rs. 8.80 lakhs). No provision has been made for debenture

CAPITAL, 14th May, 1964.

redemption reserve which had received Rs. 4 lakhs in the previous year. The directors have taken credit for a sum of Rs. 1.34 lakhs (against Rs. 94,000), being the excess provision of previous years no longer required. The proposed dividend of 14 percent is to be paid of dividend reserve, and it will absorb Rs. 10.25 lakhs. After making various appropriations and some minor adjustments, there remains a nominal balance of Rs. 740 to be carried forward, against Rs. 244 brought in. No provision has been made for surtax or the dividend tax, the liability in this matter being estimated around Rs. 2.90 lakhs and Rs. 65,900, respectively, and the amount credited to contingency reserve will take care of this liability. The directors have not made any provision for the additional depreciation allowed for third-shift working, and this is estimated around Rs. 3.87 lakhs.

The directors state in their report that the Company's results for 1963 can be considered as satisfactory, especially when the working conditions which prevailed throughout the year are taken into account. In spite of considerable increases in costs since January 1961, no upward revision was permitted in yarn prices until February 1963, when the prices of counts up to 40s were increased and those of above 40s decreased. As the bulk of Gokak Mills' production is in counts under 40s, the price revision has benefited the Company. The directors have, however, added that in recent months, there have been further substantial increases in costs, but there has been no change in yarn prices. There was an increase in the Company's exports last year, but competition in export markets is increasing, particularly from countries like Pakistan, Hongkong and Japan, which have the advantage of cheap cotton and modern machinery and, unfortunately, today, the prices of Indian cotton are quite out of parity with world cotton prices. The Company has a paid-up capital of Rs. 73.21 lakhs, which is supported by reserves and surplus amounting to Rs. 95.68 lakhs. The gross block of Rs. 2.44 crores has been written down to Rs. 93.86 lakhs. The Rs. 100-paid share of Gokak Mills is quoted around Rs. 178 cum-dividend.

Ganges Rope Maintains Dividend

THE Ganges Rope Co. Ltd has maintained the taxable ordinary dividend at 20 percent for the year ended December 1963. The yield works out to 8.5 percent at the present price of Rs. 2.36 a share of Rs. 100 each. The profit has improved from Rs. 11.60 lakhs for 1962 to Rs. 14.62 lakhs for 1963, after providing Rs. 1.98 lakhs (against Rs. 1.59 lakhs) for depreciation. Taxation absorbs Rs. 9.76 lakhs (against Rs. 6.50 lakhs) and surtax on profits Rs. 1.14 lakhs. Development rebate reserve is allocated Rs. 13,740 (against Rs. 7,961) and general reserve Rs. 90,000 (against Rs. 80,000). The carry-forward is Rs. 6,552, against Rs. 17,856 brought in.

Sales rose from Rs. 1.05 crores to Rs. 1.13 crores. The directors say that taxation has absorbed 74 percent of the profit, against 71 percent for 1962. They add that unless the value of import licences is increased, the shortage of essential raw materials will be aggravated. The working during the current year is likely to be adversely affected.

Walford Transport Conversion Offer

WALFORD Transport Ltd proposes to convert 210,200 preferred ordinary shares of Re. 1 into 210,000 ordinary shares of Re. 1 each fully-paid up ranking simultaneously with the

CAPITAL, 14th May, 1964.

existing ordinary shares of the Company in all aspects. When the Company was floated in 1920, its capital consisted of only ordinary shares of Rs. 10 each. Due to subsequent adverse business conditions, it suffered losses and the value of each ordinary share was written down to Rs. 2.50 in 1925-26. Due to depression in the business of the Company in subsequent years, it had to reduce the value of its ordinary shares again in 1939 to Rs. 2 a share.

At the time of such reduction, each ordinary share was, however, sub-divided into one ordinary share of Re. 1 each and one preferred ordinary share of the same face value. The latter were given special rights to rank in priority to the ordinary shares in relation to dividends and return of capital in case of winding-up of the Company so that shareholders who had suffered such losses could obtain the benefit of the preferential rights for at least half of the shares originally held by them in the capital of the Company. Business conditions, however, improved in subsequent years, and the Company earned sufficient profits to pay substantial dividends to the preferred ordinary shareholders during the past few years. Accordingly, it is considered unnecessary to maintain two different classes of shares, namely, preferred ordinary shares and ordinary shares, in the Company's capital.

Prospects for Sankey Wheels

SANKEY Wheels has withstood the severe slump in the capital market well, and these shares have remained above par ever since they came on the market. At a time when several popular scrip of new companies can be had well below par, the Rs. 10-paid share of Sankey Wheels is quoted around Rs. 11.40, and the investors' confidence in the Company's future seems well justified. Mr. C. C. Desai, alternate chairman of Sankey Wheels, told the shareholders' annual meeting last week that the Company's lorry wheel project in Durgapur had been progressing most satisfactorily, and, barring unforeseen circumstances, initial production of commercial vehicle wheels was likely to start within a few months. It would, however, take some more time before production could be stabilised. As for the car-wheel plant acquired from Guest, Keen, Williams, as of 1st June, 1963, it was proposed to move this plant to Durgapur after the lorry-wheel plant had been commissioned. This plant is capable of producing on single-shift working many more wheels than are currently required by the motor-car manufacturers. For the present, this plant has been hired to Guest, Keen, Williams. Sankey Wheels purchased wheels produced in this plant, and sold them to various motor-vehicle and other manufacturing units in the country. The Company has been fortunate in having the benefit of an established market for these wheels from its very first year.

The Company has received import licences for raw materials required for the commencement of initial production of lorry wheels at the Durgapur factory. As the Company goes into normal production, its raw material requirements will naturally increase. The chairman has expressed the hope that the Government would continue to extend its full support concerning the supply of raw material. But the Company is also making active efforts to develop indigenous sources of supply of raw materials to the extent possible in order to save valuable foreign exchange. The chairman says that considering the needs of power and transport indus-

tries as well as the requirements of defence services and the inevitable mechanisation of farms, the demand for the Company's products is bound to grow substantially in due course. The Company's turnover during the current year is expected to be of the order of about Rs. 65 lakhs. Mr. Desai assured shareholders that they would not have to wait too long for the dividend. The Company is said to have dropped the proposal to manufacture tank wheels because of the restricted demand for them. But it intends to undertake the manufacture of tractor wheels at the appropriate time.

Escorts to Issue Bonus Shares

ESCORTS Ltd has shown a pre-tax profit of Rs. 37.99 lakhs for 1963, compared with Rs. 37.29 lakhs for 1962. After providing Rs. 13 lakhs (against Rs. 15.11 lakhs) for taxation, the net profit amounts to Rs. 24.99 lakhs, compared with Rs. 18.98 lakhs. The net profit has been arrived at after providing Rs. 15.31 lakhs (against Rs. 10 lakhs) for depreciation, Rs. 2.34 lakhs (against Rs. 5.66 lakhs) for development rebate reserve and Rs. 2.06 lakhs for trade marks partly written off. Total sales amounted to Rs. 4.51 crores, against Rs. 3.45 crores. Sales of the products manufactured by the Company totalled Rs. 2.63 crores, against Rs. 1.29 crores. A sum of Rs. 20 lakhs has been transferred to general reserve, so total reserves amount to Rs. 78.08 lakhs. This will be reduced by Rs. 22.40 lakhs after the issue of the bonus shares.

The directors have recommended the issue of bonus shares in the ratio of one bonus share for every five shares held by capitalising Rs. 22.40 lakhs out of the share premium account standing at Rs. 30.95 lakhs. These bonus shares will be exempt from tax in the hands of the shareholders. The consent of the Controller of Capital Issues for the issue of bonus shares has already been received. The Company has added new industrial units for the manufacture of such additional products as motor-car shock absorbers, automatic centre buffer couplers, railway pneumatic aid and vacuum brakes.

Standard Coal Earns More, Pays Same

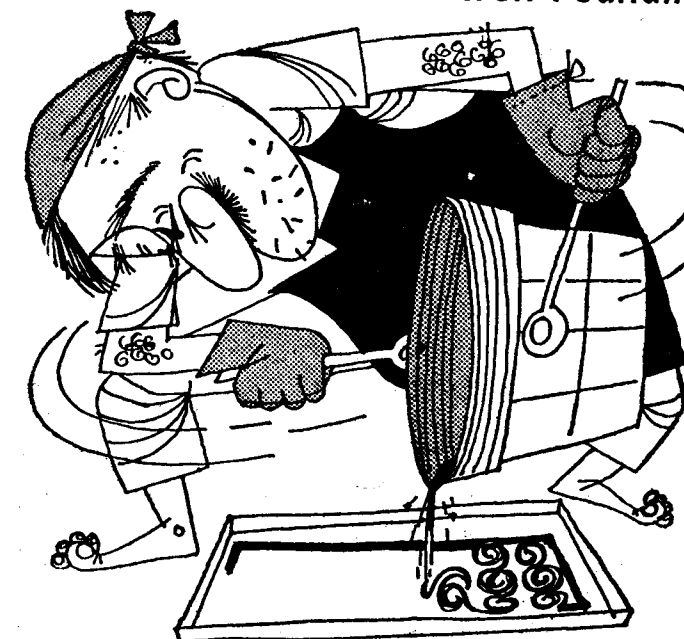
THE Standard Coal Co. Ltd has earned a profit of Rs. 1.37 lakhs for the year ended December 1962, compared with Rs. 1.22 lakhs for 1961, after providing for all charges. The taxable ordinary dividend of 10 percent has been maintained. It amounts to a yield of 9.6 percent at the present price of Rs. 10.44 a share of Rs. 10 each. Taxation is allocated Rs. 49,088 (against Rs. 88,735). General reserve absorbs Rs. 40,000 (against nil) and the carry-forward amounts to Rs. 18,570, against Rs. 38,908 brought in. The Company's portfolio is representative of investments which are quoted in the Calcutta Stock Exchange with the exception of some shares costing Rs. 1.50 lakhs for which no quotations are available. The total market value of the investments for which quotations are available, together with unquoted investments, amounted to Rs. 32.51 lakhs as on 31st December, 1962.

The sale price for the Swardih colliery was received some years ago, but the formal sale deed could not be completed pending permission from the State Government for the transfer of this coal-bearing property. It has recently been acquired by the National Coal Development Corporation Ltd. The Company's claim for compensation is being pursued. The

Standard colliery property was sold and the price was received in 1952, but the Company did not obtain permission from the Government of Bihar to transfer the property. If permission is not meanwhile received,

the liability for the minimum royalty from 1952 to 1962 amounting to about Rs. 2.28 lakhs, will remain with the Company. The property has not been worked since the sale, but the ostensible buyer is in possession of the

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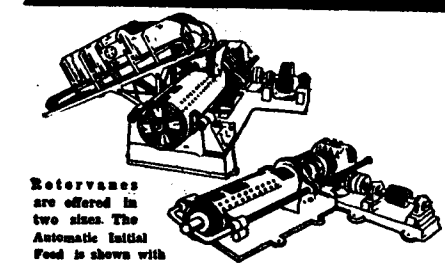
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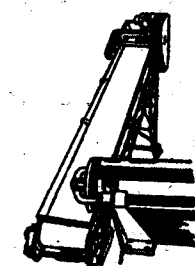


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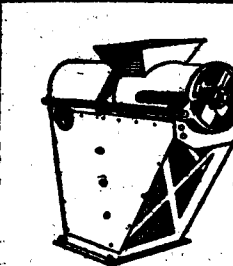
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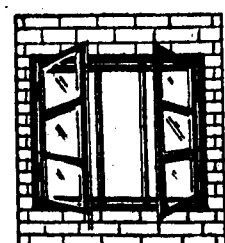


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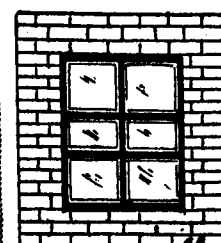
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property. The directors hope to resolve the position satisfactorily, but there is some litigation pending in the meantime.

Ondal Coal Repeats

THE results of the Ondal Coal Co. Ltd for the year ended December 1962 has shown a profit of Rs. 37,340, against Rs. 82,912 for 1961, after providing Rs. 7,265 (against Rs. 7,812) for depreciation and Rs. 58,042 (against Rs. 97,436) for taxation. The taxable ordinary dividend of 7.5 percent has been repeated, which works out to a yield of 5.6 percent at the present price of Rs. 13.50 a share of Rs. 10 each. The carry-forward is Rs. 9,250, against Rs. 45,060 brought in. Raisings amounted to 153,984 tons and despatches to 158,797 tons. The arrangements for raising and selling coal from the Religara colliery have continued to work satisfactorily. The Company's portfolio is representative of investments which are quoted on the Calcutta Stock Exchange with the exception of the shares in the Karanpura Mining Syndicate, 2,999 ordinary shares in Coal Shipments Ltd and 25,000 ordinary shares in Chora Coal Co. Ltd for which no quotations are available. The market value of investments of which quotations are available amounts to Rs. 13.07 lakhs.

Kalyanpur Lime and Cement Earns More

KALYANPUR Lime and Cement Works Ltd has earned a trading profit of Rs. 33.49 lakhs for 1963, compared with Rs. 33.14 lakhs for 1962. The net profit has risen from Rs. 14.60 lakhs to Rs. 17.78 lakhs, after providing for depreciation and taxation. The taxable ordinary dividend of 8 percent has been declared and the payment of preference dividends has been brought up to date. The carry-forward amounts to Rs. 5.05 lakhs, against Rs. 9.87 lakhs brought in. The output amounted to 149,169 tons, against 141,846 tons. The Company proposes to extend the capacity by a further 200,000 tons by the end of 1965.

Brushware Pays the Same

THE profit of Brushware Ltd has risen from Rs. 43,371 for 1961-62 to Rs. 1.59 lakhs for the year ended November 1963, after providing Rs. 1,227 (against Rs. 948) for depreciation, Rs. 248 for development rebate reserve and Rs. 85,654 (against Rs. 21,654) for taxation. The taxable ordinary dividend of 8 percent has been repeated and paid out of general reserve. The latter is allocated Rs. 76,000, leaving a carry-forward of Rs. 1,299, against Rs. 3,967 brought in. Sales rose from Rs. 6.15 lakhs to Rs. 11.01 lakhs due to the increased orders from the Government.

Dalmia Cement (Bharat) Earns Less

DALMIA Cement (Bharat) Ltd has earned a trading profit of Rs. 1.34 crores for the year ended December 1963, compared with Rs. 1.47 crores for 1962. The taxable ordinary dividend of 12 percent has been repeated. It works out to a yield of 9 percent at the present price of Rs. 13.31 a share of Rs. 10 each. Depreciation is allocated Rs. 20.30 lakhs (against Rs. 22.23 lakhs), development rebate Rs. 81,700 (against Rs. 97,300), rehabilitation reserve Rs. 1.91 lakhs, taxation Rs. 50.50 lakhs (against Rs. 70.50 lakhs),

development reserve Rs. 4.38 lakhs (against Rs. 4.99 lakhs) and general reserve Rs. 26.50 lakhs (against Rs. 13.50 lakhs).

Referring to the smaller profit, the directors pointed to the increased production costs. Lower despatches of cement, potteries and iron ore have affected the results. The Government's unrealistic formula in relation to packing charges has been responsible for the fall in earnings. The receipt of only Rs. 11.59 lakhs (against Rs. 24.67 lakhs) on account of the Company's share of profit from the partnership business in dead-burnt magnesite has contributed to the smaller profit. The production and despatches of dead-burnt magnesite have declined. The lower tax provision has been due to the replacement of the super profits tax by surtax on profits and because of the tax concessions allowed to the industry. The production of cement has suffered due to the stoppage of one of the factories for repair. The shortage of gypsum has also contributed to the smaller production. The ceramics division has done better. The Company has used the services of Yugoslav experts to improve the output and quality of pottery goods manufactured by the Company.

Sales of iron ore declined from 150,000 tons to 114,000 tons. Because of the Company's contract with the Minerals and Metals Trading Corporation of India Ltd, the balance of 80,000 tons of ore will be supplied by June 1964. The Company hopes to receive a fresh contract for the supply of 170,000 tons of high-grade iron ore for export to Japan against the Corporation's contract. It is also hoped that Japan may enter into a long-term contract for taking Indian ores from 1965. The Company has, meanwhile, been finalising plans to extend mining activities and to install a ropeway from the mines to the rail-head. Steps have been taken to explore the possibility of exporting dead-burnt magnesite. It is proposed to amalgamate the Magnesite Corporation of India Ltd, a subsidiary, with Dalmia Cement itself.

New Name of General Tyres

GENERAL Tyres Ltd has decided to change the name of the Company to Incheek Tyres Ltd, subject to the approval of the Central Government. The change is being made to avoid the similarity to the name of General Tire and Rubber Company of the U.S.A. The U.S. Company has registered the word "General" as a trade mark. So the Company had filed a suit in the Bombay High Court praying for an injunction against Tyres Ltd transacting business under its present name. Although the latter Company contested the suit, it has decided to alter its name in order to remove all possibility of any confusion between the name of the Indian Company and that of the U.S. Company. The suit has accordingly been disposed of by the Bombay High Court. The Registrar of Companies, West Bengal, has confirmed that the word "Incheek" may be adopted as a part of the Company's name.

Loans for Coromandel Fertilisers

LOANS totalling \$44,597,000 were recently signed in Washington for the Coromandel Fertilisers Ltd. Loans by the U.S. Export-Import Bank and the Agency for International Development will be used for setting up a \$68-million fertiliser plant in Visakhapatnam—the first private venture in this sphere in India. The International Minerals and Chemical

Corporation and the California Chemical Company—along with the Indian firm of E.I.D.-Parry Ltd—will be partners in Coromandel Fertilisers Ltd.

Industrial Containers Raises Dividend

INDUSTRIAL Containers Ltd has increased the taxable ordinary dividend from 10 percent for 1962 to 30 percent for the year ended December 1963. The yield amounts to 12.5 percent at the present price of Rs. 24 a share of Rs. 10 each. The profit has risen from Rs. 2.90 lakhs to Rs. 5.86 lakhs, after providing Rs. 76,454 (against Rs. 85,677) for depreciation and Rs. 11.39 lakhs for taxation. Development rebate reserve is allocated Rs. 246 (against Rs. 1,420) and general reserve Rs. 2.26 lakhs (against Rs. 2.13 lakhs). Sales rose from Rs. 74.85 lakhs to Rs. 1.10 crores. The demand for the Company's products rose greatly due to the emergency.

Alembic Glass Maintains Dividend

THE Alembic Glass Industries Ltd has fared badly during 1963. Despite an increase of about 9.5 percent in the sales from Rs. 2.01 crores to Rs. 2.20 crores, the gross profit of the Company is down by about 26 percent from Rs. 45 lakhs to Rs. 35.86 lakhs. The dividend, however, has been maintained at 12 percent, but the total distribution is a little larger as the new shares rank for proportionate dividend. Allocations include development rebate Rs. 1.30 lakhs (against Rs. 1.10 lakhs), taxation Rs. 16.80 lakhs (against Rs. 20 lakhs), general reserve Rs. 1 lakh (against Rs. 6.50 lakhs), surtax and additional tax Rs. 1.40 lakhs (against Rs. 3 lakhs) and dividend Rs. 13.99 lakhs (against Rs. 12.12 lakhs). A sum of Rs. 1.76 lakhs (against Rs. 1.61 lakhs) has been written back, being excess provisions no longer required. After making various appropriations, there remains a surplus of Rs. 15,521 to be carried forward, against Rs. 10,284 brought in. The fall in gross profit despite larger turnover is attributed to increased competition which obliged the Company to reduce the selling prices of its products. It has negotiated a loan of Rs. 1 crore from the Industrial Finance Corporation for the expansion of its factory in Baroda, and the establishment of a factory in Bangalore, which is expected to go into production in January 1965.

Camphor Plant Starts Commercial Production

CAMPBOR and Allied Products Ltd has started commercial production of synthetic camphor from indigenous turpentine at its plant in Clutterbuckganj in Uttar Pradesh. The plant, first of its kind in India, and claimed to be very modern, went on stream on 29th April. Trial production had been taken up in February. The chairman of the Company, Mr. C. C. Desai, told newsmen recently that the Company expected to market 450 tons of camphor during the remaining eight months of the year. In spite of the complicated manufacturing processes involved, the Company seems optimistic about increasing production to the installed capacity of 900 tons a year, within a short period of time. When in full production, the Company will be able to meet all the requirements of the country, and thereby save something like Rs. 36 lakhs a year of foreign exchange, which is now being spent on camphor imports. Necessary arrange-

CAPITAL, 14th May, 1964.

ments for the sale of the entire production of camphor on a guaranteed basis have been finalised. The retail selling price of indigenous camphor in tablet form is expected to be around Rs. 28 to Rs. 30 a kilogram.

The salient feature of the Company's camphor plant is the fractional distillation of Indian turpentine on a commercial scale which will make available for industrial use, for the first time, major constituents of turpentine, besides pinene, such as carene and longifolene. The Company has attached a modern research laboratory to the plant in order to develop the know-how required for the utilisation of the by-products of the camphor plant. The Company is finalising plans for the manufacture of various industrial chemicals such as aromatic chemicals, turpene hydrates, para menthane, carene hydro-peroxide, meta cresol, acetone, synthetic resins and synthetic pine oils, from the by-products. This will also help to save some valuable foreign exchange which is being spent on importing these industrial chemicals. The Company is also setting up a plant for the manufacture of formic acid and the plant is expected to start production by October 1965. With the implementation of these various plans, the Company expects to establish the first integrated terpene chemical industry in the country based on Indian turpentine. The Rs. 100-paid share of Camphor and Allied Products is at present available around Rs. 91.

Alembic Chemical Fares Well

THE Alembic Chemical Works Co. Ltd reports highly encouraging results for 1963. Sales are higher by about 16 percent at Rs. 4.10 crores, against Rs. 3.53 crores, and the gross profit has risen by nearly 17 percent from Rs. 63.28 lakhs to Rs. 74.11 lakhs. The dividend has been maintained at 12 percent, but since it is on the increased capital, the total distribution among equity shareholders will amount to Rs. 17.34 lakhs, against Rs. 13.88 lakhs in 1962. After providing Rs. 23.37 lakhs (against Rs. 20.88 lakhs) for depreciation, Rs. 7.92 lakhs (against Rs. 4.66 lakhs) for development rebate and Rs. 18.75 lakhs (against Rs. 16.25 lakhs) for taxation, the net profit for 1963 amounts to Rs. 20.59 lakhs, against Rs. 18.69 lakhs in the preceding year. With Rs. 82,986 brought forward and including a sum of Rs. 3.54 lakhs (against Rs. 8.12 lakhs), being excess provisions made in earlier years, but now no longer required, and Rs. 35,765 being the net profit on the sale of investments, the disposable surplus amounts to Rs. 25.32 lakhs. Out of this, the directors have provided Rs. 1.23 lakhs (against Rs. 2.98 lakhs) for donation, Rs. 3.50 lakhs (against Rs. 6.50 lakhs) for general reserve and Rs. 50,000 (against Rs. 1.50 lakhs) for gratuity reserve. Equity dividend absorbs Rs. 17.34 lakhs (against Rs. 13.88 lakhs) and preference dividend takes up Rs. 83,000 (against Rs. 87,000). After making various appropriations, there remains a balance of Rs. 16,265 to be carried forward. The Company has a paid-up capital of Rs. 1,595 crores, of which equity capital amounts to Rs. 1,445 crores which is supported by reserves and surplus amounting to Rs. 91.51 lakhs. The gross block valued at Rs. 3.54 crores has been written down to Rs. 2.15 crores. The Rs. 100-paid share of Alembic Chemical is quoted around Rs. 162.50.

Share Offer from Deepak Insulated Cable

DEEPAK Insulated Cable Corporation Ltd, which has been jointly promoted by Kirloskar Electric of Bangalore, Jyoti Ltd of Baroda and

CAPITAL, 14th May, 1964.

Bombay Metal Syndicate of Bombay, to undertake the manufacture of enamel-covered copper wires, popularly known as magnet wires and winding wires, and double and triple paper-covered copper wires and strips is offering 17,000 equity shares of Rs. 100 each for public subscription. The annual capacity of the plant, which will be located in Bangalore, will initially be 650 tons of enamelled copper wires and 200 tons of single, double and triple paper-covered copper wires and strips. The capacity will eventually be stepped up to double the initial capacity. The manufacturing programme of the Company covers a wide range of winding wires, enamelled, super-enamelled wires, solderable enamelled wires, oil-varnish coated wires, single, double and triple paper-covered conductors and strips to cater to the varying needs of the fast-growing electrical industry in the country. The manufacturing facilities will include modern wire drawing plants, enamelling plants and a testing laboratory equipped with modern electronic testing machines. The Company has secured the technical collaboration of the well-known Japanese firm of Furukawa Electric Co. Ltd, Tokyo, which will render comprehensive engineering and technical services and know-how for construction and operating phases of the project.

The demand for enamelled copper wires and paper-covered copper wires and strips in the country at present is considerably greater than the supply and with the growth of electrical industries, it is steadily growing. By the end of the third plan, it is expected to reach 30,000 tons annually. The current production of enamelled copper wires and strips is only 5,000 tons a year. It is estimated that by the end of 1965, the total licensed capacity together with the existing installed capacity will reach only up to 20,000 tons. The market for the Company's products is thus assured. The prospective investor can take considerable comfort from the fact that the electric winding wires industry has been included among "key" industries by the Government of India.

The capital cost of the project, which is to be implemented by Deepak Insulated Cable Corporation, is estimated at Rs. 60 lakhs of which Rs. 15 lakhs will be the cost of the imported component. The Company has already obtained the import licence for the procurement of plant and equipment from abroad. The I.C.I.C.I. has granted the required loan of Rs. 15 lakhs. The authorised capital of the Company will be Rs. 50 lakhs and the issued capital is Rs. 30 lakhs—all in equity shares of Rs. 100 each. The three promoters have subscribed Rs. 10 lakhs jointly and severally. Shares worth Rs. 3 lakhs have been reserved for the Government of Mysore. The balance of Rs. 17 lakhs is being offered for public subscription. The entire public issue has been underwritten. The subscription list will open on 26th May, and will close on 4th June or earlier, but not before 1st June. If all goes well, the factory is expected to go into production by about the middle of 1965. The board of directors consists of Mr. N. W. Gurjar (chairman), Mr. Ratilal M. Gandhi, Mr. R. L. Kirloskar, Mr. D. B. Amin, Mr. Prataprai G. Mehta, Mr. Krishnakant P. Mehta, Mr. Mukul Harkison-das and Mr. A. P. Mehta.

Kothari Textiles Cuts Dividend

KOTHARI Textiles fared badly during 1963. While its sales registered only a small setback from Rs. 2.14 crores to Rs. 2.11 crores, its gross profit at Rs. 23.08 lakhs showed a decline of nearly 16 percent over the previous year's figure of Rs. 27.43

lakhs. The dividend has been reduced from 8 percent to 6 percent and even for the payment of the reduced dividend, the directors have had to withdraw quite a large amount from the general reserve. The Company's working results last year were adversely affected partly by the rising cost of production as a result of higher raw material prices and increase in the wage bill and partly due to the loss of production as a result of power cut and strike. The directors state that there was a total shut down of both the Company's mills for 12 days in June-July 1963 due to a 100 percent power cut. The Company's No. 2 mills were also shut down for 13 days as a result of the strike. Further, both the mills were affected by a week of dislocation due to dispute concerning bonus. The total loss on account of these closures is estimated around Rs. 4.5 lakhs.

After providing Rs. 15.10 lakhs (against Rs. 15.51 lakhs) for depreciation, Rs. 1.57 lakhs (against Rs. 1.89 lakhs) for development rebate and Rs. 4 lakhs (against Rs. 5.75 lakhs) for taxation, the net profit for 1963 amounts to Rs. 1.62 lakhs, against Rs. 3.11 lakhs in 1962. A sum of Rs. 4 lakhs (against Rs. 3.50 lakhs) has been transferred from the general reserve to provide for the payment of dividend. Preference dividend takes up Rs. 1.40 lakhs (the same) and the reduced 6 percent equity dividend will absorb Rs. 4.03 lakhs (against Rs. 5.38 lakhs), leaving a balance of Rs. 31,244 to be carried forward, against Rs. 12,617 brought in.

In his speech circulated with the directors' report, the chairman, Mr. D. C. Kothari, has dwelt at length on the difficulties that the Company had to face during the year. Referring to the Central Wage Board's recommendation for a higher basic wage for textile workers and to the linking of dearness allowance to the cost of living index, Mr. Kothari says that over the past four years, the wage burden in the Coimbatore region has gone up by nearly 25 percent. The impact of increased surcharge on power and the extra sales tax on cotton and yarn levied by the Madras Government would be felt on the mills during the current year. The chairman has, however, expressed the view that the Company's working results for the current year are likely to show a substantial improvement over the performance last year. The Company spent Rs. 9.75 lakhs on renovation in 1963; nearly two-thirds of renovation programme has been completed, and it is expected to be over by the middle of this year. Considerable progress is said to have been made concerning rationalisation and the Company hopes to be able to complete this process by the end of this year with the co-operation of workers.

Adoni Spinning Raises Dividend

ADONI Spinning and Weaving Company has done well during 1963 and the dividend has been raised from 8 percent to 9 percent. While sales have recorded only a small improvement from Rs. 1.50 crores to Rs. 1.54 crores, the gross profit has gone up by nearly 38 percent from Rs. 24.45 lakhs to Rs. 17.68 lakhs. Improved results are attributed mainly to the increase in the selling prices of yarn of counts 20s and 40s from February 1963. After providing Rs. 6.25 lakhs (against Rs. 7.11 lakhs) for depreciation and Rs. 10 lakhs (against Rs. 6.75 lakhs) for taxation, the net profit for 1963 amounts to Rs. 6.45 lakhs, against Rs. 2.78 lakhs in the preceding year. With Rs. 53,126 brought in, the disposable surplus comes to Rs. 6.98 lakhs. The directors have allocated Rs. 1 lakh each to the dividend equalisation reserve and general reserve which did not receive anything in the previous year. After providing Rs.

1.56 lakhs (the same) for the preference dividend and Rs. 2.70 lakhs (against Rs. 2.40 lakhs) for equity dividend, there remains a balance of Rs. 71,631 to be carried forward.

The Company's liability for the surtax amounts to Rs. 1.06 lakhs. The dividend is not liable to the dividend tax because the Company paid its maiden dividend in 1960, and the Finance Bill exempts payment of dividend tax for a period of five years from the payment of first dividend. There was no significant addition to the plant and machinery during 1963 except conversion of some frames. During the year, all the 24,000 spindles worked three shifts for 352 days. In his chairman's speech circulated with the directors' report, Mr. D. C. Kothari has expressed doubts whether it would be possible to maintain the same level of profit because of the rise in cotton prices.

Marsden and Monogram Mills Cut Dividends

BOTH Marsden Spinning and Manufacturing and the Monogram Mills of Ahmedabad have reported disappointing results for 1963. In spite of an appreciable increase in their turnover, both the mills have suffered losses and have reduced their dividends which are to be paid out of the past reserves. Apart from the general increase in production costs, the working results of these mills are reported to have been affected by the disruption of normal production as a result of the programme of renovation and modernisation.

Monogram Mills' sales have gone up from Rs. 1.976 crores to Rs. 2.735 crores, but the Company has suffered a gross loss of Rs. 3.31 lakhs, against a gross profit of Rs. 10.08 lakhs in

1962. The dividend has been reduced from Rs. 9 to Rs. 6 a share. The provision for depreciation is higher at Rs. 8.10 lakhs (against Rs. 5.99 lakhs) and a sum of Rs. 27,950 (against Rs. 24,204) has been set aside for donation. The directors have transferred Rs. 12 lakhs (against Rs. 3 lakhs) from general reserve and Rs. 2.05 lakhs (against nil) from development and rehabilitation reserve in order to provide for the payment of dividend and for meeting other liabilities.

Sales of Marsden Mills have risen from Rs. 1.845 crores to Rs. 2.356 crores, but the Company has incurred a gross loss of Rs. 6.61 lakhs, against a gross profit of Rs. 9.83 lakhs in the previous year. The provision for depreciation is higher at Rs. 7.36 lakhs, against Rs. 6.31 lakhs, and a sum of Rs. 31,629 (against Rs. 26,294) has been provided for donation. The directors have withdrawn Rs. 14.50 lakhs from general reserve and Rs. 2.22 lakhs from the development and rehabilitation reserve to meet the dividend liability and for making other provisions. The proposed dividend, which has been reduced from Rs. 9 to Rs. 6 a share, will absorb Rs. 2.17 lakhs (against Rs. 3.25 lakhs). After making certain other adjustments, there remains a balance of Rs. 10,243 to be carried forward, against Rs. 34,669 brought in.

Earthmoving Equipment from Birlas

BIRLA Brothers of Calcutta propose to set up a new undertaking for the manufacture of crawler tractors and other earth-moving equipment. The factory, it is proposed, will be set up in Madras State, but the promoters have expressed

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INVITES

REPUTED FABRICATORS, STOCKISTS AND SUPPLIERS TO REGISTER THEIR NAMES WITH THIS CORPORATION BY 1ST JULY, 1964, GIVING DETAILS OF THE FABRICATION POTENTIALITIES AND/OR THE MATERIALS AVAILABLE WITH LEAST DEPENDENCE ON THE FOREIGN EXCHANGE FOR PROJECTS UNDER THIS CORPORATION WHICH INCLUDE LOW SHAFT FURNACE, PIG CASTING MACHINE, COKE OVENS, BY-PRODUCTS, FERTILISERS PLANT PRODUCING UREA AND UTILITY SERVICES LIKE COOLING TOWERS, WATER TREATMENT PLANT, ETC. THE MATERIALS MAY BELONG TO THE CATEGORY OF ELECTRICAL EQUIPMENT LIKE TRANSFORMERS, SWITCH GEARS, MOTORS, CABLES AND OTHER SUBSTATION EQUIPMENT, ETC., MECHANICAL EQUIPMENT AND PARTS LIKE VARIOUS TYPES OF VALVES, PUMPS, TANKS (MILD STEEL & STAINLESS STEEL), PIPES, COMPRESSORS, WORKSHOP EQUIPMENT AND STRUCTURALS, ETC., INSTRUMENTS AND LABORATORY EQUIPMENT.

their willingness to locate the factory elsewhere should the Government so desire. The proposal is to set up a plant with an annual capacity of 240 crawler tractors up to 425 horse power, 240 dumpers up to 62 tons, 100 scrapers complete up to 40 cubic yards and 50 front-end loaders up to 3 cubic yards—all on a double-shift basis. Birlas are seeking the technical collaboration of Euclid Division of General Motors Corporation of the U.S.A. The collaboration agreement has not yet been finalised, but it is stated that the U.S. firm will be paid royalty at 5 percent of the net selling price of the equipment less the value of imported components.

The phased programme of manufacture starts with an indigenous content of 60 percent reaching 75 percent by the end of the second year. Imported capital goods worth Rs. 6.25 crores would be required for which loan from the A.I.D., the Export-Import Bank, the International Finance Corporation or other lending institutions would be arranged. At present, no firm in the private sector is licensed for the manufacture of crawler tractors. Of the other items of earthmoving equipment, only shovels are at present being manufactured by the Tata Engineering and

Locomotive Company and Hindustan Motors. The third plan targets for earthmoving equipment comprise 600 crawler tractors, 600 dumpers and scrapers and 125 shovels. The demand for earthmoving equipment by the end of the fourth plan is expected to be twice the targets set for the current plan. The scheme submitted by Birla Brothers is said to have been approved in principle by the Government of India and a letter of intent is likely to be granted soon subject to the condition that the terms of foreign collaboration are settled to the satisfaction of the Government and satisfactory arrangements are also made for financing the import of capital equipment.

Mahindras to Set Up Trailer Factory in Iran

MAHINDRA and Mahindra has finalised its project plan for setting up a factory near Tehran for the manufacture of high speed and agricultural trailers and accessory equipment. The project is being taken up in collaboration with two prominent Iranian industrialists and the British firm of Rubery Owen and

Company, with which Mahindras have a long and successful partnership in Mahindra Owen India Ltd. The project plans have been approved, in principle, by the Government of India and have been presented to the Iranian Government. The factory is likely to be established during the latter half of this year. The overseas venture will have an authorised capital of Rs. 60 lakhs. The international consortium will undertake a phased manufacturing programme, according to which machine tools and components will be exported from India until the new factory attains self-sufficiency in local production. The project will help relieve the Iranian transport problem and at the same time, provide that country with a modern industry which will produce road transport equipment and accessories of high quality. At present, Iran is inadequately served by a limited railway system.

South India Viscose Fares Well

THE net profit of the South India Viscose Ltd for the year ended December 1963 amounts to Rs.

CAPITAL, 14th May, 1964.

78,68,462, after providing full depreciation of Rs. 54,14,177 as required by the Act. Depreciation amounted to Rs. 1.59 crores in the previous year. The total depreciation provided up to 31st December, 1963, amounts to Rs. 2.85 crores. The loss brought forward from the previous year is Rs. 84,09,301. Although the earnings resulted in a surplus of Rs. 78,68,462, yet after making some adjustments and after deducting the profit of the year from the brought-forward loss, the balance of net loss of Rs. 5,19,324 is carried forward.

The directors state in their report that the staple fibre plant worked to its full capacity "except for the biannual maintenance and power failures". As for the rayon plant, the report says that out of 41 frames, 39 frames worked to their full capacity except for a total period of two months when the plant was out of commission "due to labour unrest, normal maintenance and power failures." The sulphuric acid and carbon-di-sulphide plants were in normal production for meeting the Company's entire requirements. Referring to production and sales the directors say that the products of the Company met with a good demand in the market and they compare favourably with international standards.

Discussing the prospects for 1964, the directors' report says that the Company expects to discharge fully the entire deferred payment and the demand loan of Rs. 1.20 crores out of its earnings before the end of the current year.

Southern Structurals Earns More

A MARKED rise in the profit has enabled the directors of Southern Structurals Ltd to raise the dividend to 9 percent for the year ended December 1963 from the previous year's 6 percent. The net profit amounts to Rs. 21,81,569, after providing Rs. 4,27,189 for depreciation. The previous year's net profit was Rs. 11,08,896, after providing Rs. 3,60,351 for depreciation. With Rs. 26,293 brought forward from the previous year, the total available for appropriation comes to Rs. 22,07,862. Out of this, taxation provision gets Rs. 12,42,000. A sum of Rs. 41,000 is written off towards preliminary expenses and brokerage. The proposed dividend on equity shares at 9 percent will absorb Rs. 5,66,348 (against Rs. 3,00,000). A sum of Rs. 300,000 is transferred to general reserve. The balance of Rs. 58,514 is carried forward.

The directors' report says that the "outturn" of railway wagons during the year was disappointing. Although the programme started with considerable promise, shortages were experienced later in relation to a number of items. There was scarcity of plates and sheets. There was also difficulty in getting some of the components from suppliers from West Bengal. The report also refers to the priority given to defence needs, to the detriment of civil requirements. Furthermore, in May-June 1963, there was a serious shortage of electrodes which continued right up to the end of the year. There was also the shortage of gas.

On the structural side, the Company's performance was better. The pace of fabrication which had been gradually built up, enabled the Company to deliver 830 tonnes of structurals in April 1963. The total value of bills submitted up to the end of the year for structural supplies and erection—mostly to meet defence needs—was a little over Rs. 97 lakhs. The Company has applied to the Government for permission to raise its annual capacity to 10,000 tonnes. It has also taken up a scheme for

CAPITAL, 14th May, 1964.

manufacturing cranes of different types. The directors hope to reach an agreement before long, with one of the best known Continental suppliers of crane. The report also says that the Metropolitan-Cammel Carriage and Wagon Co. Ltd, who are developing certain lines of mobile cranes and mechanical handling equipment, expect the Company to take up the manufacture of these items in this country.

During the year, the Company issued 300,000 equity shares as rights shares. Out of this, only 180,604 were taken up. The reason for many members not exercising their rights is traceable to the Central Budget for 1963 which, the directors say, totally upset the market. The directors feel that it is not only necessary that the balance of Rs. 13 lakhs be raised immediately, but the Company should also seriously consider issuing the Rs. 20 lakhs worth of preference shares by the beginning of July 1964, so that the Company does not suffer from a shortage of funds.

Ceat Tyres Skips Dividend

CEAT Tyres of India Ltd seems to have fared better during 1963 than in the previous year since both sales and the gross profit are higher. But the gross profit at Rs. 32.09 lakhs shows a rise of no more than 5 percent over the 1962 figure of Rs. 30.44 lakhs whereas sales have gone up by about 42 percent from Rs. 4.34 crores to Rs. 6.18 crores. The shareholders have still to receive their maiden dividend. Their only comfort is that unlike several other scrips, Ceat Tyre is still quoted above par—around Rs. 115. The directors have provided Rs. 24.09 lakhs (against Rs. 19.95 lakhs) for depreciation, Rs. 7.18 lakhs (against Rs. 6.66 lakhs) for development rebate reserve and Rs. 1 lakh (against Rs. 5 lakhs) for general reserve, leaving a balance of Rs. 32,186 to be carried forward, against Rs. 49,621 brought in. The Company has a paid-up capital of Rs. 2.76 crores and it is supported by reserves and surplus amounting to Rs. 84 lakhs, of which Rs. 40.25 lakhs is accounted for by share premium reserve.

Cellulose Products Earns More

CELLULOSE Products of India Ltd has reported encouraging results for the year ended March 1964. This has enabled the directors to recommend dividends on preference shares for four years—1959-60 to 1962-63. The ordinary dividend has been skipped. The turnover has recorded an impressive rise from Rs. 17.21 lakhs to Rs. 38.70 lakhs, and the gross profit has shot up from Rs. 5.71 lakhs to Rs. 14.39 lakhs. The ratio of gross profit to sales works out to 37 percent. Allocations includes depreciation Rs. 5.52 lakhs (against Rs. 4.62 lakhs), statutory development rebate reserve Rs. 3.96 lakhs (against Rs. 48,900) and taxation Rs. 10,000. After providing for the preference dividend for four years which absorbs Rs. 3.81 lakhs, there remains a balance of Rs. 27,163 to be carried forward. The Rs. 100-paid share of Cellulose Products is current quoted around Rs. 170.

Dharamsi Morarji Chemical Results Impress

THE preliminary report on the working of Dharamsi Morarji Chemical for the year 1963 shows an impressive improvement over the previous year's performance. The turnover has risen by about 24 percent from Rs. 2.33 crores to Rs. 2.90 crores,

and the gross profit has gone up by nearly 30 percent from Rs. 35.79 lakhs to Rs. 46.34 lakhs. The dividend has been maintained at 16 percent—Rs. 8 a share of Rs. 50—but with a larger number of shares participating the total distribution is larger at Rs. 6.62 lakhs, against Rs. 5.09 lakhs in the previous year. As in the previous year, the entire dividend is thought to be free of tax by virtue of the dividend coming out of the profits of industrial units exempt from tax. An application is being made to the income tax authorities for confirmation that no tax need be deducted by the Company while paying the dividend. The improved results of the Company are attributable mainly to the improved performance of the fertiliser factory in Kumbhari whose contribution to the total sales has gone up from Rs. 44 lakhs in 1962 to Rs. 84 lakhs in 1963. Of the total sales of Rs. 2.90 crores, fertilisers are said to account for as much as Rs. 1.99 crores and acids and chemicals for Rs. 86 lakhs. The Company's sales

of superphosphate are mentioned around 101,450 tonnes, against 83,992 tonnes in the previous year, representing nearly one-sixth of the total production of superphosphates in the country. Exports of alumina sulphate increased from 2,409 tonnes in 1962 to 5,661 tonnes in 1963.

After providing Rs. 6.04 lakhs (against Rs. 4.51 lakhs) for bonus to employees, Rs. 17.80 lakhs (against Rs. 15.37 lakhs) for depreciation, Rs. 81,000 (against Rs. 1.54 lakhs) for development rebate reserve and Rs. 6.75 lakhs (against Rs. 4 lakhs) for taxation, the net profit for 1963 is shown at Rs. 12.86 lakhs, against Rs. 8.76 lakhs in the previous year. A sum of Rs. 6.50 lakhs (against Rs. 5 lakhs) has been set aside for general reserve No. 1 and Rs. 6.51 lakhs (against Rs. 5.17 lakhs) has been taken to general reserve No. 2, comprising profits of new industrial units exempt from tax. After making these appropriations, there remains a balance of Rs. 9,897 to be carried forward, against Rs. 25,675

brought in. The dividend of Rs. 8 a share is to be paid out of general reserve No. 2, absorbing Rs. 6.62 lakhs (against Rs. 5.09 lakhs). The Rs. 50-paid share of Dharamsi Morarji is currently quoted around Rs. 130 offering a gross return of about 6.5 percent.

Star Textiles Pays More

THE Star Textile Engineering Works Ltd has raised the dividend for 1963 from 8 percent to 11 percent. The very brief preliminary report on the Company's working released along with the announcement of the dividend suggests that the Company has done extremely well during the year. Production has risen from Rs. 82.75 lakhs to Rs. 97 lakhs, and sales have gone up from Rs. 81.59 lakhs to Rs. 91.10 lakhs. While sales have risen by only 11.6 percent, the gross profit has shot up by about 77 percent

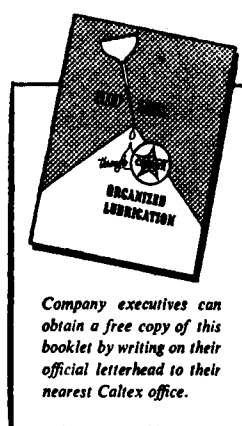


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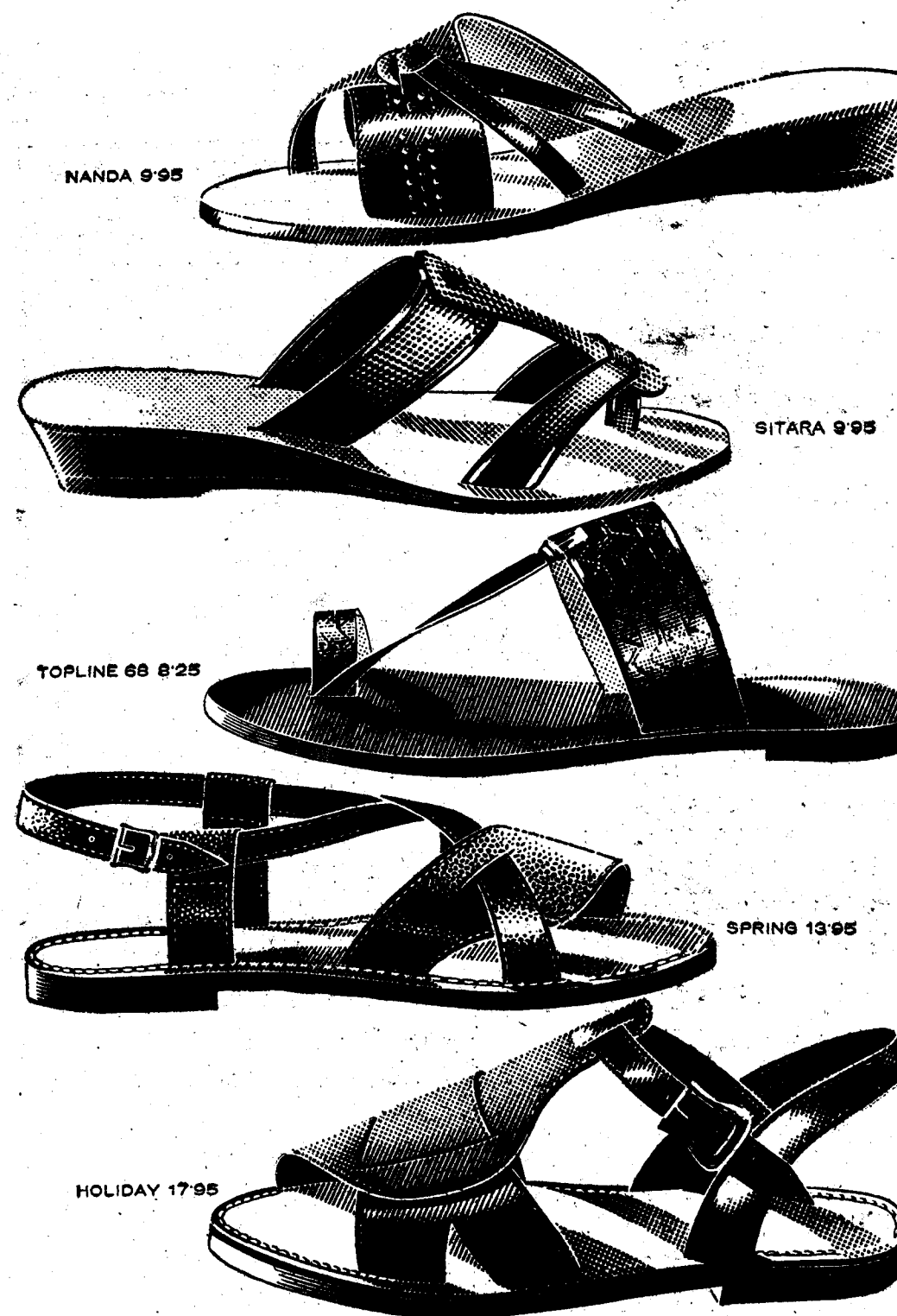
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from Rs. 7.75 lakhs to Rs. 13.75 lakhs. The profit margin as measured by the ratio of gross profit to sales has improved from 9.5 percent to 15.1 percent. The Company expects to continue its progress during the current year. The Rs. 100-paid share of Star Textile is currently quoted around Rs. 107, offering a gross return of a little over 10 percent.

Polson Earns More, Pays More

POLSON Ltd reports encouraging results for 1963 which have enabled the directors to step up the dividend from Rs. 14 to Rs. 22 a share, including a jubilee dividend of Rs. 2 a share. The Company's turnover has risen by about 6 percent from Rs. 1,679 crores to Rs. 1,775 crores and its gross profit has gone up by nearly

32 percent from Rs. 18.88 lakhs to Rs. 24.96 lakhs. Appropriations include depreciation Rs. 2.91 lakhs (against Rs. 2.64 lakhs), development rebate reserve Rs. 25,746 (against Rs. 29,284), taxation Rs. 11.60 lakhs, including surtax liability of Rs. 1.52 lakhs (against Rs. 9.97 lakhs, including super profits tax liability of Rs. 2.19 lakhs), doubtful debts Rs. 7,093 (against nil), donations Rs. 4,143 (against Rs. 55,706) and general reserve Rs. 2.20 lakhs (against Rs. 200). A sum of Rs. 1.14 lakhs has been written back, being excess provision of super profits tax for the previous year. Preference dividend absorbs Rs. 99,900 and equity dividend takes up Rs. 5.94 lakhs (against Rs. 3.78 lakhs). After making various appropriations, there remains a surplus of Rs. 1,368 to be carried forward, against Rs. 18,866 brought in.

The directors state that the Company has again had a very good year

for the sale of its butter, but its sales of coffee were adversely affected by import restrictions by Burma—the Company's main market. Besides, the Company has had to suffer considerably due to the sudden and steep rise in the price of chicory the import of which was banned by the Government. The prices of raw coffee also went up considerably during the year, and it became impossible for the Company to produce French coffee without raising its selling prices which in turn affected its sales. The Company has started marketing from October last tea under two brand names. Further varieties of tea in different packages to suit consumers' demands are being introduced. The Company has closed its Madras branch. A scheme for the issue of coupons to shareholders entitling them to purchase butter, coffee, flour and tea up to a total amount of Rs. 50 at a discount of 7 percent on current

CAPITAL, 14th May, 1964.

Cawnpore Textiles Profit Falls

CAWNPORE Textiles Ltd has repeated the taxable ordinary dividend of 10 percent for the year ended December 1963, but it has been paid out of general reserve. The yield amounts to 8 percent at the present price of Rs. 6.25 a share of Rs. 5 each. Although sales have shown some improvement, compared with those for 1962, the profit has dropped due to rising production costs, combined with the fact that the prices of finished goods could not be raised due to the voluntary control on prices. Export sales fell following keen competition in foreign countries. The programme of renovation and modernisation has made further progress. The Company has received an industrial licence to install additional 12,500 spindles and the work of installation has begun. Under the new move of the Government, the Company is entitled to install further 2,205 spindles.

The profit has dropped from Rs. 13.06 lakhs for 1962 to Rs. 9.98 lakhs, after providing Rs. 4.64 lakhs (against Rs. 4.30 lakhs) for depreciation and Rs. 1.99 lakhs (against Rs. 75,750) for development rebate reserve. Taxation absorbs Rs. 5.33 lakhs (against Rs. 7.08 lakhs), super profits tax relating to the previous year Rs. 80,000 and general reserve Rs. 5.20 lakhs (against Rs. 3 lakhs). A sum of Rs. 80,000 has been transferred from general reserve.

New Capital Issues

THREE companies have been authorised to raise further capital amounting to Rs. 74 lakhs. Of these, one is issuing bonus shares and the rest are issuing equity plus cumulative redeemable preference shares on rights basis. The consent of the Controller of Capital Issues in all cases is valid for 12 months. The following are the details:

Escorts Ltd, Delhi, a public limited company, will issue further capital of Rs. 22,40,000 divided into 224,000 equity shares of Rs. 10 each, as bonus shares on capitalisation of its share premium account to a like extent. The consent is subject to, among other things, the condition that the bonus shares will be issued after the equity shares have been called and paid-up in full in the ratio of one bonus share for every five equity shares held, to all the equity shareholders of the Company.

Mysore Kirloskar Ltd, Harihar (Mysore State), is to issue a further capital of Rs. 30 lakhs, divided into 15,000 equity shares of Rs. 100 each and 15,000 redeemable cumulative preference shares of Rs. 100 each, carrying a dividend not exceeding 9.5 percent a year, to be issued on rights basis. The proceeds of the issue will be used for financing substantial expansion of the Company's foundry capacity.

The General Industrial Society Ltd, Calcutta, a public limited company engaged in the manufacture of jute goods, etcetera, is issuing further capital of Rs. 21.60 lakhs divided into equity shares of Rs. 10 each, for cash at par, to the existing shareholders as rights in the ratio of one new share for every two shares held. The proceeds of the issue will be used for partly meeting cost of a factory to be established in Mirzapur district for the manufacture of aluminium foils.

wholesale rates plus sales tax is being introduced during the current year. These coupons will be posted along with dividend.

CAPITAL, 14th May, 1964.

The Stock Markets

DULLNESS PERSISTS IN SPITE OF GOOD COMPANY NEWS

Wednesday Evening.

THE Calcutta stock market has been dull during the past week. Turnover has been small and operators have generally been inclined to keep their commitments light. Although some companies have declared bigger dividends, Lyons Range is unimpressed since it is thought that the good news has already been discounted. Talk about substantially increasing investments in the fourth plan has had virtually no effect. The idea of allowing the private sector to play a bigger rôle during the fourth plan has created no enthusiasm.

Apart from uncertainties relating to the Kashmir situation, attention is concentrated on the forthcoming meeting of the A.I.C.C. in Bombay. The importance of this session arises from the fact that it will discuss the Dhebar Committee's report on socialism. Although the Committee has not touched upon bank nationalisation, it has recommended that greater powers should be vested in the Reserve Bank to control banks. Considering that the Reserve Bank already has ample powers to regulate banking operations, the idea of reinforcing the powers further is pointless.

Turnover is confined to clearing shares, but fluctuations have been restricted to a narrow range since bulls and bears have not been able to take a constructive view. The trend is, therefore, indecisive. The smaller carry-forward charges at the past clearing point to an improvement in the technical position. In the circumstances, it is hoped that selling pressure will continue to be light. But the prospect of an increase in support is remote since the outlook for equities has suffered a great deal following the Budget. Interest in cash shares has been negligible. Due to the absence of buyers, prices tend to decline on small offering.

Indian Iron have slipped back due to the disappointing production figures for April. The increase in the unofficial market prices of several steel items does not benefit the producers. In the engineering section, despite an increase in the dividend, Texmaco have dropped. Guest, Keen, Williams, Indian Standard Wagon and Jessop have also declined. Braithwaite have been about steady on good results.

In the miscellaneous section, clearing scrip like Hindustan Motors, Indian Aluminium, Indian Copper, Kesoram Industries, Indian Cable and Dunlop Rubber have slipped back in the absence of support. Metal Box, Alkali Chemical, Goodyear India and British Paints have been quoted at lower prices. Philips India have been steady due to the payment of a higher dividend. Among managing agency shares, Balmer Lawrie have not responded to the payment of a taxable final ordinary dividend of 15½ percent. Jardine Henderson and Martin Burn have been quiet. Isaac Holdens have dropped in spite of declaring a maiden dividend. Phillips Carbon have been subdued on incurring a loss. Hindustan Aluminium have weakened. Bank shares have been neglected, and so have electric company shares. In paper shares, Orient and Seshasayee have retreated due to profit-taking. Sugar shares have been difficult to transact due to the absence of buyers.

Jute shares have dropped in sympathy with the general trend. Turn-

over has been restrained since investors are worried about sluggish foreign enquiries for jute goods. Birla, Kinnison and Champdany have lost. Coal shares are subdued and stray business has been transacted in Amalgamated, Central India and Western Bengal. Cotton mill shares are neglected, although Bharat Commerce have met with scattered buying due to a good report. Limited business has passed in tea shares, but attention centres on good Assam and Dooars gardens.

Government securities are steady. Interest, particularly from banks, has been confined to short-dated loans, the prices of which have hardened due to the shortage of sellers. Medium-dated securities are about steady. The 3 percent Conversion Loan 1986 has been quoted at around Rs. 63.60.

Tata Steel Output

Messrs Tata Industries Private Limited, managing agents for the Tata Iron and Steel Company Ltd, report that the approximate production of iron and steel at the steel works in Jamshedpur during the month of April 1964 was: iron 128,300 metric tonnes; steel ingots 142,800 metric tonnes and salable steel 115,000 metric tonnes.

Bombay

OPERATORS REMAIN CAUTIOUS

BUSINESS CONFINED TO CLEARING SCRIP

Tuesday Evening.

THE Bombay stock market has been sluggish during the past week. Share prices have fluctuated narrowly and turnover has been restricted. Both bulls and bears are cautious, and nobody is inclined to extend commitments in the present circumstances. Although the new account opened in a steadier mood due to small carry-forward charges at the past settlement, the improvement was short-lived. Holders are inclined to take their profits at every bulge. Selling pressure is, nevertheless, light since operators seem to think that adverse developments have been adequately discounted.

Dalal Street is not impressed by the prospect of a bigger fourth plan since it is thought that most of the output targets are unrealistic in view of the inadequacy of resources. The All India Congress Committee session, due to be held in Bombay soon, has created a great deal of uncertainty since it will discuss the Dhebar Committee's report on socialism.

Business has largely been confined to clearing shares, which have generally retreated on profit-taking. Despite small selling pressure, some cash scrip have lost substantially due to the absence of support. Tata Steel have closed lower at Rs. 148.25. Among engineering shares, Tata Engineering have dropped sharply due to rumours that the Company may pay a lower dividend. Premier Construction, Larsen and Toubro and Mukand Iron have declined. Alcock Ashdown have, nevertheless, been

about steady on an optimistic assessment made by the chairman of the Company in his address at the annual general meeting. Among motor-vehicle shares, Hindustan Motors and Premier Automobiles have reacted due to profit-taking.

Cotton mill shares show widespread losses following selling pressure. It is apprehended that profits of mills during the current year may decline due to rising production costs. Century, Bombay Dyeing, Kohinoor, Simplex and Svadeshi have dropped. Standard and Morarjee have reacted on pressure. India United ordinary have been offered freely without attracting support.

Miscellaneous shares have moved down in sympathy with the general trend. Associated Cement have been quoted at a lower level while Digvijay Cement have met with scattered support on raising the taxable ordinary dividend from 10 percent to 13 percent on the increased capital. Sugar shares have been quiet. Belapur, Walchandnagar Industries and Phalton have been available at lower prices. Mining shares have been subdued, and Shivrampur Syndicate have been offered freely without attracting buyers. Scindia Steam have declined in steamship company shares.

Chemical shares have been quiet. Tata Chemical and Polychem have lost. Synthetics and Chemicals have declined sharply due to pressure. Rayon shares have not responded to the Government's move to change the procedure concerning the export of rayon fabrics. National Rayon have

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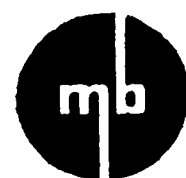
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declined. Voltas and Tata Oil have lost. Bank shares have been neglected, and scattered business has been done in Central Bank and Bank of Baroda. Electric supply company shares have been quiet. Ahmedabad and Tata Power have been sold at lower prices.

Madras

BIG DECLINE IN TURNOVER

CALCUTTA ADVICES SUBDUE MARKET

Tuesday Evening.

THERE have been narrow fluctuations in the Madras stock market during the past week. Turnover has declined considerably. Un-

inspiring advices from Calcutta and Bombay have restrained activity. Investors are refraining from buying shares because of the growing shortage of funds. The flow of bank credit into the stock market has shrunk as a result of the credit squeeze enforced by the Reserve Bank. The fear of bigger power cuts is a major restraining factor.

Business in Government securities is negligible, and transactions have been confined to a few selected State Government loans. Despite some interest in good preference shares, turnover has been small due to the absence of sellers. In banks, scattered business has been done in Indian Overseas around Rs. 139. Syndicate Bank have come to hand at Rs. 143.50. Electric company shares are sluggish, and small business has passed in South Madras at Rs. 11.10 and in West Coast at Rs. 13.50. Sugar shares show a

mixed trend. Deccan have dropped to Rs. 11.52 and Andhra to Rs. 13.79. E.I.D. have been about steady around Rs. 35.45. Mysore have been bought up to Rs. 28.35 and K.C.P. have met with support at Rs. 24.

Turnover in planting shares has shrunk considerably, although selected coffee shares have met with support due to the prospect of increased exports. Blue Mountains have been quoted at Rs. 2.40 and Cochin Malabar at Rs. 6.48. Consolidated Coffee have hardened to Rs. 22.10 and Ouchterlony have been transacted at Rs. 3.55. Business has passed in Periakaramalai at Rs. 3.49. Among coffee shares, Coffee Lands have been steady at Rs. 17.62, Rajendra at Rs. 10.42 and Swinton at Rs. 2.68. Rubber shares lack interest. Rajagiri have been available at Rs. 21.55, Vaikundam at Rs. 35.10 and Kailas at Rs. 5.95. Among tea shares, Peer-made have changed hands at Rs. 21.12,

CAPITAL, 14th May, 1964.

Twyford at Rs. 8.55 and Udayagiri at Rs. 15.50. Companies having tea and coffee plantations have been selectively bought. Chembra Peak have been quoted at Rs. 4.55, Kil Kotagiri at Rs. 4.46 and Neelamalai at Rs. 4.65.

Textile shares are sluggish and prices have generally declined. South India Viscose have retreated to Rs. 118. Travancore Rayon have been available at Rs. 22.60 on declaring a taxable ordinary dividend of 12½ percent. Balarama Varma have been quoted at Rs. 107.75 on declaring a taxable ordinary dividend of 10 percent. Bangalore Woollen have been easier at Rs. 257 and Buckingham at Rs. 272. Ramakrishna have been offered at Rs. 217.80 and Vijayalakshmi at Rs. 111.50. I. Ashm have been transacted at Rs. 130 and Madura at Rs. 33.20.

Among miscellaneous industries, Aluminium Industries have dropped

CAPITAL, 14th May, 1964.

to Rs. 20.30, but Ashok Leyland have been about steady at Rs. 7.10. Among cement shares, Dalmia have been bought at Rs. 13.10 and India Cement at Rs. 5.65. Orissa Cement have changed hands at Rs. 13.40 on declaring a taxable ordinary dividend of 10 percent.

THE WEEK'S TRANSACTIONS

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

CLEARED SECURITIES

Birla Jute—Rs. 30/69—30/81—29/87—29/87—(28/75).
Dunlop Rubber—Rs. 34/87 x.d.—35/00—33/94—34/00—(33/37).
Guest, Keen, Williams—Rs. 24/37—24/62—23/87—24/00—(33/87).
Hindustan Motors—Rs. 18/34—18/44—18/19—18/22—(16/87).
Howrah Jute—Rs. 16/00—16/00—16/00—16/00—(20/00).
Indian Aluminium—Rs. 30/87 x.d.—30/94—29/87—30/00—(33/87).
Indian Copper—Rs. 3/33—3/39—3/24—3/28—(4/08).
Indian Iron—Rs. 24/54—24/66—24/40—24/44—(22/20).
Indian Cable—Rs. 34/25—34/62—33/75—34/50—(30/06).
J. K. Cotton—Rs. 10/94—11/06—10/94—11/06—(13/62).
Jaipur Udyog—Rs. 10/94—11/00—10/90—10/94—(10/81).
Kesoram Industries—Rs. 25/62—26/00—25/12—25/31—(22/75).
Orient Paper—Rs. 36/25—36/45—35/95—35/95—(34/00).
Orissa Cement—Rs. 13/37—13/44—12/94—13/00—(14/00).
Rohas Industries—Rs. 11/12—11/25—11/00—11/03—(10/75).
Shree Gopal Paper—Rs. 25/00—25/06—25/00—25/00—(24/12).
Textile Machinery—Rs. 27/55—27/70—27/40—27/45—(23/75).

GILT-EDGED

2½% U.P. Zemindary Compensation Bonds (11 Collected)—Rs. 44/90—45/00—44/90—45/00.
3% Loan (1968)—Rs. 64/25 s.t.—64/30 s.t.—63/63—63/68.
3% " (1970-75)—Rs. 90/40—90/45—90/40—90/45.
3½% " (1968)—Rs. 99/60 s.t.—99/60—99/59—99/60.
4% " (1970)—Rs. 99/05—99/05—99/05—99/05.
4% " (1980)—Rs. 98/30—98/30—98/30—98/30.
4½% " (1973)—Rs. 99/85—99/90—99/80—99/90.
4½% " (1972)—Rs. 100/10—100/10—100/10—100/10.

BANKS

United Bank of India (Rs. 10/- paid)—Rs. 7/50—7/62—7/44—7/56—(7/31).
Do. (Conty Rs. 20/-) (Rs. 10/- paid)—Rs. 7/19—7/19—7/19—7/19.
United Commercial—Rs. 67/00—67/50—66/50—67/50—(71/50).

TEXTILES

Basanti—Rs. 12/50—12/50—12/50—12/50.
Bharat Commerce—Rs. 21/50—21/62—21/50—21/62—(22/50).
Bowreah—Rs. 23/75—23/75—23/75—23/75—(23/50).
Elgin—Rs. 18/00—18/00—17/87—17/94.
Jaya Shree—Rs. 14/87—14/87—14/81—14/81—(13/62).
New Victoria—Rs. 1/37—1/37—1/37—1/37—(1/50).
Do. (Pref.)—Rs. 2/00—2/06—2/00—2/06—(9/00).
Orissa Textiles—6/37—6/62—6/37—6/50—6/62.
Swadeshi (P.O.)—Rs. 6/56—6/62—6/56—6/62.
Do. (Pref.)—Rs. 68/75—69/25—68/75—69/25—(70/00).

COALS

Amalgamated—Rs. 22/31—22/37—22/25—22/25—(22/94).
Bengal—Rs. 233/00—236/00—233/00—236/00—(10/47).
Central India—Rs. 8/69—8/69—8/56—8/56—(8/37).
South Karanpura—Rs. 6/69—6/75—6/62—6/62—(8/37).
Western Bengal—Rs. 8/69—8/75—8/69—8/75—(8/75).

JUTES

Auckland (1st Pref.)—Rs. 71/00—71/00—71/00—71/00.

Anglo-India (Prof.)—Rs. 99/00—99/00—99/00—99/00—(22/12).
Budge Budge—Rs. 127/50—127/50—127/00—127/00—(156/00).
Barnagore—Rs. 213/50—217/00—213/00—217/00—(180/00).
Bengal—Rs. 6/75—6/75—6/69—6/69—(10/25).
Champdany—Rs. 21/12—22/06—21/12—22/06—(24/00).
Chitavalasah—Rs. 8/37—8/62—8/31—8/31—(10/75).
Clive—Rs. 8/00—8/00—8/00—8/00—(7/62).
Empire—Rs. 14/81—14/94—14/12—14/12—(14/69).
Ganges—Rs. 13/06—13/31—13/06—13/19—(13/31).
Gondalpara—Rs. 13/94—14/00—13/94—14/00—(15/44).
Hukumchand—Rs. 19/37—19/50—19/37—19/50—(22/00).
Kinnison—Rs. 115/00—115/00—115/00—115/00—(115/00).
Landsdowne—Rs. 94/00—94/00—94/00—94/00—(94/00).
Megna—Rs. 11/62—11/75—11/62—11/75—(13/31).
Nellimaria—Rs. 8/37—8/44—8/25—8/44.
Naihati (1st Pref.)—Rs. 115/00—115/00—115/00—115/00—(115/00).
National—Rs. 20/44—20/62—20/44—20/62—(23/06).
New Central—Rs. 10/94—11/06—10/94—10/94—(10/94).
Do. (Pref.)—Rs. 91/50—91/50—91/50—91/50—(91/50).
Northbrook—Rs. 25/87—25/87—25/87—25/87—(25/87).
Presidency—Rs. 4/37—3/50—4/31—4/31.
Reliance—Rs. 7/56—7/62—7/56—7/62.
Do. (Pref.)—Rs. 116/00—117/00—116/00—117/00—(117/00).

MININGS

Chrestien Mica—Rs. 10/06—10/06—10/06—10/06—(9/85).
Karanpura Development—Rs. 9/75—10/06—9/75—10/06—(12/50).
Metal Corporation—Rs. 6/87—6/87—6/75—6/75—(7/94).

CEMENTS

Ashoka—Rs. 7/00—7/00—7/00—7/00—(7/19).
Assam Bengal—Rs. 4/94—5/00—4/75—4/75—(3/03).
Do. (Defd.)—Rs. 0/75—0/75—0/75—0/75—(0/69).
Dalmia (Bharat)—Rs. 13/31—13/31—13/25—13/25—(13/25).
Sone Valley—Rs. 4/22—4/25—4/06—4/19—(4/19).

CHEMICALS

Alkali & Chemical—Rs. 28/12—28/12—27/44—27/44—(35/87).
Bengal Chemical (7½ Pref.)—Rs. 11/62—11/62—11/62—11/62—(17/00).
Chemicals & Fibres—Rs. 12/31—12/37—12/06—12/06.

PUBLIC UTILITIES

Bareilly—Rs. 12/00—12/12—12/00—12/12—(14/37).
Calcutta—Rs. 14/12—14/19—14/00—14/12—(14/12).
U.P.—Rs. 153/00—153/00—153/00—153/00—(153/00).

ENGINEERING

Binani Metal—Rs. 12/75—12/81—12/72—12/75—(10/31).
Britannia Eng.—Rs. 9/75—10/00—9/75—9/75—(9/81).
Braithwaite & Co.—Rs. 32/44—33/12—32/44—33/12—(38/00).
Bharat Ball Bearing—Rs. 12/12—12/25—12/12—12/25—(12/12).
Bhartia Electric Steel—Rs. 14/19—14/19—14/19—14/19—(14/19).
Calcutta Steel—Rs. 15/00—15/00—14/62—14/62—(13/25).
Dalmia Iron—Rs. 11/00—11/00—10/87—10/87—(10/87).
Escorts—Rs. 18/25—18/25—18/25—18/25—(89/00).
Hooghly Docking—Rs. 89/00—89/00—89/00—89/00—(108/00).
Indian Iron (Pref.)—Rs. 80/50—80/50—80/50—80/50—(80/50).
J. K. Steel—Rs. 15/00—15/12—14/87—14/87—(15/00).
Jay Eng.—Rs. 18/87—18/87—18/87—18/87—(21/75).
Kumardhubi—Rs. 5/62—5/62—5/62—5/62—(8/00).
Marshalls—Rs. 3/03—3/12—3/00—3/12—(2/87).
National Iron & Steel—Rs. 5/62—5/78—5/62—5/78—(4/25).
National Screw & Wire—Rs. 9/75—10/25—9/75—10/25—(9/75).
Raymond—Rs. 3/94—4/00—3/94—4/00—(8/00).
Saran Eng.—Rs. 6/50—6/56—6/25—6/25—(6/25).
Textile Machinery (8½ Pref.)—Rs. 102/00—106/00—102/00—106/00—(106/00).

INSURANCE

New Asiatic—Rs. 7/00—7/00—7/00—7/00—(11/87).
Aluminium Corp.—Rs. 11/94—12/00—11/87—11/87—(11/87).
American Refrigerators—Rs. 6/69—6/75—6/56—6/75—(6/56).

MISCELLANEOUS

Anglo Brothers—Rs. 23/8 s.t.—23/87—23/44—23/44—(22/12).
Asiatic Oxygen—Rs. 10/56—10/62—10/56—10/62—(9/69).
Airways India—Rs. 3/78—3/81—3/78—3/81—(11/12).
Asian Refractories—Rs. 11/12—11/19—11/12—11/19—(11/12).
Associated Battery—Rs. 23/12—23/12—22/87—22/87—(10/62).
B. I. Corp.—Rs. 9/59—9/62—9/59—9/62—(8/62).
Bharat Nidhi—Rs. 5/37—5/37—5/37—5/37—(5/37).
British Paints—Rs. 19/94—20/50—19/94—20/50—(20/50).
Duncan Brothers—Rs. 136/00—137/00—136/00—137/00—(147/00).
Dunlop Rubber (2nd Pref.)—Rs. 65/00—66/00—65/00—65/50—(10/06).
East Anglia Plastics—Rs. 6/75—6/75—6/50—6/50—(9/62).
Electric Construction—Rs. 12/81—13/00—12/69—12/75—(13/00).
Godfrey Phillips (Pref.)—Rs. 60/00—60/00—60/00—60/00—(8/94).
General Tyres—Rs. 7/75 s.t.—8/00—7/75—8/00—(8/94).
Gillanders Arbuthnot—Rs. 14/87—15/12—14/87—15/12—(13/50).
Goodyear India—Rs. 22/50—22/56—22/00—22/25—(35/25).
Hindustan Aluminium—Rs. 12/75—12/87—12/72—12/87—(13/12).
Hindustan Development—Rs. 3/90—4/25—3/87—4/25 s.t.
Hindustan Pilkington Glass—Rs. 13/19—13/75—12/94—13/75—(14/87).
Hindustan Gas—Rs. 20/50—20/50—20/50—20/50—(22/44).
Isaac Holdens—Rs. 12/75—13/06—12/75—13/00—(14/75).
Indian Forge & Drop Stamping—Rs. 6/50—6/50—6/50—6/50—(9/75).
Indian Tack & Nail—Rs. 10/19—10/25—9/75—9/81—(13/00).
Imperial Tobacco—Rs. 9/62—9/69—9/56—9/56—(10/37).
J. K. Synthetics—Rs. 11/69—11/75—11/06—11/56—(10/75).
Jardine Henderson (Pref.)—Rs. 55/25—55/25—54/00—54/00—(54/00).
Jaysree Tea and Industries—Rs. 14/31—14/50—13/44—13/44.
Kesoram Industries (2nd Pref.)—Rs. 95/50—96/00—95/50—95/50—(96/00).
Martin Burn—Rs. 26/44—26/50—26/25—26/50—(26/87).
Do. (Pref.)—Rs. 79/50—79/50—79/50—79/50—(79/50).
Macneill and Barry (Prof.)—Rs. 50/00—50/00—50/00—50/00—(49/87).
Metal Box—Rs. 30/37—30/37—30/25—30/37—(49/87).
Metal Distributors—Rs. 3/56—3/94—3/56—3/94—(5/09).
Macfarlane & Co.—Rs. 4/87—5/00—4/87—5/00—(7/00).
Multi Metals—Rs. 4/25—4/25—4/25—4/25—(4/25).
National Insulated Cable—Rs. 22/37—22/44—22/19—22/44—(24/62).
National Rubber Mfg.—Rs. 11/37—11/50—11/19—11/31—(12/44).
Do. (Pref.)—Rs. 69/00 x.d.—69/00—69/00—69/00—(69/00).
New India Investment—Rs. 54/00—54/00—54/00—54/00—(65/00).
National Tobacco—Rs. 11/25—11/25—11/25—11/25—(11/25).
National Pipes and Tubes—Rs. 26/12—26/19—26/00—26/00—(27/25).
National Rolling and Steel Ropes—Rs. 18/44—18/44—18/44—18/44—(18/44).
Phillips India—Rs. 27/75—27/75—27/62—27/62—(27/62).
Phillips Carbon—Rs. 12/62—12/62—12/25—12/25—(18/50).
Rallis India—Rs. 118/00—120/00—118/00—120/00—(117/50).
Sirsilk—Rs. 7/62—7/69—7/62—7/69—(8/81).
Shaw Wallace—Rs. 15/56—15/62—15/50—15/62—(16/87).
Tungabhadra Industries—Rs. 9/50—9/50—9/44—9/44.
Universal Cables—Rs. 10/94—11/00—10/81—10/87—(9/62).
Union Carbide—Rs. 31/87—31/87—31/87—31/87—(31/87).
Do. (New)—Rs. 30/50—31/00—30/50—31/00—(31/00).
Universal Electric—Rs. 7/00 s.t.—7/00—7/00—7/00—(8/69).
Walford Transport—Rs. 3/19—3/19—3/12—3/15—(3/37).
Do. (P.O.)—Rs. 2/75—2/87—2/75—2/87—(2/44).

PAPERS

Ballarpur—Rs. 17/06—17/12—17/06—17/12—(16/31).
India Paper Pulp—Rs. 19/50—19/56—19/44—19/56—(17/44).
Orient (7½ Pref.)—Rs. 91/00—91/00—91/00—91/00—(11/87).
Sirsilk—Rs. 11/69—11/69—11/50—11/62—(11/87).
Straw Products—Rs. 9/06—9/12—9/06—9/09—(9/09).
Seshasayee—Rs. 7/31—7/31—7/31—7/31—(7/31).
Titagur—Rs. 13/94—14/25—13/94—14/25—(17/06).

Do. (2nd Pref.)—Rs. 64/00—64/25—64/00—64/25.

SAW MILL

Assam Saw—Rs. 2/56—2/59—2/56—2/56—(2/50).

PRESSING

Bhagwati—Rs. 6/00—6/00—6/00—6/00—(6/00).

OIL

Indo-Burma Petroleum—Rs. 22/00—22/00—21/75—21/75—(15/00).

REAL PROPERTY

Midnapore Zemindary—Rs. 17/75—18/12—17/75—18/00—(10/50).

SUGARS

Carew & Co.—Rs. 12/19—12/19—12/00—12/19—(12/50).

Cawnpore—Rs. 9/12—9/31—9/12—9/31—(10/06).

New Savan—Rs. 4/00—4/00—4/00—4/00—(3/62).

Raza Buland—Rs. 10/00—10/00—9/87—9/87—(9/31).

Shree Krishna Gyanodaya—Rs. 8/06—8/06—7/81—7/81—(7/19).

SHIPPING

India Steamship—Rs. 6/56—6/56—6/50—6/56—(6/50).

TEAS

Bormah-Jar—Rs. 11/06—11/06—11/00—11/00—(14/25).

Bloomfield—Rs. 3/12—3/25—3/12—3/25—(3/00).

Broke Bond—Rs. 11/56—11/56—11/50—11/50—(11/50).

Chamong—Rs. 8/75—8/75—8/75—8/75—(9/00).

Dguracherra—Rs. 12/12—12/12—11/94—12/00—(7/56).

Eastern Cachar—Rs. 4/56—4/62—4/56—4/62—(4/62).

Ellenbarrie—Rs. 173/00—173/00—173/00—173/00—(184/00).

East India—Rs. 12/00—12/00—12/00—12/00—(14/00).

Gairkhata—Rs. 16/12—16/12—16/12—16/12—(16/12).

Grob—Rs. 6/12—6/12—6/06—6/06—(9/00).

Hasimara—Rs. 12/44—12/50—12/44—12/50—(12/56).

Hanuman—Rs. 10/12—10/12—10/12—10/12—(10/12).

Kotamullai—Rs. 10/00—10/00—9/37—9/87—(10/31).

Killoot—Rs. 15/37—15/50—15/37—15/50—(16/25).

Kornafuli—Rs. 9/19—9/25—9/06—9/12—(13/06).

Margaret's Hope—Rs. 12/37—12/37—12/31—12/31—(11/62).

Nagaisuree—Rs. 165/00—165/00—165/00—165/00—(140/00).

New Terai—Rs. 21/50—21/50—21/50—21/50—(21/50).

Patrakola—Rs. 122/00—122/00—120/00—121/00—(133/00).

Teesta Valley—Rs. 13/50—13/50—13/44—13/44—(11/25).

DEBENTURES

5½% Britannia Biscuit—Rs. 93/50—93/50—93/50—93/50—(93/50).

7% Kesoram Industries—Rs. 100/00—100/00—100/00—100/00—(100/00).

London

PROFIT-TAKING KEEPS SHARES DULL

POLITICAL UNCERTAINTIES WORRY INVESTORS

IMPROVING THE WORKING OF SMALL BANKS

(BY A SPECIAL CORRESPONDENT)

According to the Reserve Bank Governor, small banks have played an important rôle in reducing the number of usurious money-lenders and in financing small industries. A seminar was held last year to exchange views on how to improve the working of small banks.

THERE was confusion about the position of small banks after the Palai Bank and Laxmi Bank crashed. The confusion was natural because the Reserve Bank—in its anxiety to eliminate the uneconomic units, initiated a policy of voluntary mergers. Such mergers, although apparently voluntary, were for all practical purposes forced on the smaller banks. This raised apprehensions among the latter. But nothing was done to define concretely the future of small banks. After Mr. P. C. Bhattacharyya took over as Governor

of the Reserve Bank, he addressed himself to improving the working of small banks. The branch expansion policies were given a new orientation and the importance of sound but small banks was recognised. Side by side, the weaker units were eliminated.

The Reserve Bank also took several steps to improve their working. One of them was to conduct seminars for small bankers. Three such seminars were held last year. What was discussed at these seminars remained a secret until the Reserve Bank pub-

lished the proceedings some time ago.

Financing Small Industries

The importance which the Reserve Bank attached to the development of small banks is evident from the tribute which the Governor paid to them during the seminar. According to Mr. Bhattacharyya, the small banks are responsible for reducing the number of usurious money-lenders. They also play an important rôle in financing small industries. Small banks have certain advantages

CAPITAL, 14th May, 1964.

over the bigger institutions where local contacts and knowledge play a big part. In view of these advantages, it has been recognised that small banks should be encouraged to grow.

The seminars brought together the chief executives of banks with deposits of up to Rs. 1 crore from all over the country. They discussed their individual experience with the senior officers of the Reserve Bank, the State Bank and the bigger banks. The Reserve Bank, it is learnt, has an idea to conduct such seminars in different parts of the country in due course. The object of the seminars will be to inculcate a better appreciation of what constitutes good banking among the chief executives of small banks. The importance of this cannot be exaggerated because the small banks employ their meagre resources in granting personal loans against the security of bullion and gold ornaments.

The diversification of the loan portfolio requires a more progressive attitude on the part of these banks, and the seminars held last year attempted to emphasise this aspect. The chief executive of a small bank, like his opposite number in a bigger bank, has an obligation to depositors, to borrowers and the shareholders' representatives—the board of directors. His manoeuvrability is, however, limited in view of the smallness of the resources. He requires to be imaginative, to secure useful deployment of the bank's funds.

Concept of a Sound Bank

The discussions at the seminar centred on the concept of a sound bank. A sound bank, it was said, is one which strikes a golden mean between safety, liquidity and profitability. This involves all the important aspects of commercial banking, such as the steps taken for mobilising the savings of the people and the policies followed in investment and lending operations, allocation of profits to reserves, the recruitment of staff and their proper training. The modern technique of balance-sheet analysis was emphasised. Specimen credit reports were circulated for the information of the chief executives of smaller banks and the system of control and supervision in vogue in well-run banks was outlined. The specimen of an ideal audit report was also circulated.

It is on the subject of advances that the seminar made a very constructive contribution. It laid down sound principles, some of which could well be followed by the bigger banks. It also laid down general safeguards and referred to cases when loans should not be granted to directors. The first safeguard is that normal standards of business prudence should be applied in granting an advance to a director. The second is that such advances should not exceed a reasonable proportion of the total advances of a bank. The safe amount which could be lent to a director of a bank prescribed because conditions vary from bank to bank.

The first prohibition is that clean advances to companies and concerns of directors and their friends and relatives should generally be ruled out. The second prohibition is that advances against shares to companies should not be granted if the purpose is to enable a director to acquire a controlling interest in a company.

Advances against Shares

As for advances against the security of shares of joint-stock companies, it was pointed out that such advances should not be permitted indefinitely even if they were adequately secured and the security was readily marketable. In granting

CAPITAL, 14th May, 1964.

such advances, it is necessary to ensure that the borrower has the means and the ability to repay them within the stipulated period; and, secondly that the purpose for which the advance is taken will itself generate enough income for repayment.

Some of the banks which joined the seminar were reportedly keen on entering into participation arrangements with larger banks. They had accumulated surplus funds following the reduction of the Gold Control Order. As deposits with other banks earn only a modest return, the anxiety of small banks to improve their earnings is understandable.

THE CALCUTTA MONEY MARKET

FRACTIONAL DECREASE IN ADVANCES

Wednesday, 13th May.

THE general level of advances has decreased fractionally in the Calcutta money market during the past week. The requirements of the jute and sugar mills are down, and so are those of the foodgrains and seeds trade. But the credit given to the cotton mills, and to the iron, steel and engineering units, is unchanged. The interbank market has been easier, with the call rate dropping to 5½ percent.

The exchange market has been quiet, with only a small supply of tea and gunny bills. The demand for remittances is moderate. In London, sterling has fluctuated narrowly, and shows a mixed trend.

SILVER WAS STEADY IN CALCUTTA during the past week, although turnover was limited. The price closed around Rs. 261.25. The price was quoted at 11½d in London and 129.3 cents in New York.

Gold was also steady in sympathy with silver and the price of 14-carat fetched Rs. 69.50.

DURING THE WEEK ENDED 8TH MAY, Government of India Treasury bills for Rs. 104,74,00,000 were sold in favour of the Reserve Bank.

TENDERS FOR RS. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 12th May. The total amount offered was Rs. 2 crores. Tenders at Rs. 99.250 were accepted in full. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 3 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 18th May.

IT IS STATED THAT 91-DAY INTER-MEDIATE Treasury bills will be sold from 13th May to 16th May at Rs. 99.266 percent, subject to the conditions previously announced that sales can be stopped at any time without notice if the Government thinks it necessary. These bills sold from 6th May to 9th May amounted to Rs. 39.50 lakhs only.

RISES OF RS. 43.47 CRORES TO Rs. 2,576.90 crores in active notes and of Rs. 41.35 crores to Rs. 2,595.22 crores in the total note issue, were outstanding features of the return of the Reserve Bank of India for the week ended 8th May, 1964. The currency expansion was covered by raising rupee securities of the paper currency reserve by Rs. 44.98 crores to

Rs. 2,272.37 crores. Deposits of the Government of India rose by Rs. 4.41 crores to Rs. 53.75 crores and those of State Governments by Rs. 7.68 crores to Rs. 21.90 crores. Balances of scheduled banks dropped by Rs. 10.27 crores to Rs. 91.21 crores. Balances held abroad at Rs. 8.27 crores showed a decline of Rs. 1.09 crores. Investments rose by Rs. 6.55 crores to Rs. 186.26 crores. Loans to scheduled banks increased from Rs. 65.53 crores to Rs. 79.04 crores, of which advances against usance bills amounted to Rs. 20.99 crores (Rs. 22.58 crores). Ways and means advances stood at Rs. 56.57 crores, against Rs. 74.48 crores.

THE RETURN OF THE STATE BANK OF India for the week ended 1st May, 1964, shows a drop of Rs. 7.50 crores to Rs. 618.82 crores in total deposits. Investments in Government securities are up by Rs. 1.99 crores to Rs. 232.58 crores, while other authorised investments remain unchanged at Rs. 9.44 crores. Advances, including loans, cash credits, overdrafts and bills discounted and purchased have risen by Rs. 1.06 crores to Rs. 378.32 crores. Cash and balances are, in consequence, shown at Rs. 28.32 crores or Rs. 6.26 crores higher.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 1st May, 1964, shows Demand and Time liabilities at Rs. 1,246.27 crores (Rs. 40.70 crores on account of borrowings from banks) and Rs. 1,297.03 crores (Rs. 12.45 crores), compared with Rs. 1,254.57 crores (Rs. 41.44 crores) and Rs. 1,293.21 crores (Rs. 12.48 crores), respectively, in the previous week. Cash has declined by Rs. 2.42 crores to Rs. 60.22 crores, while balances with the Reserve Bank have risen by Rs. 8.11 crores to Rs. 87.03 crores. There is an increase of Rs. 3.80 crores to Rs. 618.89 crores in investments. Advances and bills discounted at Rs. 1,864.97 crores show a rise of Rs. 6.42 crores. The ratios to total liabilities of cash and balances and of advances and discounts are, in consequence, shown at 5.8 percent and 72.3 percent, against 5.6 percent and 72.9 percent.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 15-5-64.

Issue Date	Maturity Date	Amount (000's Rs.)	Average Acceptance Rate
15-5-64	18-8-64	2,00.00	Rs. 3.000%
8-5-64	11-8-64	2,00.00	Rs. 3.000%
1-5-64	4-8-64	2,00.00	Rs. 3.000%
24-4-64	21-7-64	2,00.00	Rs. 3.000%
17-4-64	20-7-64	2,00.00	Rs. 3.000%
10-4-64	13-7-64	2,00.00	Rs. 3.000%
3-4-64	6-7-64	2,00.00	Rs. 3.000%
26-3-64	29-6-64	2,00.00	Rs. 2.750%
20-3-64	23-6-64	2,00.00	Rs. 2.500%
13-3-64	16-6-64	2,00.00	Rs. 2.360%
6-3-64	9-6-64	2,00.00	Rs. 2.350%
28-2-64	31-5-64	2,00.00	Rs. 2.350%
21-2-64	24-5-64	2,00.00	Rs. 2.340%

Month	Amount (000's Rs.)
May, 1964	4,00.00
June, 1964	8,00.00
July, 1964	8,00.00
August, 1964	6,00.00
Total	26,00.00

CLEARING HOUSE RETURNS

Week	Calcutta	Bombay
8-5-64	94.46.82	1,36.44
1-5-64	1,09.44	1,14.68
24-4-64	80.06	1,06.18
17-4-64	89.39	1,13.13

THE FOLLOWING IS A STATEMENT OF the cash balances of the Central Government on the last day of January 1964.

	Rs.	Total
(1) At the Reserve Bank of India	88,32,33,000	89,42,59,000
(2) At Treasuries in India (A)	56,24,000	
(A) Represents net of cash in Treasuries and remittances in transit.		

RESERVE BANK

ISSUE DEPARTMENT		Week Ended		
(In 000's of Rupees)		9-5-64	1-5-64	10-5-53
Liabilities—				
Notes in Banking Dept.	...	18,31.38	20,44.16	18,06.54
Notes in Circulation	...	25,76,90.28	25,33,42.84	23,44,08.63
Total Notes Issued	...	25,95,21.66	25,53,87.00	23,62,15.17
Assets—				
A. Gold Coin and Bullion	...	1,17,76.10	1,17,76.10	1,17,76.10
Foreign Securities	...	1,03,45.69	1,03,45.69	1,05,08.43
Total of A	...	2,21,21.79	2,21,21.79	2,22,84.53
B. Rupee Coin	...	1,01,63.00	1,05,25.79	1,12,87.12
Rupee Securities	...	22,72,36.87	22,27,39.42	20,26,43.52
Total	...	25,95,21.66	25,53,87.00	23,62,15.17

BANKING DEPARTMENT

Liabilities—				
Capital Paid-up	...	5,00.00	5,00.00	5,00.00
Reserve Fund	...	80,00.00	80,00.00	80,00.00
National Agricultural Credit (Long Term Operations) Fund	...	73,00.00	73,00.00	61,00.00
National Agricultural Credit (Stabilisation) Fund	...	8,00.00	8,00.00	7,00.00
Deposits—				
(a) 1. Central Govt.	...	53,74.97	49,34.22	50,82.53
2. State Govts.	...	21,89.50	14,22.43	7,06.96
(b) Banks—				
(i) Scheduled Banks	...	80,94.27	91,20.53	79,53.09
(ii) State Co-operative Banks	...	2,22.68	2,19.51	2,43.37
(iii) Other Banks	...	4.28	4.85	6.38
(c) Others	...	1,59,15.32	1,59,44.33	1,70,27.10
Bills Payable	...	36,13.13	42,93.69	25,00.06
Other Liabilities	...	73,68.59	74,44.44	71,41.21
Total	...	5,93,82.74	5,99,84.00	5,59,60.70
Assets—				
Notes	...	18,31.38	20,44.16	18,06.54
Rupee Coin	...	3.49	7.33	3.12
Small Coin	...	4.86	4.66	2.44
National Agricultural Credit (Long Term Operations) Fund				
(a) Loans and Advances to—				
(i) State Govts.	...	28,30.57	28,30.77	27,17.02
(ii) State Co-operative Banks	...	8,16.39	8,26.19	9,17.98
(iii) Central Land Mortgage Banks	...	...	...	...
(b) Investment in Central Land Mortgage Bank Debentures	...	3,59.36	3,59.36	2,94.88
National Agricultural Credit (Stabilisation) Fund				
Loans and Advances to State Co-operative Banks	...	...	...	...
Bills Purchased and Discounted—				
(a) Internal	...	...	...	...
(b) External	...	...	...	...
(c) Govt. Treasury Bills	...	59,17.77	64,53.10	55,27.28
Balance Held abroad	...	8,27.32	9,36.28	7,46.54
Loans and Advances to Govt.	...	56,57.28	74,47.90	70,10.52
Loans and Advances to—				
(i) Scheduled Banks	...	79,04.23	65,52.55	45,97.25
(ii) State Co-operative Banks	...	1,12,60.70	1,11,59.46	1,11,74.00
(iii) Others	...	1,51.70	1,79.25	1,92.27
Investments	...	1,86,28.36	1,79,70.57	1,72,36.67
Other Assets	...	31,41.33	31,32.42	37,42.21
Total	...	5,93,82.74	5,99,84.00	5,59,60.70

SCHEDULED BANKS

(In 000's of Rupees)		Week Ended		
		1-5-64	24-4-64	3-5-63
(i) Demand Liabilities—				
(a) Demand Deposits:				
(1) From Banks	...	65,19.91	64,10.61	50,35.58
(2) From others	...	10,69,90.36	10,76,15.19	8,83,90.86
(b) Borrowing from Banks	...	40,70.19	41,42.93	25,27.33
(c) Other	...	70,76.18	72,87.56	62,53.25
(ii) Time Liabilities—				
(a) Time Deposits:				
(1) From Banks	...	27,06.23	27,51.96	26,42.59
(2) From others	...	12,45,86.41	12,42,36.51	11,91,79.61
(b) Borrowing from Banks	...	12,45.20	12,47.60	15,94.55
(c) Other	...	11,66.02	10,94.46	10,32.45
(iii) Borrowing from State Bank—				
(a) Demand Liabilities	...	13,13.64	14,18.38	6,75.93
(b) Time Liabilities	...	11,00.00	10,80.00	11,63.46
(iv) Borrowing from Reserve Bank	...	63,94.57	44,61.80	40,20.15
(v) Cash	...	60,22.22	62,64.12	54,28.23
(vi) Balances with the Reserve Bank	...	87,03.33	78,91.58	77,20.67
(vii) Balances with other Banks in current account	...	81,39.93	20,28.20	20,06.91
(viii) Money at call and short notice	...	48,33.90	48,76.40	42,54.80
(ix) Investments in Central and State Govt. Securities	...	6,18,88.80	6,15,08.88	6,18,29.45
(x) (a) Loans, Cash Credits and Overdrafts	...	55,56,34.93	13,47,53.65	13,24,14.07
(b) Due from Banks	...	13,32.96	12,93.52	8,86.93
(xi) Interim Bills purchased and discounted	...	8,27,40.19	8,29,44.72	12,59.38
(xii) Foreign Bills purchased and discounted	...	67,88.48	68,63.90	56,30.07
(xiii) Total of X, XI and XII	...	18,54,95.56	18,56,54.79	18,01,90.43

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REVISING THE PATENT LAW FOR DRUGS AND MEDICINES

By Robendr Hoon

The Government's proposal to revise the patent law for drugs and medicines will retard the industry's growth and adversely affect research and development. Since unpatented goods will not be acceptable to countries which recognise and protect patents, it will also have serious repercussions on exports.

THE pharmaceutical industry is greatly concerned about the Government's proposal to abrogate patents for drugs and medicines. Representations have been made by the Indian Chemical Manufacturers Association, the Federation of Indian Chambers of Commerce and Industry, and the Pharmaceutical and Allied Manufacturers and Distributors Association. Between them, every section of the industry is fully represented. While each of these bodies have made suggestions in the light of their own appraisals, they are all unanimous on the point that no major change should be made in the existing century-old system without seeking the advice of those concerned.

Since independence, the drugs and medicines industry has made remark-

able progress. It has passed through the initial stages of basic development, and having established itself firmly, has now attained a stage where it has the resources for organised research. Indeed, for further advance, it has to take this step in right earnest, and inventive genius in India is not lacking. The revision of the patent law will not only retard growth but also adversely affect research and development. Therefore, at this stage, the search for inventions and new discoveries is of paramount importance. To stimulate it, the retention of the patent system is imperative. The fear has been expressed that "monopolies" result from patents. But the fear is unfounded because under the law an inventor cannot keep his discovery as a trade secret.

As an indication of the expense and effort that a research project entails, it should be remembered that the chance of success in any such venture is 3,000 to 1 against the manufacturer. The reward for the enormous expense on research, on processing likely ideas and on making them commercially feasible lies in the patent system. New avenues of production are thus opened, with an inducement for investing capital, which would hardly be forthcoming if the manufacture of a new invention was open to all without patent rights. Indeed, this is the reason why companies register every invention of significance as a matter of established routine, regardless of its immediate value, in the hope that it may have commercial possibilities at some later date. The fact explains why about

10 percent of the registered patents, mainly held by foreigners, are never put to use. It cannot be misconstrued as an attempt to deprive the country of technological knowledge.

An example usually cited in favour of abrogation is Italy, where no patent law exists for drugs and medicines. But it is significant that no discoveries of any importance have originated from Italy. Yet in spheres other than pharmaceuticals, and even in the closely related field of organic chemistry where there are patent laws, that very country has a fine record of inventions. Indeed one of the main objectives of the Italian pharmaceutical industry is to seek protection for new discoveries by the introduction of patent laws, and it hopes that this will materialise in the near future.

Prices Reduced

Since the patent system has little bearing on the price of drugs and medicines, the argument that the law needs revision on this account is untenable. India has seen a steady rise in the prices of most commodities. It is, therefore, particularly noteworthy that in the drug industry, prices have not only been maintained but have in many cases been reduced with improved methods of production or other economies in the manufacturing process. Prices depend on a number of factors. The cost of raw materials and labour, low productivity against high overheads of plant and equipment, the small scale of manufacture itself, the not infrequent power and other breakdowns on account of shortages, the high level of corporate taxation, the increased cost of distribution because of the large distances involved, the variations in climatic conditions and their effect on the potency of products—these are only some of the aspects the financial implications of which have to be considered in arriving at a selling price. Even so, the prices of finished drugs in India compare favourably with those prevailing elsewhere. Indeed, in some instances they are lower, and the impression that prices in India are higher than in other parts of the world is erroneous.

The Development Council for Drugs and Pharmaceuticals has strongly opposed the abrogation of patents because it is only by continuing them that the Indian sector of the industry can continue its progress. Likewise, for the foreign firm which invests or collaborates or establishes a subsidiary, it is of paramount importance that the patent law in India is based on the same principle as in the country which provides the "know-how". This indeed can be a deciding factor, because a guarantee of protection and security is necessary for creating the right investment climate. The patent protection hitherto available in India has undoubtedly aided the progress of the industry. The impression that the effect of the law has been inhibiting is not borne out by the phenomenal growth that the figures reveal. The increase in the manufactured value of pharmaceutical products from Rs. 11 crores in 1948 to Rs. 100 crores in 1962 is no mean achievement.

Effect on Exports

The abrogation of the patent law would also have serious repercussions on the export trade. Unpatented goods would not be acceptable in countries which recognise and protect patents. At the same time, the sale of products manufactured by copying patented processes would be restricted by overseas inventors where their inventions were protected by valid patents in other countries. The idea that the abolition of patent protection will help exports is incorrect.

CAPITAL, 14th May, 1964.

CAPITAL, 14th May, 1964.

New Delhi

GROWTH RATE AND OUTLAY FOR FOURTH PLAN DISCUSSED

(FROM OUR NEW DELHI CORRESPONDENT)

THE first skirmish between the "progressives" and the others in the Planning Commission took place last Sunday at the Prime Minister's residence. As already reported, the "progressives"—having decided upon a modest 7½-percent growth rate during the fourth plan—have placed the cost of achieving it at Rs. 20,000 crores. The Commission's Perspective Planning Division has stated in its paper on the growth rate during the fourth plan:

"It is an agreed premise of our plans that a high rate of growth sustained over a sufficiently long period is an essential condition for solving the basic economic problems of the country. The third plan aimed at accelerating the rate of growth from an average of 3.5 percent achieved during the decade 1950-60 to about 6 percent over the period 1961-76. Subsequent studies have shown that this rate of growth would not be adequate to make a significant impact on the problem of mass poverty and unemployment in the course of the next decade."

As for external assistance, the paper says that "it will decline from some Rs. 550 crores in 1965-66 to Rs. 350 crores in 1970-71 and will be nil within 1975-76." There appears to be no reference to private foreign capital. The paper adds: "After taking into account the resources available from net surpluses on current account, borrowings, external assistance, and the surplus of public enterprises, the gap to be covered is Rs. 600 crores in 1970-71 and Rs. 800 crores in 1975-76. This gap has to be covered primarily by additional taxation." The paper then concludes with the remark that "it seems premature to delve deeply into the problems of finance in too great a detail at this stage."

Export Earnings

The gap of Rs. 600 crores is based on the assumption that total annual export earnings will reach Rs. 1,225 crores in 1970-71 and Rs. 1,624 crores by 1975-76. The "progressives" are not, however, responsible for raising the resources for the fourth plan. If they were asked to raise the resources, the methods they will adopt are familiar. Addressing a meeting of parliamentarians last week, Mr. Krishna Menon, for example, claimed that foreign equity participation would make the country "bound hand and foot" and would shut out large areas of the world, such as Russia and the Arab countries. "It will lead to economic imperialism," he added. He also re-echoed the communist slogan for the nationalisation of banks.

Fortunately, the Central Finance Ministry has disapproved of the Rs. 20,000-crore plan. It does not believe that the rate of growth during the third plan will exceed 4.5 percent. The country has already been bled white in raising resources for financing both defence and development. It will not be an easy job to raise additional taxation of Rs. 120 crores a year. The Finance Ministry, therefore, wants the fourth plan outlay to be of the order of Rs. 15,000 crores.

The Central Minister for International Trade, Mr. Manubhai Shah, has joined issue with the "progressives". He has clearly told the Planning Commission that it would be

beyond the capacity of his Ministry to raise exports to Rs. 1,225 crores by 1970-71 and Rs. 1,624 crores by 1975-76. He has, in fact, refused to discuss the export target for 1975-76. According to his Ministry, these projections are obviously unrealistic. To take iron ore first, the prevailing world price is about Rs. 40 a ton. The price is lower for Goa ore, which is of an inferior grade. To increase exports from Rs. 40 crores to Rs. 135 crores, it is argued, India will have to raise the existing level of exports nearly three-and-a-half times. This is impossible because it will call for the expansion of port, railway and mining facilities on a scale which is clearly beyond India's means. Even a section in the Planning Commission favours the fourth plan outlay being fixed at Rs. 17,500 crores.

The stage of formulation of the second plan should provide some guidance in the present controversy. It will be recalled that Mr. K. C. Neogy, who was then a member of the Planning Commission, did not approve of the plan outlay and had threatened to write a minute of dissent. He was dissuaded from doing so by the then Deputy Chairman of the Planning Commission, the late Sir V. T. Krishnamachari. The latter evolved a formula that the plan outlay could be raised if agricultural production could be stepped up simultaneously with a reduction in farm prices. Meanwhile, even the balance-sheet of the second plan has not yet been made available to the country. All that is known is that agricultural production has stagnated and the high prices of foodgrains have added to inflationary pressures.

PLANNING

Review by U.S. Bank

The First National City Bank of New York has produced a balanced appraisal of India's economic progress through the three five year plans. The study pays a tribute to the Central Finance Minister, Mr. T. T. Krishnamachari, for his foresight in encouraging private foreign capital and for the tax reforms now embodied in the Finance Act. It says: "In view of the very substantial volume of outstanding international indebtedness, there is a growing belief that India is close to reaching the upper limits of the amount of foreign currency borrowing it can service. External repayment obligations during the current plan are reported at \$1,500 million and this may rise to \$2,000 million in the approaching fourth plan period. Thus emphasis is now being placed on 'softer' lending with longer terms, substantial grace periods and minimal interest."

"Significant for the future are the growing signs of realisation that the country should seek to supply a larger share of its foreign capital needs by attracting direct private investment rather than by borrowing abroad. The net inflow of such private funds since independence has been relatively small, although in recent years there has been evidence of greater interest. Total foreign private investment was reported at about \$1,400 million at the end of 1963, up from the equivalent of \$775 million in 1948. Since much of this

increase was achieved through retained earnings which could have been repatriated, it is an indication of investors-faith in India's long-run potential. The major share of direct private investment is British, reflecting India's historic ties with the United Kingdom. However, U.S. direct private investment is gaining and is now variously estimated at between \$200 million and \$300 million, with a substantial portion of this in oil refining.

Tax Reforms

"Taken together, the various tax reforms indicate a widening realisation that Government spending, even when bolstered by official foreign aid, cannot accomplish the national development goals unless reinforced by private enterprise. Despite this evidence of willingness to work in partnership, there is no basis of complacency. The new Budget carries public spending to an all-time high. Central Government development outlays are reportedly being raised by Rs. 300 crores while defence spending will be boosted by Rs. 50 crores. (Consolidated Government Budget estimates are not yet available for 1964-65). It is not likely that public financing of this magnitude can be arranged without adding further to inflationary pressures."

Referring to export promotion in India, the study says: "Until recently, relatively casual attention was given by India to measures for stimulating exports and earning foreign exchange. Instead, past emphasis was on saving foreign exchange through import substitution made possible by the growth of domestic manufacturing. But these new industries, with their initial heavy requirements for imported equipment, were often slow to yield their intended savings. Meanwhile, other import needs mounted and export earnings languished."

"Belatedly, export promotion is now being given higher priority. Several new Government agencies were established in 1962, to deal with international trade matters. Special tax rebates for exports are now in effect, the export duty on tea has twice been reduced, and price supports have been introduced for several export commodities. Last year's Budget appropriated Rs. 3 crores for developing new markets abroad and provided additional tax incentives for export sales."

"These various measures have already had marked success. Exports, registering a gain of 14 percent for the calendar year 1963, topped the equivalent of \$1,600 million. This equalled the record high earnings set in 1951 under the inflated price conditions of the Korean war. Last year's export volume was considerably larger than in 1951, but was offset by lower market prices. Further improvement in the trade balance came from a 10-percent cutback in imports to just under \$2,100 million. Although the trade gap was still nearly \$500 million, it was the best showing in seven years."

"With foreign aid continuing at a high level, India managed to add nearly \$100 million to its foreign exchange reserves last year and also to repay \$25 million to the I.M.F. However, at the current figure of

about \$600 million, India's international reserves remain close to minimum requirements for currency cover and maintenance of working foreign balances.

"Individual Indian exports have been subject to divergent trends. Jute and burlap manufactures, in spite of wide price fluctuations, have found fairly steady markets in Europe and the United States. Tea sales—mainly to Britain—are substantial in volume but lack potential for growth. U.S. purchases of manganese and cashewnuts likewise tend to remain at a fixed level. After some success in building up exports of cotton textiles to Asia and Africa, India has been losing ground to foreign competitors since 1958. Japan provides a slowly growing market for iron ore and other minerals, plus some of India's short-staple cotton. Spurred by price increases, sugar exports nearly doubled last year, but as with tobacco, pepper and vegetable oils, the mounting domestic demand leaves little surplus for export. Rising internal prices have put the exchange value of the rupee out of equilibrium in so far as export sales of most manufactures are concerned."

Leading Supplier

"Since 1959, the United States has been India's leading supplier, with its share of India's total imports rising from 16 percent in 1957 to 28 percent in 1963. Britain and the European Common Market rank next in importance as trading partners, followed by Japan. Bilateral trade with eastern Europe has been growing steadily. Total U.S. sales to India were a record \$800 million last year—a hefty 20-percent gain over 1962—but most of these shipments were financed through U.S. Government programmes."

"The bulk of U.S. exports to India consists of industrial equipment, foodgrains and better-grade cotton, with metal products and chemicals also important. For alert American companies, there are wide sales opportunities in connection with projects financed by international lending agencies and the U.S. Government. U.S. firms are also providing engineering and technical services for many of these development projects."

The study forecasts a good future for India. It says: "Over the past decade, India has put a substantial investment into the nation's basic economic underpinnings, or infra-structure as it is called in the jargon of economic planning. But much of this capital spending has been slow in yielding results. Natural time-lags of construction have been compounded by unexpected bottlenecks and administrative shortcomings."

"As these new facilities begin to make their contribution, the momentum thus created will add thrust to the process of development, easing the way for the next step forward. But the road ahead is a long one and India has chosen an arduous course. Instead of encouraging light manufacturing, it is still forcing the pace of heavy industry, thus postponing consumer satisfaction. The decision is basically a political one, but India is a democracy, and this choice has been accepted by the majority."

"Because of its key position in Asia, India is destined to play an increasingly important rôle in world affairs. There is good reason for confidence that today's investment must eventually bring a better life for India's many millions. The nation is moving through years of momentous transformation. The tasks are formidable, and India is seeking assistance where it can. The new tax measures are welcome evidence of an official desire to improve the investment climate for foreign private capital. Given the opportunity, private enterprise

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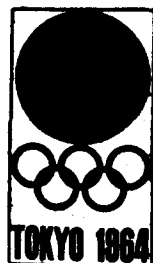
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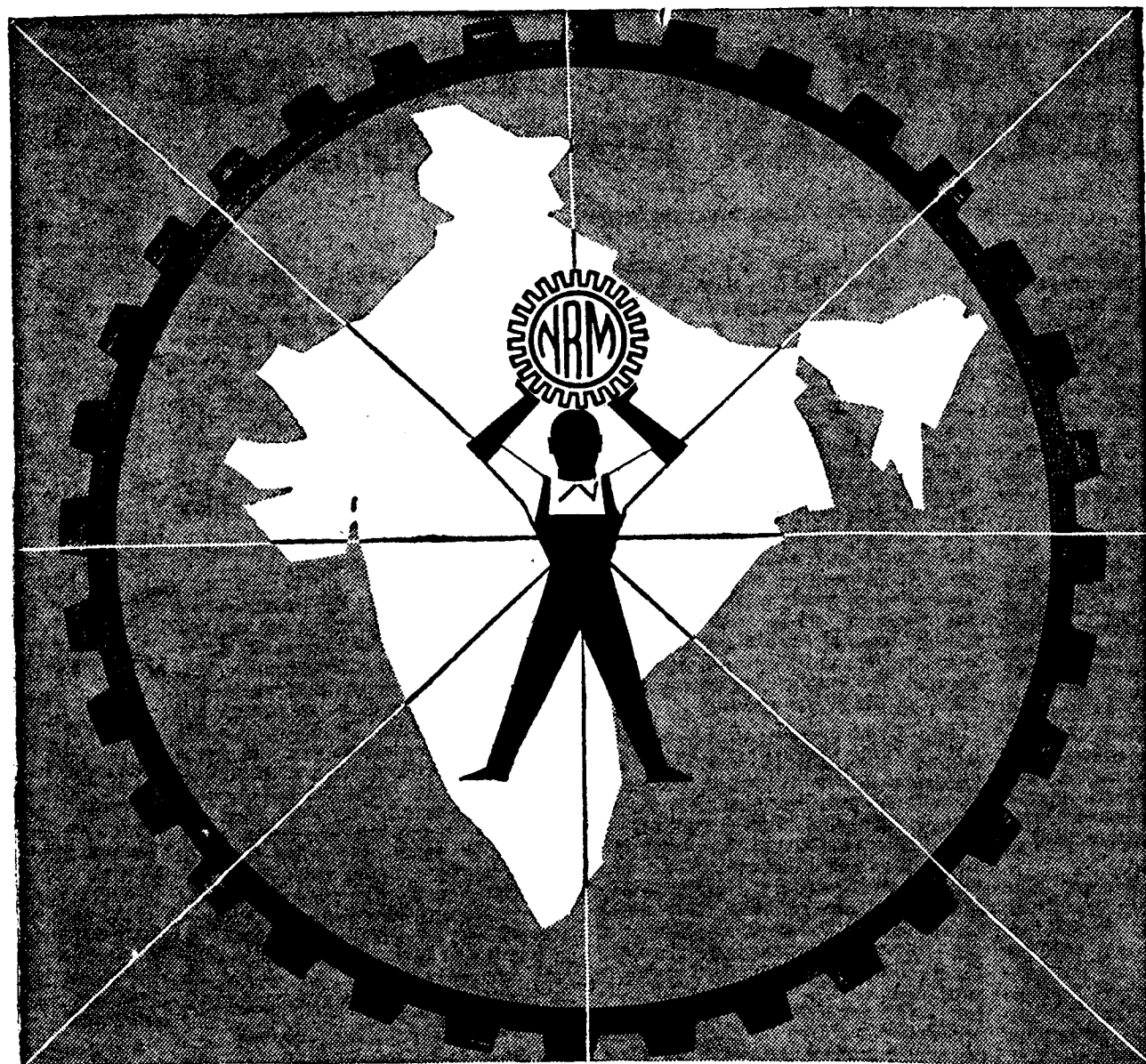
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will be a prime mover in India's economic development."

FINANCE COMMISSION

Terms of Reference

The President has, by a formal order (promulgated in the Gazette of India Extraordinary during the past week), constituted a Finance Commission under the chairmanship of Dr. P. V. Rajamannar, retired Chief Justice of the Madras High Court. The other members of the Commission are: Mr. Mohan Lal Gautam, a former Minister in Uttar Pradesh; Mr. D. G. Karve, retired Deputy Governor of the Reserve Bank of India; Professor Bhabatosh Datta, Director of Public Instruction, West Bengal; Mr. P. C. Mathew, Special Secretary to the Ministry of Finance is the member-secretary of the Commission. The chairman and members of the Commission are expected to assume office shortly.

The Commission, which is the fourth to be constituted after the Constitution came into force, has, under Article 280 (3) of the Constitution, to make recommendations to the President in relation to the following matters: (a) distribution between the Union and States of the net proceeds of taxes; and (b) the principles which should govern the grants-in-aid from the Centre to the States.

The President has, in addition, directed that the Commission should make recommendations on the following further matters:

(1) the assistance that may be granted by way of grant-in-aid under Article 275 to such States as are in need of assistance. In recommending this assistance, the Commission will be expected to take into account the revenue resources of the States during the fourth plan period other than those to be raised by way of additional taxation, the expenditure on the maintenance and upkeep of plan schemes completed during the third plan, the moneys required for the servicing of the debt, including the debt to be incurred in the fourth plan, setting apart of the proceeds of estate duty on property other than agricultural land, over specified limits for the repayment of the States' debt to the Centre and the scope of economy consistent with efficiency to be effected by the States;

(2) the changes, if any, to be made in the principles governing the distribution among the States, under Articles 269, of the net proceeds in any financial year of the estate duty in relation to property other than agricultural land;

(3) the changes, if any, to be made in the principles governing the distribution of the grants to be made available to the States in lieu of taxes on railway fares;

(4) changes, if any, to be made in the principles governing the distribution of the net proceeds of the additional excise duties levied in replacement of the States sales tax on the following commodities: (i) textiles, (ii) sugar, and (iii) tobacco.

and (5) the effect of the combined incidence of States sales tax and Union excise duties on the production, consumption, or export of commodities or products, the duties on which are shareable with the States and the adjustments, if any, to be made in the States' share of Union excise duties as a result of the increase in the States sales tax on such commodities or products over a limit to be specified by the Commission.

The scheme of devolution to be recommended by the Commission will cover the five years from 1966-67 to 1970-71, which correspond with the period of the fourth plan. The Com-

mission is expected to make its report well in time for the preparation of the Budget for 1966-67.

SHIPBUILDING

Expansion Schemes

The Mazagon Docks Ltd, Bombay, and the Garden Reach Workshops Ltd, Calcutta, have signed collaboration agreements with a Scottish firm for the construction of non-propelled bucket dredger and twin screw hopper barges. The firm, Simon Lobnitz of Glasgow, will supply designs and drawings for the construction of the vessels as well as the specialised dredging equipment and other items which cannot be built in India.

The non-propelled bucket dredger, capable of dredging 1,000 cubic yards of mud or silt an hour from a depth of 45 feet, will be built by the Mazagon Docks, Bombay. The hopper barges will be manufactured at the Garden Reach Workshops in Calcutta. They will be twin screw diesel-powered vessels, each with a capacity of 1,000 cubic yards.

The Mazagon Docks Ltd, Bombay, and the Garden Reach Workshops Ltd, Calcutta, were acquired by the Defence Ministry in April-May 1960 and marked a significant phase in the expansion of the nationalised shipbuilding and repair industry.

The Mazagon Docks has built passenger and cargo ships, deep sea and dock tugs, dredgers and rock breakers-cum-dipper dredgers. It is also equipped to carry out major repairs to passenger and cargo ships, and about 75 percent of the total repair work done at the Bombay port is handled by the Company. In a year, it can handle about 600 ships for minor repairs.

The Garden Reach Workshops Ltd is designed mainly for handling inland watercraft up to 2,000 tons and building-berths for shallow-draft vessels up to 1,200 tons of launching weight. Since acquisition, the accent at the G.R.W. has been on shipbuilding and general engineering work, in collaboration with renowned shipbuilders of the U.K., West Germany, Holland and Japan. It has specialised in the design and construction of shallow-draft vessels, including tugs, light naval craft, river steamers, water boats, barges and pontoons.

IRON ORE

Export Facilities

It is stated that the Government's policy is to provide fully mechanised facilities at certain selected ports for the export of iron ore. At Visakhapatnam, works are already in progress for installing a mechanical ore loading plant capable of loading at the rate of 2,600 tons an hour. The plant is expected to be commissioned by the end of this year. The total cost of the Visakhapatnam port ore handling project is about Rs. 7 crores, the expenditure in foreign currency being about Rs. 2.8 crores. The foreign exchange component of the project is being financed from the U.S. President's Asian Economic Development Fund.

The Orissa Government is building an all-weather port in Paradeep with mechanical facilities to handle 2 million tons of iron ore. The total cost of the project is about Rs. 20 crores. The cost of the ore berth is estimated at Rs. 90 lakhs, including a foreign exchange component of Rs. 16.38 lakhs which is proposed to be met out of the Yugoslav credit. As for the ore handling plant, the cost is estimated at Rs. 1.32 crores, the foreign exchange component being about Rs. 54.61 lakhs, out of which Rs. 42.71 lakhs has been found from the U.S.

aid and the balance of Rs. 11.90 lakhs will be met out of the West German credit. Contracts for the construction of the ore berth and ore loading plant have been awarded by the State Government. The project is expected to be ready by the end of 1965.

Mechanical Ore Loading Plant

The Madras Port Trust has drawn up a scheme for providing a mechanical ore loading plant at one of the berths in the new wet dock. The cost of the project is estimated at about Rs. 2.5 crores, out of which the foreign exchange component will be about Rs. 1.40 crores. The Madras Port Trust has proposed that the foreign exchange cost of the scheme should be met out of the anticipated savings in the loan of \$14 million granted by the World Bank to the Port Trust for development projects. The Bank's approval to this arrangement is awaited. The project will take about two-and-a-half years from the date of sanction to be completed.

It is also proposed to provide mechanical iron ore handling facilities as part of the new Haldia project. The total estimated cost of the Haldia dock project is about Rs. 30 crores, of which Rs. 14 crores will be in foreign exchange. An application has been made to the World Bank for a loan to cover the foreign exchange requirements of the project. The dock system is expected to be ready by 1968.

At Mormugao port, there is at present a privately owned mechanical ore loading plant. Its capacity is, however, limited to about 400 tons an hour. It is proposed that this port should be developed so that it can handle about 10 million tons of ore a year. A firm of consulting engineers has been appointed to prepare a technical report on the scheme for the development of Mormugao port. Firm proposals will be formulated after the receipt of the consultants' report which is expected by September 1964.

At Mangalore, a major port is under construction. It is proposed that one berth in Mangalore should be provided with a mechanical ore loading plant. The project as a whole is estimated to cost Rs. 15.42 crores, including a foreign exchange component of Rs. 3.82 crores.

CANADA

Loan for Atomic Station

Canada will lend India \$37 million to cover the purchase in Canada of equipment, materials, and services for the 200,000-kilowatt nuclear power-station to be built in Rana Pratap Sagar, Rajasthan State. The Export Credits Insurance Corporation has signed the financing agreement with the Government of India. The \$37 million will cover the foreign exchange cost of the \$74-million plant.

The agreement is in accordance with two other agreements formally signed in New Delhi last December.

RATES OF DEARNESS ALLOWANCE

Pay range Rs.	At present Admissible Rs.	Admissible from 1-2-1964 Rs.	Increase Rs.
70-109	17	20.50	3.50
110-149	20	25.50	5.50
150-209	35	42	7.00
210-299	40	50	10
300-315	Amount by which pay falls short of Rs. 340		
316-320			
321-380	20	35	11 to 15
318-384	Amount by which pay falls short of Rs. 400		
385-400			
401-580	—	20	20
581-600	—	Rs. 600 minus pay	19 to 20

under which Canada and India will co-operate in the construction of a nuclear power-station in India similar to the one that the Atomic Energy of Canada Ltd is building in Douglas Point, Ontario. The Douglas Point station—an advanced type of nuclear power plant that uses heavy water as the nuclear moderator and coolant and natural uranium as the fuel—will be completed by the end of this year and will be in full operation in 1965.

The foreign exchange cost of the project is being financed under special credits allocated by the Canadian Government to India under the assistance from the Aid-India Club. The repayment terms are an overall credit period of 20 years including five years' grace. The rate of interest is 6 percent.

AIRCRAFT ACCIDENTS

New Committee Formed

The Government of India has given further consideration to the problem of obviating aircraft accidents. A committee has been set up consisting of Mr. S. S. Khara, Cabinet Secretary, chairman, and Air Vice-Marshal Arjan Singh, Vice Chief of Air Staff, Mr. R. N. Kathju, Director-General of Civil Aviation as members. Mr. S. K. Mukherji, Cabinet Secretariat (Emergency Wing) is the member-secretary.

The following are the terms of reference of the committee: (i) to examine the existing regulations and arrangements (a) for flying and flying safety; (b) for clearing an aircraft as fit for flying; and (c) for the standards of training of a pilot in relation to the tasks he is entrusted with;

(ii) to examine the adequacy of the above regulations and arrangements and their implementation; and

(iii) to recommend remedial measures, if any, to minimise accidents.

The committee is expected to submit its report and recommendations by the end of July 1964.

DEARNESS ALLOWANCE

Rates of Increase Announced

The Government of India has decided further to increase the dearness allowance admissible to their employees drawing a basic pay below Rs. 400 a month and to extend the benefit of dearness allowance to those drawing a basic pay between Rs. 400 and Rs. 600 a month.

The average of the working class consumer price index for 12 months reached the figure of 135 in January 1964. In terms of the recommendations of the second Pay Commission accepted by Government, the rates of dearness allowance were reviewed by the Government. It has been decided to allow increases ranging from Rs. 3.50 to Rs. 15, according to pay, to the employees at present eligible for the allowance.

As recommended by the Commission, the Government has also con-

sidered the claims for dearness allowance of those in the pay-groups beyond Rs. 400. It has been decided to extend dearness allowance to employees in the pay-groups Rs. 400 to Rs. 580 at Rs. 20. The new rates of dearness allowance will be: Rs. 20.50 for pay up to Rs. 109; Rs. 25.50 for pay in the slab Rs. 110-Rs. 149; Rs. 42 for the slab Rs. 150-Rs. 299; Rs. 35 for the slab Rs. 316-Rs. 384 and Rs. 20 for the slab Rs. 400-Rs. 580—marginal adjustments for pay slabs Rs. 300-Rs. 315, Rs. 385-Rs. 399 and Rs. 581-Rs. 600.

These rates have been allowed retrospectively from 1st February, 1964. The new rates compare with the allowance at present admissible as follows:

Nearly 2.3 million civilian Central Government employees will benefit by this decision. The cost to the Exchequer is expected to be of the order of Rs. 14 crores a year.

COTTON TEXTILES

Pact on Exports to U.S.A.

A bilateral agreement to promote the orderly development and growth of cotton textile exports from India to the United States was announced last week by the two Governments. The agreement, made under Article IV of the Long-term Agreement on

international trade in cotton textiles, covers certain categories of cotton textile exports from India for a two-and-a-half year period from 1st April, 1964 to 30th September, 1966.

India's cotton textile exports to the United States in five principal categories—carded sheeting, print cloth, shirting, carded twills and sateens, fabrics not elsewhere specified and towels other than dish towels—are limited during the first six months of the agreement to an aggregate level of 18.5 million square yards, increased by 1.25 percent. The annual aggregate level for these categories (37 million square yards) will be increased by 2.5 percent for the next year and on a cumulative basis by 5 percent for the final 12-month period.

The agreement with India, effected by an exchange of diplomatic notes, is one of a number of such accords signed with other developing countries to provide for gradually increased access to the U.S. market by avoiding sudden, unrestricted exports which would not only disrupt the U.S. economy but bring on domestic pressures for restrictive measures.

In a separate note, the United States informed India of its concern over the rapid expansion of exports from India of certain types of cotton bedspreads and advised the Indian Government that, if the rate of these exports continue to grow substantial-

ly, the United States may request consultations under Article III of the Long-term Agreement.

PETRO-CHEMICALS

U.N. Aid being Considered

A proposal for financial assistance to the extent of \$1,004,100 for setting up a petro-chemical division in the Indian Institute of Petroleum, Dehra Dun, is being considered by the authorities of the U.N. Special Fund.

RUSSIA

Farm Machinery Supply Pact

An agreement for the supply of agricultural machinery for the first stage of the Central mechanised farm in Jetsar, Rajasthan, was recently signed here between the Governments of India and Russia. The Jetsar farm is the second biggest mechanised farm in the whole of south-east Asia.

The distinction of being the biggest mechanised farm in south-east Asia goes to the Central mechanised farm in Suratgarh, also in Rajasthan, set up with Russian help.

The present contract relates to the supply of agricultural machinery worth Rs. 6 lakhs for the first stage of the Jetsar farm. Contracts for

CAPITAL, 14th May, 1964.

machinery worth about Rs. 11 lakhs for the farm were signed earlier.

S.T.C.

High Profits Explained

The Government issued a statement last week on the so-called high profits of the State Trading Corporation and the Minerals and Metals Trading Corporation. The allegation related mostly to the import of items such as betelnuts and cloves, camphor, ball bearings, non-ferrous metals, etcetera. The Government said that there was a misunderstanding concerning the margin which is charged by these two Corporations between the landed cost of these commodities and the release price for distribution.

As far as exports are concerned, the margins of profit are, as a rule, small, varying between ½ percent to 3 percent. In fact, in such cases like groundnut oil, lemongrass oil and sodium bichromates, losses are suffered with the dual object of (a) promoting exports and earning the much-needed foreign exchange, and (b) to give price support to the primary producers of manioc meal, lemongrass oil, tobacco, etcetera.

On imports, the margin of profits varied from commodity to commodity depending upon its availability in foreign markets, its essentiality, the prevailing market prices, the relative availability of the indigenous products, etcetera. In a very large number of cases, the percentage of distribution margin charged varies from 0.4 percent to 10 percent.

The margin of distribution charged is as follows:

Items	Distribution margin charges
Fertilisers	about ½ percent
Copper	about 2 "
Zinc	about 2 "
Steel	about 4 "
Tools and alloy steels	about ½ "
Dye intermediates, pharmaceutical intermediates, sodium and chilean nitrate, caustic soda, sodium sulphate and miscellaneous basic chemicals	Below 10 "
Newsprint	about 1 "

In some scarce imported consumer commodities in short supplies, whose imports have been canalised through these corporations, they mop up a portion of the surplus profits which were available in these commodities due to their short supply and high ruling market prices. Such commodities are betelnuts, cloves, camphor, and mercury. "In such cases also, the corporations, while mopping up the excess profits, fix the release price, which is invariably lower than the prevailing market prices so that the prices tend to stabilise at reasonable levels and unduly large profits are not passed on to private hands without at all benefiting the consumer."

While determining the release prices, the corporations have also been guided by the consideration that the release prices may not affect the interests of indigenous producers. For example, India produces about 40,000 tons of betelnuts and imports only 5,000 tons. The S.T.C. does not at all interfere with the purchase, sale and distribution of indigenous growers and traders of the country. It releases the imported betelnuts to distributors at prices somewhat lower than the ruling market prices of indigenous betelnuts. The margin charged by the S.T.C. on the distribution of betelnuts has been about 33 percent over the landed costs.

CAPITAL, 14th May, 1964.

London

NEW U.K. LICENCE PLANS FOR COTTON TEXTILE IMPORTS

(FROM OUR LONDON CORRESPONDENT)

SHORTLY after the publication of the returns which showed that Britain's imports of cotton goods had risen again to near their record high level, an announcement is made of changes in import licensing arrangements which should go a long way towards remedying the defects of the existing system. The "ring fence" which the Government last summer claimed to have put round the home market proved to have many holes in it, and in recent months, the Cotton Board has continually pressed for modifications and extensions to prevent further disruption of the domestic industry. The changes represent a substantial success for the Board and should encourage it to persist in its efforts to secure further improvements in the system.

There have recently been three or four instances where imports from a particular country have jumped from virtually nothing to several million yards within the space of a few months. Under previous arrangements, it was not until imports from a new supplying country had reached a substantial volume that moves were taken to establish a quota, and the size of the quota has been influenced largely by the volume already actually attained. By requiring specific licences for all imports from countries other than those expected, the growth of imports from a new source can be watched from the start and checked before the country concerned can point to a past performance at a high rate. At what the authorities consider to be the appropriate moment action, can be taken under the long-term arrangement for international trade in cotton textiles devised by the General Agreement on Tariffs and Trade.

The new arrangement should introduce greater stability into the course of imports and the condition of the home market. Lancashire now accepts that total imports will continue to be large, but it has been greatly disturbed by sudden big increases in supplies from new sources. The danger from such increases will be greatly reduced in future.

The official announcement giving effect to the Government's proposals stated that specific import licences will be required for all imports of cotton textiles to the U.K., except for those from dependent territories, most European and North American countries and countries with which there are limitation agreements. The move has been made as much for the sake of keeping peace with those countries with which Britain has agreements as for the Lancashire cotton industry; its major aim is to allow the Board of Trade to keep a watchful eye on any new and fast-growing sources of large-scale imports. Up to now, the Government has only discovered these new sources when it received the Customs imports figures and by then forward orders could have reached substantial figures.

Two recent cases in point were those of Macao, the Portuguese colony across from Hongkong, and South Korea. Between January and July, last year, not one inch of cotton arrived in this country from Korea, but in August there were 115,000 square yards, in October 231,000 square yards, in December

610,000 square yards and in January this year 1,183,000 square yards. And trade sources estimate that another 20 million square yards is on forward order for arrival in the next year or 18 months.

There is a similar story from Macao. No imports were recorded up to February last year. There were 2,000 square yards in March, and this had risen to 925,000 square yards in December and to 1,500,000 square yards in January. Korea has been sending mainly grey cloth, but the Macao imports have been made-up goods and since the U.K. has no important manufacturing plants, the suspicion is that the cloth has come from Hongkong. Republican China, or possibly, Japan. With all these countries there are limitation agreements.

Ceiling on Imports

Efforts to negotiate limitations with Macao and south Korea have so far failed to reach an agreement. In the meantime, Britain has imposed its own ceiling, based on the General Agreement on Tariffs and Trade recommendation of the amount imported in the first 12 months of the last 15 months. The amount on firm order, however, probably covers four or five times the annual ceiling.

At present, the Government is also discussing limitation agreements with Greece, Brazil, United Arab Republic, Israel and Malaysia, although it is not felt that there will be any massive upsurge from these quarters. The decision to introduce import licences, however, will make it clear if one is coming as well as giving the Government a reasonable warning should importers find any new source of cheap cotton goods. About 40 percent of the total U.K. consumption of cotton textiles is at present imported, mainly from Hongkong, India, Pakistan, with lesser amounts from Portugal, Spain, Yugoslavia, Malaya and the Irish Republic. In total, this amounts to about 530 million square yards of cotton piecegoods and 150 million square yards of made-up goods.

Britain, indeed, has probably the best record of any western country in admitting cotton goods from underdeveloped countries. Mr. Heath was careful to stress in the House of Commons when announcing the measure that it did not introduce a change in policy. Licences would be issued freely, he said, unless imports from any country affected were increasing in such a way that the Government found it necessary to request the country to exercise restraint on the basis of the G.A.T.T. long-term arrangement.

The new import licences will be required for yarns and threads, grey cloth, woven fabrics and made-up articles, but not carpets, mats, rugs, and shawls. Goods in transit on or before 30th April will be admitted without a licence up to 19th May and there is unlikely to be any difficulty about bringing in goods covered by irrevocable credits after that date, although import licences should be applied for in these cases. Mr. James Browning, president of the United Textiles Factory Workers Association, gave a qualified welcome to the move. It was in line with the Cotton Board policy. "The Board has been pressing for it for several months. It will be of some help but it does not go far enough," he said.

One Body for Employers

Proposals for a new industrial organisation embracing the three present bodies—the Federation of British Industries, the British Employers Confederation and the National Association of British Manufacturers—have just been published. The two independent "commissioners"—Sir Henry Benson, a chartered accountant, and Sir Sam Brown, a solicitor—having performed their complicated work, the matter now rests with the three existing organisations and their members. It is hoped, however, that the new organisation will be born early next year; a suggested name is "Confederation of British Industries".

Sir Henry and Sir Sam recommend—

that the new organisation should consist of individual companies, trade associations and employers' federations;

that the nationalised industries should join as associate members;

that it should concentrate in its early years on representing productive industries—raw materials production, manufacture, building and construction, and transport;

that it should have a strong regional organisation;

and, that to keep up with inflation, subscriptions should eventually be based on the amount members pay out in wages and salaries.

On the negative side, the report rejects the notion that the new organisation should have any power of compulsion over its members. It says: "It was suggested that if it were at some time to make an announcement that wage increases should generally be limited to, say, 4 percent, it should have the power to compel its members not to grant wage increases in excess of that percentage. We do not think it is desirable or practicable under present circumstances to give it powers of this character. Members will normally be reluctant to disregard, without good reason, the pronouncements and policy statements which are issued, but, in our opinion, each member must have the right to conduct its own affairs as it thinks fit." It, therefore, goes on to reject the idea of central wage negotiations on the Swedish model.

The new organisation, it considers, should take over the functions of the B.E.C. in discussing questions of labour relations with the Government, the T.U.C. and other bodies and should, in addition, "consider future planning in the field of industrial relations and the wider questions which affect employers and employees, such as productivity, national wage trends and related matters"; but it believes it "essential" that actual wage negotiations be left as at present to constituent firms and employers' associations and the appropriate unions.

The two commissioners have clearly leaned a long way in the direction of accommodating the smaller manufacturer, not only on regional organisation and the subscription basis, but also in representation on the central bodies.



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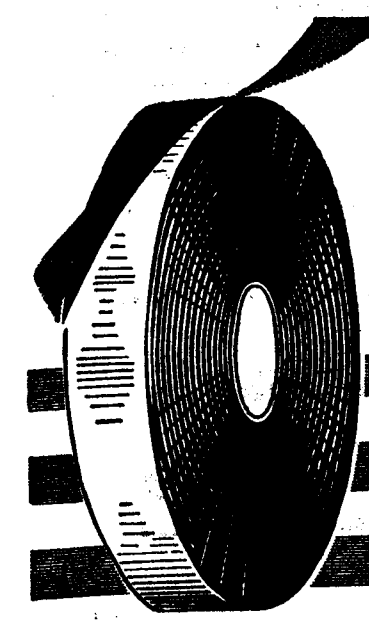
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Jute

PROFITS OF GUNNY PRODUCERS SHRINKING

THE latest reports of well-run jute mills forecast a less profitable outlook for the industry, although it is working at the maximum level after the I.J.M.A. Working Time Agreement was scrapped. The Wage Board award, together with bigger payments for power, fuel, lighterage, stores and essential spare parts and components have pushed up production costs. The prospects of getting a more normal supply of power have improved with the commissioning of additional power plants. But the popular belief that the stability of fibre prices, and the spreading of overheads on a larger output, might broaden the profit margin has been disproved.

For some time, gunny prices have been depressed, in view of the fact that supply has been running slightly ahead of demand. Consumers are not interested in entering into any long-term commitment. With Indian and Pakistani mills working to capacity and carrying stocks equivalent to about five weeks' output, overseas consumers are assured of an adequate supply of gunnies at any time. So the near-term prospects, it is said, are that gunny prices will tend to stabilise around the prevailing lower levels.

Trends in Jute and Gunny Prices
Analysing the divergent trends of raw jute and gunny prices, the Jute Bulletin published by the Indian Central Jute Committee says that despite the higher output, the profitability of jute mills has suffered. While the monthly average price of Assam Bottoms for ready delivery was Rs. 30.15 in January, Rs. 30.35 in February and Rs. 30.96 a maund in March this year, against Rs. 27.82, Rs. 28.89 and Rs. 28.30, respectively, for the corresponding months of 1963, that of 40in. 10oz. hessian was Rs. 47.28, Rs. 46.35 and Rs. 45.73 a 100 yards, against Rs. 50.97, Rs. 50.63 and Rs. 47.85. The average price of B Twills was Rs. 113.93 in January 1963 and Rs. 114.67 in February 1963, compared with Rs. 112.74 and Rs. 111.56 during the corresponding months of this year. At current prices, the simultaneous buying of raw jute and selling of sacking cannot leave much of a profit, while in hessian the margin seems to have been squeezed to between Rs. 75 and Rs. 100 a tonne, depending on the efficiency of the mill.

May-June Purchase Quota
The Jute Commissioner has issued a purchase quota of 190,000 bales to mills for the period from 11th May to 27th June. Of this, I.J.M.A. members will have to lift 175,000 bales and the rest 15,000 bales. With this allocation, the total quota released under the price-support scheme comes to 7.08 million bales—6.40 million bales for I.J.M.A. mills, 530,000 bales for the rest and 150,000 bales for the J.B.S.A.—absorbing as much as 94.4 percent of the season's officially estimated raw jute and mesta output of 7.51 million bales. Besides these quotas, the jute co-operatives purchased 160,700 maunds, roughly equivalent to 32,140 bales, in the primary markets and the feeder centres when prices tended to sag below the minimum levels. The remainder of around 387,860 bales, mostly of lower-grade jute and mesta, will be used to meet a small export demand and for miscellaneous purposes such as making ropes and twine.

Mesta Estimate for 1963-64
The official all-India final estimate of mesta for the 1963-64 season puts

the area at 952,000 acres and production at 1.805 million bales, against 937,000 acres and 1.684 million bales for the previous season. Bihar and Andhra Pradesh showed an increase in both acreage and output due to favourable weather conditions. The average yield an acre during the current season has been estimated at 758 lbs, against 719 lbs for the 1962-63 season.

West Bengal's jute yield is catching up with that of East Pakistan, says the annual report of the Indian Central Jute Committee for 1962-63. The average yield in the State during 1962-63 was 7.17 bales a hectare, against 7.38 bales in East Pakistan. In 1959-60, the corresponding yields were 6.51 bales and 9.65 bales. The Committee has also reported an improvement in the average quality of Indian jute.

Stocks Rise to Record Level

Mills reporting to the I.J.M.A. have shown a sharp increase in stocks during April from 125,200 tonnes to the all-time peak of 130,100 tonnes. This represents 1.155 months' output at the March level of production. Hessian inventories have risen by 4,500 tonnes to 47,900 tonnes, carpet-backing cloth by 1,500 tonnes to 20,000 tonnes and other goods by 300 tonnes to 16,500 tonnes. Stocks of sacking have, however, declined by 1,400 tonnes to 45,700 tonnes. At the end of April 1963, the total stocks were 90,900 tonnes—29,000 tonnes of hessian, 45,000 tonnes of sacking, 4,200 tonnes of carpet-backing cloth and 12,700 tonnes of other goods.

Pakistan to Oust Foreign Interests

The Pakistani Government will be progressively eliminating foreigners from the country's trade in an effort to provide more opportunities to local business men, according to Mr. Wahiduzzaman, Central Commerce Minister. The process has already been started in the jute industry. The Minister declined to identify the foreigners Pakistan intended to oust, nor did he mention a deadline for completing the process.

The Pakistan Jute Board will be holding a three-day session in Dacca next week to discuss the problems of jute marketing. Saying that the question of ensuring a fair price to growers was engaging the attention of the Government, the Minister stated in Dacca last week that the official price support scheme was being thwarted by the purchasers. The Central Government was experiencing difficulties in implementing the scheme since the Jute Marketing Corporation, which was responsible for buffer stock operations, was under the control of the Dacca administration. Rawalpindi was not inclined to accept Dacca's insistent demand for transferring the Jute Board from the Centre to the province, he added.

The Minister said that the World Bank President had assured sympathetic consideration to Pakistan's request for a loan to finance the expansion of the jute industry. The Government proposed to expand the broad-loom capacity substantially. The addition of 4,000 looms to the existing complement of 12,000 is expected to be completed during the second plan period.

More Jute Mills for Pakistan

East Pakistan will have 12 more jute mills with 250 looms each in the heart of its jute-growing areas in Choumohani, Khulna, Ghorasal, Nars-

ingdi, Chandpur, Bhairab and Chittagong, it is reported. The project cost of about Rs. 18 crores will be jointly financed by the Industrial Development Bank of Pakistan, the Industrial Development Corporation and private parties. Of the Rs. 15 crores required for each unit, the I.D.B. will contribute Rs. 1 crore in foreign exchange, the P.I.D.C. Rs. 10 lakhs and private entrepreneurs Rs. 25 lakhs. The remaining Rs. 15 lakhs will be obtained from the capital market by the issue of shares. As many as eight units of the proposed mills will be financed out of funds available from the fifth and the sixth U.K. credits.

Determining the Twist in Yarn

The Indian Standards Institution has prepared a draft standard method for determining the twist in yarn. It prescribes the process of finding such twists in terms of turns a metre using direct-counting type twist-testers. The method prescribed is applicable to single, plied or cabled yarn. The draft will soon be circulated among consumers, manufacturers and technologists for eliciting their comments before its finalisation as an Indian standard.

THE JUTE MARKETS

Manufactured Goods: But for a shortlived rally, listless conditions prevailed in the Calcutta gunny market during the past week. Prices hardened appreciably in the spot market earlier on reports that Argentina would issue a quota of 100 million yards of hessian for May-September positions. The Indian Government's tenders for about 10,000 bales

of B Twills for May-June delivery also helped. They were followed by hectic bear-covering, mainly in sacking, in the hedge market. But prices fell sharply when an I.J.M.A. statement showed that stocks with mills had increased during April to the record level of 130,100 tonnes. Mills emerged as keen sellers for all positions and transacted a fair volume of business. But they turned cautious when prices dipped below the previous week's levels after wide fluctuations in heavy goods and moderate movements in hessian. Towards midweek, there was a fresh flare-up on receipt of confirmation that a handsome percentage of the bulk Argentine order had come to Calcutta and on reports of fair hessian business with the U.S.A. The hand-to-mouth Government ofttake disappointed the trade. Despite an improvement in the draft situation, shippers complained of a shortage of ready bottom. The hedge market also relapsed into quietness after wide fluctuations induced by tired long liquidation, combined with a fair degree of short-selling. Turnover was fair, and the undertone hesitant at the close.

Wednesday's quotations were as follows:

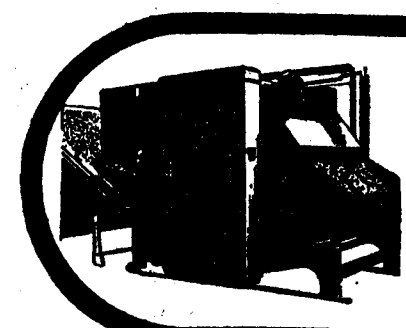
	May	June	July-Sept.	Oct.-Dec.
40in. 7oz.	33.20	33.40	33.65	33.65
40in. 8oz.	35.80	—	—	—
40in. 10oz.	45.10	45.20	45.70	45.70
B Twills	113.90	113.70	114.20	114.30
Corn sacks	114.50	115.00	115.50	115.65
Heavy Cees (Plain)	114.25	114.00	114.00	114.00
A Twills	134.50	135.50	136.25	137.25
Liverpools	127.50	127.50	128.00	128.00

Raw Jute: Easy conditions prevailed in the raw jute market during the past week. The issue of a purchase quota of 190,000 bales for the period from 11th May to 27th June failed to create an impression. Arrivals of quality jute were negligible in the agencies, though they commanded a premium over the minimum levels. A glut in lower-grade fibre and mesta increased selling pressure among holders who were

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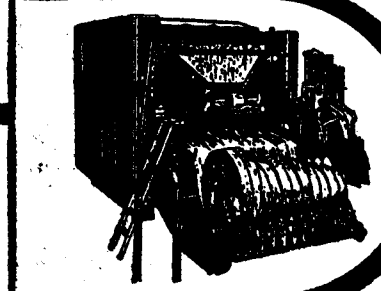
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inclined to discount prices below the derivative levels. The progress of the crop in the early-sown low-lying areas was satisfactory and brisk interculture was going on. Intermittent heavy showers were reported in all the jute-growing areas, where soil preparation work was being done. These reports accentuated the nervousness of holders of low-grade fibre. Towards the close, mills lifted small lots of offgrade fibre and mesta against their quota. In the futures market, tired long liquidation and aggressive bear-hammering caused a sharp setback. Prices fell sharply after violent fluctuations. Turnover was fair and the undertone easy at the close.

Wednesday's quotations were as follows:

Landed at Mills (Basic Bottoms)	Current Prices		T.S.D. Minimum Prices	
	Rs. A Qtl.	Rs. A Mid.	Rs. A Qtl.	Rs. A Mid.
Assam-Agartala	84.39	31.50	80.38	30.00
Jute	81.72	30.50	79.04	29.50
Northern Jute				
Western Desal	76.36	28.50	73.68	27.50
Jute				
Selected	89.75	33.50	85.74	32.00
Daissee				
Assam-Agartala				
Tossa	85.74	32.00	83.05	31.00
Mesta:				
Assam-				
Northern	68.32	25.50	72.34	27.00
Local Daissee	68.32	25.50	72.34	27.00
Bihar Dist.	64.30	24.00	68.32	25.50

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

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

Description	30th April, 1964		31st March, 1964		Increase over (+) or decrease from (-) last month		30th April, 1963	
	000 Metres (Lakh Yds.)	000 Tonnes (000 Tons)	000 Metres (Lakh Yds.)	000 Tonnes (000 Tons)	000 Metres (Lakh Yds.)	000 Tonnes (000 Tons)	000 Metres (Lakh Yds.)	000 Tonnes (000 Tons)
Hessian cloth and bag	15,45.60 (16.90)	47.9 (47.1)	13,93.32 (15.24)	43.4 (42.7)	+1,52.28 (+1.66)	+4.5 (+4.4)	9,54.96 (10.44)	29.0 (28.6)
Sacking cloth and bag	10,45.50 (11.43)	45.7 (45.0)	10,90.23 (11.92)	47.1 (46.4)	-44.73 (-49)	-1.4 (-1.4)	9,99.12 (10.93)	45.0 (44.3)
Carpet-backing	1,61.58 (1.77)	20.0 (19.7)	1,50.57 (1.65)	18.5 (18.2)	+11.01 (+12)	+1.5 (+1.5)	33.16 (36)	4.2 (4.1)
Others		18.5 (18.2)		16.2 (16.0)		+0.3 (+0.2)		12.7 (12.5)
Grand Total	1,30.1 (1,28.0)		1,25.2 (1,23.3)		+4.9 (+4.7)		90.9 (89.5)	

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

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I.J.M.A. PRODUCTION FIGURES FOR APRIL

The Indian Jute Mills Association reports the total production of jute goods for April as follows:

Description	Quantity	
	(a) Hessian	(b) Sacking
1. Gunny bags	7,545 tonnes (7,426 tons)	
(a) Hessian	1,97.73 thousand metres (2,16.2 lakh yds.)	
	1,43.1 lakh nos.	
(b) Sacking	37,850 tonnes (37,252 tons)	
(a) Hessian	8,29.87 thousand metres (9,07.6 lakh yds.)	
	4,09.4 lakh nos.	
2. Gunny cloth	36,866 tonnes (36,284 tons)	
(a) Hessian	12,38.19 thousand metres (13,54.1 lakh yds.)	

(b) Sacking	1,444 tonnes (1,421 tons)
26.77 thousand metres (29.3 lakh yds.)	
3. Carpet-backing	7,259 tonnes (7,144 tons)
55.55 thousand metres (60.8 lakh yds.)	
4. Other manufactures	12,737 tonnes (12,536 tons)
5. Total production	1,03,701 tonnes (1,02,063 tons)

Summary		
(000 metres and 00,000 yds.)	April 1964	March 1963
Hessian	14,35.92 (15.70)	15,71.85 (17.19)
Sacking	8,56.64 (9.37)	9,34.65 (10.22)
Carpet-backing	55.55 (61)	62.35 (68)
Grand Total	1,03.7 (1,02.1)	1,12.6 (1,10.9)

(000 tonnes and 000 tons)		
April 1964	March 1964	April 1963
Hessian	44.4 (43.7)	47.8 (47.0)
Sacking	39.3 (38.7)	42.4 (41.8)
Carpet-backing	7.3 (7.2)	8.0 (7.9)
Others	12.7 (12.5)	14.4 (14.2)
Grand Total	1,03.7 (1,02.1)	1,12.6 (1,10.9)
Hours worked	200.0	208.0

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

THE U.K. JUTE MARKETS FIBRE UNCHANGED

(FROM OUR DUNDEE CORRESPONDENT)

THE raw jute market was very quiet in Pakistan during the past week, and no change took place in prices here. Dundee spinners showed a little buying interest, but this was mainly for spot parcels. It is expected that this type of buying will continue for the next two months as spinners are holding good stocks of raw material and further quantities are available ex warehouse Dundee. The quality of the fibre arriving in Dundee is still very good, and this may eventually persuade spinners to increase their holdings in preference to the new crop. The present season has been a very satisfactory one for spinners as the quality of jute received has been much better than previous seasons.

Although the new crop is making satisfactory progress in Pakistan only a few sellers are willing to make offers. The prices named are for short groups with Mill Hearts at £95 for August-September shipment. Business has already taken place at this level, but the quantities have been very small. Prices of old crop are irregular with Mill Firsts at £138, Mill Lightnings at £109, Mill Hearts at £94 10s and Grade Hearts at £78, c.i.f. U.K., for May-June shipment. Grade Tossa-2/3 ranged from £123 10s and Grade Tossa-4 from £105. Dacca Tossa-6 was named at £107 10s. The lowest price quoted for Outport Tossa-2/3 was £93 and Outport Tossa-4 £83 10s but business was transacted during the past week at £91 10s and £81 respectively, for May-June shipment.

Cuttings were quiet at £59 for S.N.C. and at £50 15s for N.C. Mesta was more or less unchanged at £85 for A, at £75 for B, at £67 for C and at £49 for cuttings, c.i.f. U.K., May-June. The Siam jute market was quiet. Offers were at £77 for grade A, at £68 for grade B and at £65 for grade C, delivered mill Dundee, for May-June shipment.

A little buying interest was shown in Calcutta goods here. Prices are at 69s 5d for 40in. 10oz. and at 50s 11d for 7 1/2 oz. a 100 yards f.o.b. Calcutta for May shipment, at 69s 7d and 51s 3d June and at 70s and 51s July-September. B Twills were at 176s 6d, 176s 10d and 177s for the respective shipment periods.

Commodity Markets

PEPPER SLUMPS AS BUYERS WITHDRAW

(FROM OUR SOUTH INDIAN CORRESPONDENT)

PEPPER, which enjoyed a boom for some time recently, is in distress at present. If the earlier high prices were due to the interest shown by foreign buyers, especially those from the United States, the present fall is attributed to the withdrawal of this buying support. The fall is almost as steep as the rise which was witnessed in March-April. For instance, May delivery which started from Rs. 317 a quintal on the Cochin market in the middle of March, shot up to Rs. 404 early in April. It had come down to Rs. 358 by the end of April, and to Rs. 340 last week. Garbled ready was quoted last week-end at Rs. 331 a quintal, compared with Rs. 389 a month ago.

It is said that both the United States and Russia, which were by and large responsible for the activity in the pepper market in March-April, are at present keeping away from the Indian market. Reports from New York suggest that the buyers there are not willing to pay anything more than 36 to 37 cents a lb, against the Indian demand of 39 to 40 cents. The disparity is considered rather too wide for business to materialise. The United States is said to be getting pepper at cheaper rates from Indonesia, and this might be one of the reasons for the present disinterest of American buyers in Indian pepper. U.S. Stocks are said to be small, but this need not necessarily force American buying because the buyers might be content with the minimum stocks if they see a chance of getting their requirements at cheaper rates. The second largest buyer of Indian pepper, Russia, has already bought about 4,500 tons of Indian pepper since the beginning of the current season, and it is at present keeping away. This has also contributed to the present inactivity in the Indian pepper market.

The bulls in the market, whose position has been weakened to some extent, still maintain the view that the demand would revive. In their opinion, the position of Indian pepper is still statistically sound because over 60 percent of India's exportable surplus has already been shipped. There is yet another six months to go between now and the beginning of the next season and the disposal of the remaining 40 percent at reasonable prices should not be a problem for India. As against this so-called sound position of India, there is the threat of underselling, by Indonesia.

COFFEE

Price Boom Recedes

Coffee is another commodity which has recently experienced a reaction from the boom it had been enjoying since September last. According to the latest available reports, coffee was frantically in search of buyers last month, the markets being unsettled by ample stocks and the meeting of the International Coffee Council. Reports of the heavy unsold stocks afloat and the extension of the period for insisting on certificates of origin until August outweighed the news that the Brazilian crop will be only 6 million bags in 1964-65. The price advance which had run almost steadily since last September encountered rather heavy profit-taking and trade selling around the highs. The easiness was attributed to the reluctance on the part of the roasters to accumulate additional stocks at high prices. Contributing factors to the bearish sentiment were the continued delay

in passing legislation by the U.S. Senate for the International Coffee Agreement, indications that the U.S. State Department may press for further quota increases by August, and the Congressional enquiry into rising coffee prices. Senate action on legislation implementing the Agreement remains bogged down behind the Civil Rights fight. The Senate Finance Committee had finally reported a modified Bill by a close vote and the principal amendment would allow Congress to withdraw U.S. support after a 30-day warning period if it felt that prices showed an unwarranted increase. In view of the delay in the Senate, U.S. participation in the Agreement might not materialise even by the new target date of 1st June.

CASHEWNUITS

Kernel Rates Firm

The cashew market is at present in a cheerful mood. Kernel prices have been remaining firm at about 57 cents a lb with the United States as the main buyer. Business to the tune of about 20,000 cases are reported to have taken place recently and more are expected in the near future. Indian shippers do not expect that the prices will go down from the present level immediately because, according to them, there are still a lot of unfulfilled orders from abroad. Exports during the first four months of the year are placed at around 500,000 cases of 50 lbs each, and this is considered a good record. If this tempo is maintained, there cannot be any difficulty in maintaining last year's level.

The raw nut supply position is considered satisfactory as far as the price and quantity are concerned, but the quality of the imported nuts from Africa is said to be discouraging. The east African supply is damaged, according to reports. The African nut is at present available at around Rs. 770 a ton. According to one report

25,000 to 30,000 tons of raw nuts are still remaining unsold in east Africa. The harvest is in full swing on the Malabar coast. The Indian supply is estimated by the trade at around 65,000 tons, as against the official estimate of 80,000 to 90,000 tons. Indian nuts are now changing hands at about Rs. 950 a ton.

TEA

Need to Concentrate on Quality Grades

(BY A SPECIAL CORRESPONDENT)

AT a recent meeting of the Calcutta Tea Merchants Association, Mr. M. G. Patel, drew the authorities' attention to several matters, particularly the urgency of producing more quality tea. This is not easy, but an old-time factor seems to be operative today, namely, fine plucking, which still produces better tea than heavy plucking. Likewise, fine plucking yields less bulk and so acts as a restriction on production—this may prove very necessary during 1964.

The chairman noted that "more quality tea would get over the present paradox of exporting more and earning less foreign exchange". He made reference to the old topics such as the 900 million lbs target and talked about replanting and extension on virgin soil. In urging the revival of the International Tea Agreement, Mr. Patel was talking on sound lines.

Mr. Patel suggested that promotional activities in the U.K. should be directed to arresting the declining share of tea in the beverage market there. This would appear to advocate a drink more Indian tea campaign, but with the total change in the standard of living of the people in the past 40 years, the problem is perhaps already beyond solution. (This correspondent remembers paying farm labourers in Essex 2s 6d a day, that is 15s a week. Today, they earn something like £8 a week and can afford something more exciting than a thrice watered brew of cheap tea leaves.) It should, of course, be noted that living costs have changed. It would appear that tea has reached saturation point as far as consumption in the U.K. is concerned. But advertising may still be necessary to avoid further loss.

THE CENTRAL BANK OF INDIA

LIMITED

(Established—December 1911.)

HEAD OFFICE:

Mahatma Gandhi Road, Fort, Bombay-1.

Authorized Capital	Rs. 10,00,00,000
Subscribed Capital	Rs. 5,78,53,600
Paid-up Capital	Rs. 3,15,51,800
Reserve Fund and other Reserves	Rs. 5,51,80,373
Deposits as at 31-12-63	Rs. 2,51,19,72,978

DIRECTORS:

Sir Homi Mody K.B.E. (Chairman),
Cooverji Hormusji Phabha, Esq. (Vice-Chairman),
Dharamsey Mulraj Khatau Esq.,
Nityanand Manjesh Waghe, Esq.,
Chimanlal Bapalal Parikh, Esq.,
Nawab Prince Mukarram Jah Bahadur,
Sir Jamsetjee Jejeebhoy, Bart.,
Jaykrishna Harivalldadas, Esq.,
Shivraj Sorabji Khambata, Esq.,
Nariman Kalkhushru Karanjia, Esq.,
Akbar Hydari, Esq.,

Mr. F. C. Cooper General Manager.

Branches and Pay Offices in all important Commercial Centres of India and Pakistan.

London Branch:

159, Fenchurch Street, London. E.C.5.

New York Agents:—Morgan Guaranty Trust Co. of New York. The Chase Manhattan Bank.

Banking business of every description transacted on terms which may be ascertained on application.

CALCUTTA MAIN OFFICE:

88 Netaji Subhas Road.

LOCAL BRANCHES:

Ballygunge, Bhowanipore, Barabazar, Brabourne Road, College Street, Esplanade, Hathola, Kidderpore, New Market, Shyambazar, Howrah.
Branches in West Bengal:—Asansol, Bankura, Burdwan, Durgapur, Jalpaiguri, Kalimpong, Purulia, Raiganj, Siliguri.

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B. C. SARBADHIKARI,
Chief Agent, Calcutta.

NEPAL BANK LIMITED

Central Office: KATHMANDU

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A network of 28 Branches throughout the country.

Banking and exchange Business of every description transacted with the Principal commercial Centres of the world.

Director General — Shri Bhekh Bahadur Thapa.

Acting General Manager — Shri Ananda Bhakta Rajbhandary.

Telegrams — "Nepaluxmi," Telephones: 11185 & 11337.

Liabilities			Assets		
	1963	April 12, 1962		1963	April 12, 1962
	Rs.	Rs.		Rs.	Rs.
Capital	2,500	2,500	Cash	33,993	27,992
Reserves	7,032	6,656	Investment	160	120
Deposits	94,503	80,382	Loan & Discta.	74,069	63,006
Other Liabilities	5,954	3,198	Contra A/cs.	10,940	7,958
Contra A/cs.	10,940	7,958	Other assets	2,466	2,408
Profit & Loss	699	790			
	1,21,628	1,01,484		1,21,628	1,01,484

COMPANY AND PUBLIC NOTICES

GUEST, KEEN, WILLIAMS, LIMITED NOTICE

THE Thirty-fourth Annual General Meeting of the Members of Guest, Keen, Williams, Limited will be held at the offices of Jardine Henderson Limited, 4, Clive Row, Calcutta, on Friday, the 12th day of June, 1964 at 11-30 a.m., to transact the following business:—

- To adopt the Directors' Report and the Audited Accounts for the 52 weeks ended 28th December, 1963.
- To declare a Dividend.
- To appoint Directors in place of those retiring.
- To appoint Auditors and fix their remuneration.

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass, with or without modification, the following resolutions, a Special Notice as defined by Section 190 of the Companies Act, 1956 having been received by the Company under Section 281 of the Act in respect of Resolution No. 5 hereunder:—

5. As an Ordinary Resolution

That Sir Raghavan Pillai, who vacates office having attained the age of 65 years, be and is hereby re-appointed a Director of the Company, and that the age limit prescribed by Section 280 of the Companies Act, 1956 shall not apply to him.

6. As a Special Resolution

That, subject to the approval of the Central Government, the Articles of Association of the Company be altered as follows:—

In Clause 104 by deleting the word "twelve" and substituting in place thereof the word "fourteen".

7. As an Ordinary Resolution

That, with effect from 29th December, 1963, and subject to Central Government approval, Mr. Krishna Chandra Maitra, who has been appointed a Managing Director, be and is hereby authorised to receive remuneration for his services as a Managing Director in accordance with the terms specified in the Agreement dated 24th April, 1964 made between the Company of the one part and Mr. K. C. Maitra of the other part, or on such other terms and conditions as the Central Government may think fit to determine.

8. As an Ordinary Resolution

That, due notice in writing signifying the intention of a Member to propose him as a Director having been left at the Registered Office of the Company pursuant to Section 257 of the Companies Act, 1956, Mr. Ardesir Hormusji Sethna be and is hereby appointed a Director of the Company.

9. As an Ordinary Resolution

That, due notice in writing signifying the intention of a Member to propose him as a Director having been left at the Registered Office of the Company pursuant to Section 257 of the Companies Act, 1956, Mr. Nisith Ranjan

Banerjee be and is hereby appointed, subject to the approval of Central Government under Section 269 of the said Act, a Director of the Company.

10. As a Special Resolution

That, in view of the foregoing resolution that Mr. Nisith Ranjan Banerjee be appointed a Director of the Company, consent be and is hereby accorded to Mr. Nisith Ranjan Banerjee holding and continuing to hold an office or place of profit under the Company and being remunerated, subject to Central Government approval, for his services in accordance with the terms specified in a written communication dated 24th April, 1964 conveyed to Mr. Nisith Ranjan Banerjee by the Company, or on such other terms and conditions as the Central Government may think fit to determine.

11. As an Ordinary Resolution

That, due notice in writing signifying the intention of a Member to propose him as a Director having been left at the Registered Office of the Company pursuant to Section 257 of the Companies Act, 1956, Mr. Robert Brabender Ritchie be and is hereby re-appointed, subject to the approval of Central Government under Section 269 of the said Act, a Director of the Company.

12. As a Special Resolution

That, in view of the foregoing resolution that Mr. Robert Brabender Ritchie be appointed a Director of the Company, consent be and is hereby accorded to Mr. Robert Brabender Ritchie holding and continuing to hold an office or place of profit under the Company and being remunerated, subject to Central Government approval, for his services in accordance with the terms specified in a written communication dated 24th April, 1964 conveyed to Mr. Robert Brabender Ritchie by the Company, or on such other terms and conditions as the Central Government may think fit to determine.

13. As an Ordinary Resolution

That, due notice in writing signifying the intention of a Member to propose him as a Director having been left at the Registered Office of the Company pursuant to Section 257 of the Companies Act, 1956, Mr. John Marshal Leighton be and is hereby appointed, subject to the approval of Central Government under Section 269 of the said Act, a Director of the Company.

14. As a Special Resolution

That, in view of the foregoing resolution that Mr. John Marshal Leighton be appointed a Director of the Company, consent be and is hereby accorded to Mr. John Marshal Leighton holding and continuing to hold an office or place of profit under the Company and being remunerated, subject to Central Government approval, for his services in accordance with the terms specified in a written communication dated 24th April, 1964 conveyed to Mr. John Marshal Leighton by the Company, or on such other terms and conditions as the Central Government may think fit to determine.

munication dated 24th April, 1964 conveyed to Mr. John Marshal Leighton by the Company, or on such other terms and conditions as the Central Government may think fit to determine.

The Register of Members of the Company will be closed from the 25th May, 1964 to 12th June, 1964, both days inclusive.

By Order of the Board,
R. B. RITCHIE,
Secretary.

Registered Office:
41, Chowringhee Road,
Calcutta 16.
25th April, 1964.

Note:—1. A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead and such proxy need not be a member of the Company. Proxies, in order to be effective, must be received by the Company not less than 48 hours before the Meeting.

Note:—2. No application for warrants will be necessary and payment of any Dividend declared will be made on or after the 26th June, 1964 only to those Members whose names are registered in the books of the Company on the 12th June, 1964 or to their Mandatees. Claims on behalf of holders of shares held on blank transfer will not be entertained.

Note:—3. The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 is being sent to all members of the Company.

BALMER LAWRIE & CO. LTD.

THE Board of Directors of the Company has decided to recommend to the forthcoming Annual General Meeting, the payment of a final dividend of 15½ per cent for the year ended 31st December, 1963.

BALMER LAWRIE & CO. LTD.,

D. MANSON,
Managing Director.
21, Netaji Subhas Road,
Calcutta, 11th May, 1964.

INDIAN COPPER CORPORATION LIMITED (Incorporated in England)

THE following are the returns for the quarter ended 31st March, 1964:

	Kgs.	S/T	L/T
Ore Milled	111,876,000	123,321	
Average Grade	2,286%		
Refined Copper produced	2,112,905	2,079	
Refined Copper issued to Mines			
Roller Brass produced	2,422,093	2,384	
Y. M. Circles produced	201,000	198	
Roller Copper produced	152,157	150	

The results of development work carried out on the properties of the Corporation during the quarter under review are as follows:—

	Footage Developed.	Footage Sampled.	Footage Payable.
Mosaboni	418 (127.5 M)	417 (127.1 M)	320 (97.50 M)
Badia	72 (21.80 M)	1,343 (409.20 M)	308 (93.90 M)
Surda	635 (193.40 M)	577 (175.80 M)	16 (5.00 M)

By Order of the Board,
GILLANDERS ARBUTHNOT & COMPANY, LIMITED,
Managing Agents.

Gillander House,
Netaji Subhas Road,
Calcutta.
Dated 28th April, 1964.

CAPITAL, 14th May, 1964.

PHILLIPS CARBON BLACK LIMITED

Registered Office: 31, Netaji Subhas Road, Calcutta-1.

Annual General Meeting

NOTICE

NOTICE is hereby given that the register of members and share transfer books of the Company will be closed from 25th May, 1964 to 1st June, 1964, both days inclusive.

By Order of the Board,
DUNCAN BROTHERS & CO., LTD.,
Secretaries & Treasurers.

Calcutta, 9th May, 1964.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	L.S.T. Hours
Dhuner Tea Co. Ltd.	14-5-64	2-30 p.m.
Punjab National Bank Ltd.	18-5-64	4 p.m.
Bengal Flour Mills Co. Ltd.	19-5-64	3-30 p.m.
Jenson & Nicholson (India) Ltd.	21-5-64	11 a.m.
Indo-Burma Petroleum Co. Ltd.	26-5-64	11 a.m.
Steel Containers Ltd.	26-5-64	3-30 p.m.
Industrial Containers Ltd.	26-5-64	3-45 p.m.
Soorah Jute Mills Co. Ltd.	27-5-64	2-30 p.m.
Phillips India Ltd.	28-5-64	11 a.m.
Methoni Tea Co. Ltd.	29-5-64	11-30 a.m.
Kumardhubi Engineering Works Ltd.	29-5-64	3-40 p.m.
Dalmia Cement (Bharat) Ltd.	1-6-64	11 a.m.
Guest, Keen, Williams, Ltd.	12-6-64	11-30 a.m.

DIVIDENDS DECLARED OR PROPOSED.—Banarhat Tea Co. Ltd.—Rs. 17 per share (o), less tax; Hoolungore Tea Co. Ltd.—Rs. 15 per share (o), less tax; Concord of India Insurance Co. Ltd.—Rs. 1 per share, subject to tax; Industrial Containers Ltd.—30 p.c. subject to tax; Western India Match Co. Ltd.—16 p.c. subject to tax; Cawnpore Textiles Ltd.—10 p.c. subject to tax; Isaac Holdens (India) Ltd.—5 p.c. on original ordinary share, subject to tax; Kumardhubi Engineering Works Ltd.—50 p.c. per share (o), subject to tax; Adoni Spinning & Weaving Co. Ltd.—9 p.c. (o), subject to tax; Marshall, Sons & Co. (India) Ltd.—Nil; Delta Jute Mills Co. Ltd.—10 p.c. (f) (o), subject to tax; Runglee Rungliet Tea Co. Ltd.—5 p.c. (o) subject to tax; Poobong Tea Co. Ltd.—Nil; Calcutta Steam Navigation Co. Ltd.—Nil; Balmer Lawrie & Co. Ltd.—15½ p.c. (f), subject to tax.

"CAPITAL" STOCK AND SHARE LIST THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

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

Exchange Associations and other sources.

Figures given after stroke (/) mean Naye paise.

Wednesday, 13th May, 1964.

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BANKS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		13-5-64	6-5-64	A year ago		1960	1961	1962		13-5-64	6-5-64	A year ago
Allahabad Bank P.	18	18	15-15*	100	250/00	250/00	275/00	Indian Overseas Bank	14	14	..	..	139/00	139/00	145/80
Bank of Baroda	17	17	16	50	91/50	91/50	87/50	National & Grindlays Bank	13½	14	16-14*	sh 15	sh.31/-	sh.31/-	sh.30/10½
Bank of India	20	20	20-18*	50	102/50	102/50	110/00	Punjab National Bank	20	20	20	10	19/62	19/62	19/06
Central Bank of India	20 2/5	20	20	25	46/00	45/75	56/50	Union Bank of India	11 2/5	11 2/5	11 2/5	5	5/80	6/24	5/84
Chartered Bank	15	15	13-15*	£1	sh.51/-	sh.51/-	sh.60/7½	United Bank of India	4.3	6	6-7½	10	7/56	7/62	7/31
Hindustan Commercial	Nil	Nil	Nil	50	13/50	13/50	13/87	United Commercial Bank	12	12	12-12*	50	67/50	67/00	71/50
Hindustan Mercantile	Nil	Nil	Nil	50	10/75	10/75	15/62								
Hong Kong & Shanghai	£23½	£23½	£23 1/5	HK\$25	£22½	£22½	£17								
Iranian Bank	15	15	14	100	152/00	151/60	165/45								

* 1962

JUTE MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		13-5-64	6-5-64	A year ago		1960	1961	1962		13-5-64	6-5-64	A year ago
Asarpara P.	10	2½	2½-12*	10	9/25	9/25	10/00	Hukumchand P.	28½	28½	26½-26½*	7½	19/50	19/62	22/00
Alexandra P.	44	15	42½	100	300/00	300/00	300/00	Inda	14	12	8-22½*	12½	15/25	15/25	18/00
Alliance P.	6	Nil	10-12½*	100	126/00	126/00	100/00	Kamarhatti P.	5	Nil	20	100	179/00	179/00	186/00
Anglo-India P.	20	7	10-12*	100	180/00	180/00	226/00	Kankannar P.	Nil	Nil	10	100	139/00	139/00	142/00
Auckland P.	20	7	10-12*	100	128/00	128/00	144/00	Kelvin P.	15	15	5-20*	100	144/50	144/50	170/00
Bally P.	27	12	Nil-15*	100	237/00	237/00	270/00	Khardab P.	20	5	12½-12½*	10	17/50	17/50	16/50
Barnagore P.	25	25	25	100	217/00	213/50	180/00	Kinnison P.	20	7	Nil-10*	100	115/00	118/00	140/00
Bengal P.	30	10	10-10*	£5	6/69	8/00	10/25	Lansdowne P.	Nil	Nil	Nil-Nil*	100	94/00	93/00	84/50
Budge Budge P.	15	15	15-15*	100	127/00	141/00	156/00	Lawrence P.	7	15	10-10*	100	98/50	98/50	100/00
Calcutta P.	10	Nil	12	10	8/12	8/12	8/12	Megna P.	12	12½	Nil-22*	10	11/75	11/75	13/31
Caledonian P.	12	5	5	100	175/00	175/00	200/00	Naihati P.	..	..	..	10	78/00	78/00	9/06
Chandpary P.	10	5	Nil-40*	10	22/06	21/06	24/00	Naskarpara	7½	Nil	10	10	20/62	21/25	23/06
Chariot P.	Nil	5	5	10	21/37	21/37	24/31	National P.	3	6	15	10	8/44	8/56	11/50
Chitvalah P.	5	Nil	5	10	8/31	8/69	7/62	Neilmara P.	15	15	Nil	10	10/94	11/25	12/00
Clive P.	..	..	..	10	8/00	7/25	145/00	New Central P.	30	30	20-35*	10	25/87	24/75	30/25
Dalhousie P.	1	1	Nil-25*	100	119/00	119/00	156/00	Nuddea	8	6	5-10*	60	57/50	57/50	55/25
Delta P.	7½	Nil	12	100	144/00	144/00	14/69	Presidency	8	6	10-10*	5	4/31	4/50	5/19
Empire P.	12½	7½	12½-15*	10	14/12	14/44	14/69	Rameshwara P.	Nil	Nil	Nil-Nil*	10	9/20	9/20	9/56
Fort William P.	25	10	12½-20*	100	251/00	251/00	372/00	Reliance P.	Nil	Nil	Nil-Nil*	10	7/62	7/12	11/62
anges P.	22½	22½	10-20*	10	22/50	22/50	26/12	Sammugger P.	4	Nil	10	£1	10/50	10/50	10/50
eneral Industrial	10	10	15-20*	10	13/19	13/06	13/31	Shree Ambica P.	6	6	Nil	10	20/00	20/00	25/00
oreopore P.	40	10	13	10	14/00	16/00	15/44	Soorah P.	25	25	25	10	22/50	22/50	22/75
astings P.	30	25	20-20*	100	22/56	22/56	25/50	Titaghur P.	6	Nil	13	£1	10/50	10/50	10/50
oughly P.	6	6	6-6*	100	128/00	128/00	128/00	Union P.	25	6	Nil-20*	100	141/00	141/00	158/00
owrah P.	12½	10	Nil-10*	10	16/00	16/00	20/00	Victoria P.	6	Nil	10	£1	10/50	10/50	10/50
					16/00	16/00	20/00	Waverley P.	30	30	60	1	8/19	8/19	7/12

* 1963

COAL COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		13-5-64	6-5-64 A year ago			1960	1961	1962		13-5-64	6-5-64 A year ago	
						Ra.	Ra.							Ra.	Ra.
unagmated	10	12½	15	10	22/25	22/06	22/94	Mundulpur	..	..	..	10	2/69	2/69	2/69
engal P	25	21	19	100	236/00	242/00	266/00	Nazira	7½	Nil	Nil	10	6/25	6/25	5/00
engal Bhatdee	..	..	..	10	3/48	3/48	3/48	New Beerbhoom P.	10	10	..	10	15/87	15/87	19/30
engal Nagpur	..	..	..	10	23/00	22/00	22/00	New Manbhoom	7½	9	12	10	11/94	11/94	16/00
halgora	10	26	..	10	3/87	3/87	4/87								
harat Collieries P.	..	..	..	10	3/00	3/00	3/56	North West	20	20	..	10	19/75	19/75	19/75
hulanbararee	..	..	..	10	10/00	10/00	11/94					7½	18/00	18/00	18/00
okaro & Rampur	..	..	..	10	11/19	11/19	11/19	Ondal P.	6	7½	..	10	13/50	13/50	12/00
otree P	15	15	..	10	20/25	20/25	23/87	Parasea P.	1½	1½	..	10	14/00	14/00	16/00
urarakur P.	13	13	13	10	15/69	15/69	16/81	Pench Valley	10	10	10	10	17/44	17/44	18/00
entral India	8	10	10	10	8/56	8/69	10/47	Pure Sitapur	..	..	..	10	8/00	8/00	8/00
entral Kurkend P.	..	..	..	10	3/44	3/44	3/87	Rangeegunge	15	17	17	10	13/75	13/75	16/00
hurulla	6	..	..	4	3/06	3/06	5/75	Rewa	20	20	..	10	28/50	28/50	28/50
hemo Main	Nil	Nil	..	10	3/95	3/95	31/87								
ast Indian	7½	15	20½	£1	29/25	29/24	26/81	Samla	10	..	..	10	8/00	8/00	10/00
quitable P.	15	10	..	10	22/44	22/44	14/25	Searsole	Nil	Nil	Nil	2½	1/25	1/25	1/25
husack & Musdis	Nil	Nil	Nil	10	13/25	13/25	2/03	Seebpore P.	42 6/7	42 6/7	35 5/7	7	34/75	34/75	45/00
hazdar Kajora	..	..	..	10	2/47	2/47	8/12	Sendra	5	3½	..	10	5/00	5/00	6/00
huriladib	..	..	..	10	5/44	5/44		South Karanpura	2½	Nil	Nil-2½*	..	6/62	7/12	8/00
								Standard	15	10	..	10	10/44	10/44	16/00
Karanpura Development	5	5	..	100	9/87	10/19	12/50								
	15	15	..	10F											
Karanpura Collieries P.	7½	10	10	10	12/44	12/44	16/75	Union	..	..	..	10	10/25	10/25	10/25
Katras Jherriah	95	40	25-30*	10	30/00	30/00	37/75	Western Bengal	6	7½	9	10	8/75	8/68	9/00
Khas Kajora P.	..	..	..	10	17/62	17/62	18/70	West Jamuria	Nil	Nil	..	10	3/60	3/60	4/00

COTTON MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		13-5-64	6-5-64	A year ago		1960	1961	1962		13-5-64	6-5-64	A year ago
Basantl	..	..	..	10	13/50	13/50	11/56	Elgin P.	11½	17½	17½-17½*	10	17/94	18/06	18/56
Bengal Luxmi	..	..	..	40	30/00	30/00	28/00	J. K. Cotton (Rayon) P.	12½	..	..	10	11/06	11/00	13/62
Bengal Nagpur P.	Nil	..	..	10	2/44	2/44	3/00	Jaya Shree	10	10	..	10	14/81	15/12	14/81
Bharat Commerce	5	15	15	10	21/62	20/00	22/50	Muir P.	..	..	..	100	63/00	63/00	106/00
Birla Cotton	10	20	20	10	27/00	27/00	26/75	New Victoria P.	Nil	..	..	2½	1/37	1/37	1/50
Bowreah P.	10	20	15	10	23/75	22/75	23/50	Orissa Textiles P.	Nil	Nil	..	10	6/50	6/00	9/00
Cawnpore Textile	71/5	10	10	5	6/25	6/25	6/50	Rampooria Cotton	3	Nil	..	10	13/00	13/00	12/00
Delhi Cloth & Genl. P.	12	13	13-13*	25	45/16	45/31	42/44	Swadeshi (Kanpur) P.	5.51	..	..	100	11/00	11/00	11/50
Dunbar	20	20	15	10	27/25	27/25	27/50						6/62	6/62	6/75

* 1963

BOMBAY COTTON MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		12-5-64	5-5-64	A year ago		1960	1961	1962		12-5-64	5-5-64	A year ago
Ahmedabad Advance P.	16	12	..	100	140/00	140/00	170/00	Indian	23 1/5	25	..	250	870/00	882/50	751/25
Apollo	Nil	Nil	..	2	1/72	1/70	2/12	Indore Malwa United	8½	10	..	100	205/00	210/00	187/00
Beharilal Ramcharan	Nil	Nil	..	100	130/00	130/00	76/00	Khatana Maknaji P.	32	16	..	100	181/25	183/75	440/00
Bombay Dyeing, etc.	14	14	14	25	57/80	61/30	62/10	Kohinoor	15	18	..	100	333/00	332/00	320/00
Bradbury P.	10	25	..	50	145/00	151/00	150/00	Lakshmi Vishnu P.	5.7	6	Nil	100	100/00	100/00	98/00
Century	30	30	..	100	610/50	603/00	554/00	Morarijee Goculdas P.	21½	24	24-20*	100	286/00	286/00	435/00
Central India P.	Nil	Nil	Nil-Nil*	100	87/00	88/50	114/00	Mysore Spg. & Mfg. P.	14	14	..	50	39/25	40/00	46/00
Coorla	11	11	..	100	167/50	162/50	140/00	New City of Bombay	Nil	Nil	..	100	188/75	188/75	142/50
Dawn	30	30	..	50	151/00	150/00	142/00	New Great Eastern P.	Nil	12	..	100	178/00	178/00	255/00
Edward Textiles	9	9	6	200	260/00	260/00	323/00	Phoenix	15	20	..	100	224/00	222/00	206/00
Elphinstone P.	18	22	18	50	97/00	97/00	100/00	Sassoon & Alliance	Nil	Nil	..	10	11/00	11/00	12/24
Finlay	23	23	..	100	310/00	309/00	320/00	Simplex	17	20	10	10	36/25	36/25	48/75
Gokak	14	18	..	100	180/00	177/00	170/00	Shree Niwas P.	18	20	22-16*	50	122/00	120/50	125/50
Hindustan	50	50	..	250	950/00	950/00	810/00	Swadeshi P.	17	19	14	100	249/00	246/00	237/00
India United	13½	37½	..	10	21/80	21/24	22/04	Tata	36	21 3/5	17	100	237/00	239/50	248/00
				1Dd	2/62	2/56	2/52	Western India	20	22	20	25	275/00	275/00	300/00
									46 2/5	25	..	250	850/00	850/00	785/00

* 1963

BOMBAY MISCELLANEOUS COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		12-5-64	5-5-64	A year ago		1960	1961	1962		12-5-64	5-5-64	A year ago
CEMENT ENGINEERING & METAL								INSURANCE COMPANIES							
Associated Cement	12½	12	12	100	151/00	151/00	141/25	British India General	..	..	..	10	12/48	12/48	11/52
ELECTRIC LTG. POWER								Jupiter General P.	..	..	..	15	7/00	7/00	9/00
Ahmedabad Electricity	7	6	..	100	95/50	95/50	91/30	New India	38	38	..	15	50/00	50/80	59/50
Andhra Valley Power P.	5½	5	5	1000	1,055/00	1,052/50	1,002/50	Vulcan	20	20	..	10	15/48	15/48	15/52
Bombay Suburban Elec.	8	8½	8½	100	104/50	104/50	101/00	MISCELLANEOUS							
Tata Hydro Elec. Power P.	5½	5	5	100	112/50	111/50	104/00	Belapur Sugar	58	50	..	50	208/00	216/00	191/50
Tata Power P.	5½	5	5	1000	1,118/75	1,115/00	1,030/00	Bombay Burmah Trading	30	33	33-33 1/5*	25	58/40	58/20	67/50
Alcock Ashdown	17	22½	..	100	297/00	292/00	303/00	Hindustan Lever	26	26	12	10	44/75	45/50	..
Jost's Engineering	8	10	10—Nil*	50	47/00	47/00	98/00	Industrial Invt Trust	6½	6½	..	100	33/50	34/75	37/50
Larsen & Toubro P.	12½	18	14—14*	10	22/82	22/88	24/24	Kemp (Chemists)	12½	12½	..	200	77/00	77/00	72/00
Mackenzies	10	12	14	100	135/00	135/00	140/00	National Rayon	22	..	..	100	260/00	260/00	305/00
Premier Construction P.	43 1/3	33 1/3	..	300 32F	172/00	181/00	140/00	Scindia Steam Navign.	3	..	3	20	367/50	358/00	355/00
Tata Eng. & Locomotive P.	12½	14½	14½-14½*	100	286/00	291/00	286/00	Shivrajpur Synd.	80	Nil	..	10	14/56	14/40	10/10
Tata Iron & Steel P.	9.1	10.36	10.36-11*	750	148/25	148/25	133/50	Tata Chemicals P.	6	6½	6½-10*	10	15/28	14/52	18/00
								Tata Oil P.	23	23	23-22*	25	17/64	17/64	15/40
								Volta	13	14	14-14*	100	59/50	57/20	59/50
								Western India Match	18	18	16	100	252/50	254/00	260/00

* 1963

TEA COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		Rs.	Rs.	A year ago		1960	1961	1962		Rs.	Rs.	A year ago
ASSAM GARDENS															
Amluckie	Nil	10	7½	10	17/25	17/25	20/00	Brooke Bond P.	15	10	7½-7½	10	11/50	11/50	11/81
Anandabag P.	30	32½	20	10	33/25	33/25	33/25	Dejoo Valley	15	20	30	10	45/50	45/50	48/25
Baghmari	Nil	15	7½	10	13/62	13/62	18/50	Dessai & Purbutia	Nil	10	15	100	181/00	181/00	140/00
Barduar Tea	..	..	..	5	8/50	8/50	8/50	Dhelakhat	12½	10	..	100	20/81	20/81	19/62
Basmatia	35	25	20	10	24/25	24/25	27/25	Dhunseri P.	20	15	10	10	11/12	11/12	15/00
Bateli	30	30	..	5	15/25	15/25	17/25	Dimragarh	40	40	30	10	32/00	32/00	31/00
Beljan	40	45	30	10	30/37	30/37	30/56	Dimakusi P.	25	20	25	10	25/19	25/19	21/87
Bishnauth	13	13	20	10	17/06	17/06	17/50	Dufflaghur	25	25	30	10	28/12	28/12	27/00
Bokakhat	Nil	12	13	10	13/12	13/12	13/70	East India	Nil	Nil	10	10	12/00	12/69	14/00
Bormah Jan P.	15	15	15	10	11/00	11/06	14/25	Gillapukri	25	20	15	10	27/56	27/56	25/44
Bor Pukhuri	Nil	Nil	10	10	11/25	11/25	11/75	Gohpur	Nil	5	20	10	14/69	14/69	15/75

* 1962

TEA COMPANIES—Contd.

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		Rs.	Rs.	A year ago		1960	1961	1962		Rs.	Rs.	A year ago
Grob	6	6	6	5	6/06	6/12	9/00	Singell	Nil	Nil	Nil	100	36/75	36/75	38/75
Hoograjuli (Assam)	20	20	17	10	27/62	27/62	27/12	Singtom	2	Nil	2	10	3/50	3/50	3/50
Hoolungoree	10	7½	20	100	200/00	200/00	195/00	Soom	50	40	40	10	40/00	40/00	30/75
Jutibari	30	30	20	10	27/87	27/87	31/50	Sungama	15	15	20	10	14/25	14/25	13/00
Kingsley Golaghat P.	35	35	..	100	125/00	125/00	140/00	Teesta Valley	Nil	..	8 4/7-10*	10	13/44	13/69	11/25
Kotamullai P.	Nil	Nil	Nil	5	9/87	9/81	10/31	Tukvar	Nil	Nil	..	10	4/06	4/06	7/12
Krishnabehari	15	8	10	10	11/50	11/50	10/50	DOOARS							
Kyang Tea	Nil	..	..	10	8/06	8/06	8/06	Banarhat P.	22½	21	21	100	230/00	230/00	226/00
Ledo	Nil	Nil	Nil	10	13/75	13/75	17/25	Baradighi	30	25	25	10	23/25	23/25	23/25
Maud Tea & Seed	10	7½	7½	10	12/00	12/00	14/81	Bhatkawa	15	15	20	10	16/16	16/19	18/00
Methoni	5	14	20	10	14/00	14/00	17/31	Birpara P.	17½	12½	17½	100	160/00	160/00	160/00
Moheema	Nil	Nil	..	10	11/50	11/50	11/50	Carron	20	5	7½	100	117/00	117/00	145/00
Mothola	30	30	35	100	507/00	507/00	507/00	Choonabutti P.	32½	20	20	100	211/00	211/00	210/00
Murphulan (Assam)	10.63	20.63	30.63	10	26/50	26/50	26/50	Ellenbarrie	5	5	10	100	173/00	184/00	184/00
					28/87	28/87	28/75	Engo	60	30	40	100	136/00	136/00	136/00
Naga Hills	10	10	10	10	21/25	21/25	22/25	Ethelbari	5	5	7½	10	11/87	11/87	13/12
Namburnadi	12	12	..	10	12/87	12/87	14/56	Gairkhaba	25	20	17	10	16/12	17/50	21/50
New Cinatollah	Nil	Nil	Nil	100	455/00	455/00	302/00	Gopalpur	12	2	10	25	19/50	19/50	19/50
Rajgarh	40	13½	17½	10	18/50	18/50	21/37	Hantapara P.	15	5	10	100	108/00	108/00	110/00
Sapoi	22½	20	10	10	19/50	19/50	19/87	Hasimara P.	17	..	18-15*	10	12/50	12/69	12/56
Seajuli	22½	15	30	10	25/12	25/12	21/12	Hulidbari	22½	..	19 2/7-11*	10	12/25	12/25	12/62
Teloljan	22½	25	25	10	21/44	21/44	27/75	Jaybirpara	10	Nil	Nil	10	8/94	8/94	11/75
Tengpani	30	30	22½	10	36/50	36/50	35/00	Killcoti	25	15	15	10	15/50	15/06	16/25
Tezore P.	30	12½	..	10	14/69	14/69	15/37	Manabarrie	10	6	10	10	50/50	50/50	59/50
Tongani	Nil	Nil	..	10	4/31	5/31	6/50	Nagaisuree	25	15	15	100	165/00	170/00	140/00
Tyroon	10	15	25	10	27/37	27/37	34/37	New Dooars P.	35	20	14½	100	234/00	234/00	230/00
CACHAR								Oodlabari	12½	7½	7½	100	13/75	13/75	14/25
Arcuttipore	Nil	5	6	10	7/00	7/00	7/00	Phaskowa	Nil	Nil	Nil	100	125/00	125/00	129/00
Baitkhal	2½	5	..	10	7/87	7/87	7/31	Rajabhat	Nil	15	6	10	8/87	9/87	12/12
Central Cachar	5	7½	5	100	73/00	73/00	73/00	Ranicherra	25	20	25	10	24/96	24/96	27/81
Eastern Cachar	Nil	Nil	..	10	4/62	4/62	4/12	Rydak	40	40	40	10	36/25	36/25	36/25
Kallinuger Khoreel	6	2	..	100	84/00	84/00	87/00	Sarugaon							
Khatikhira	Nil	8	Nil	10	7/75	7/75	9/12	TERAI							
Kunchanpore	Nil	Nil	..	10	6/00	6/00	6/00	Atal	5	..	..	10	5/31	5/31	8/75
Loobah	Nil	Nil	Nil	10	4/69	4/69	4/37	Belgachi	20	20	..	10	20/00	20/00	20/50
North Western	30	20	10	100	160/00	160/00	160/00	Gungaram	20	12½	12½	100	126/00	126/00	117/00
Pathemara	Nil	Nil	Nil	10	9/94	9/94	13/62	New Chumta	15	10	15	10	20/37	20/37	20/00
Roopacherra	Nil	10	Nil	10	49/25	49/25	53/50	New Terai	22½	20	2½	10	13/75	13/75	31/12
Rungamtee	5	5	5	50	5/06	5/06	9/12	Pahargoomlah	20	20	..	10	55/00	55/00	45/00
Sonal River	Nil	Nil	..	10				Putinbaree	14	14	..	10	49/00	49/00	49/00
DARJEELING								Tirrhannash P.	60	60	60	10			
Bloomfield	Nil	..	..	10	3/25	3/19	3/00	CHITTAGONG							
Chamong	Nil	10	10	10	8/75	9/00	9/00	Kodala	Nil	Nil	..	10	9/25	9/25	9/25
Darjeeling Tea & Chin.	30	30	30	100	197/00	197/00	197/00	Kornafull	Nil	Nil	..	10	9/12	9/31	13/06
Dilaram	8	4	..	100	102/50	102/50	102/50	Oodleah	Nil	Nil	..	10	8/00	8/00	8/00
Gielle	Nil	..	8 4/7-15*	10	15/87	15/87	11/69	SYLHET							
Lingia P.	15	10	17½	10	14/00	14/00	14/56	Chundeecherra	Nil	Nil	Nil	10	26/00	26/00	26/00
Longview	12½	10	..	10	8/25	8/25	11/00	Dauracherra	22½	22½	20	10	12/00	11/84	7/56
Margaret's Hope	15	15	15	10	12/31	12/06	11/62	New Samanbagh P.	25	Nil	Nil	10	18/37	18/87	18/37
Minim	22½	27½	27½	100	393/00	393/00	191/50	Patrakola	32½	40	15	100	121/00	120/00	133/00
Nagri Farm	30	25	35	10	28/62	28/62	27/00	Rajnagar	Nil	Nil	Nil	10	9/56	9/56	9/56
Okaty	25	25	100	10	600/00	600/00	595/00	Tellapara	22½	22½	10	100	94/50	94/50	99/00
Pashok	Nil	Nil	5	10	20/00	20/00	20/00								
Poobong	Nil	Nil	..	10	10/12	10/12	7/50								
Puumbing P.	Nil	Nil	Nil	10	7/62	7/62	8/87								
Punglee Rungliot	35	20	7½	100	300/00	300/00	386/00								
Seeyok	15	Nil	..	10	8/50	8/50	8/50								

MISCELLANEOUS COMPANIES—Contd.

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until				
	1960	1961	1962		Rs.	Rs.	A year ago		1960	1961	1962		Rs.	Rs.	A year ago		
ENGINEERING & METAL																	
Arthur Butler (Muzaffarpore) P.	Nil	Nil	10	10	21/25	21/25	14/50	J. K. Synthetics	3	Nil-10*	10	11/56	11/81	10/73			
Bharati Electric Steel	10	10	12½	10	14/19	14/62	13/56	James Wright P.	50	2/75	2/75	2/75					
Braithwaite India	25	25	14	10	33/12	52/25	28/00	Jardine Henderson Ltd P.	7	6-7*	100	72/00	72/00	85/50			
Bridge & Roof	30	30	30	10	52/25	32/62	32/25	Jay Shree Industries P.	14	12½	10	13/44	14/62	18/06			
Britannia Building & Iron P.	Nil	Nil	Nil	10	3/20	3/20	3/65	Kesoram Industries P.	5	12	12-13*	10	25/31	25/75	22/75		
Britannia Engineering P.	10	10	10	10	9/87	10/06	9/81	Macfarlane & Co.	50	5/00	5/00	7/00					
British India Electric Cons.	45	20	15	10	29/12	29/12	33/12	Macneill & Barry Ltd P.	8	7½	100	95/00	95/00	93/50			
Burn P. (Engineering)	28½	28½	28½-25*	100	280/00	280/00	438/00	Martin Burn Ltd P.	27½	25-25*	10	26/50	26/50	26/87			
Calcutta Steel	15	15	15-12½*	10	14/62	14/69	13/25	McLeod & Co. P.	15	15	18	1000	213/00	213/00	210/00		
Dalmia Iron	10	10	10-10*	10	10/87	10/91	10/50	Metal Box Co. of India Ltd P.	25	25	19	10	30/37	29/50	49/87		
Guest, Keen, Williams	16	14	14	10	24/00	24/31	33/87	National Insulated Cable P.	25	25-18*	10	22/44	22/27	24/62			
Hooghly Docking	Nil	Nil	12½	50	89/00	88/00	108/00	National Pipe & Tubes P.	20	20	20	10	28/00	26/12	21/25		
Indian Iron & Steel P.	15	16	16-15*	10	24/44	24/54	22/20	National Rolling & Steel Ropes	13	15	15-15*	10	18/44	18/75	12/44		
Indian Malleable Casting	Nil	..	..	50	6/00	6/00	6/00	National Rubber P.	Nil	6½	8	10	11/31	11/44	12/87		
Indian Standard Wagon P.	28½	28½	28½-20*	100	35/87	35/87	28/87	National Tobacco P.	16	7	10	11/25	11/06	12/00			
Indian Steel & Wire Products	23	24	23-28*	100	33/50	33/50	38/87	New India Investment Corp.	8.7	..	75	54/00	65/00	65/00			
Industrial Containers	Nil	10	10	10	24/00	24/00	22/00	Octavius Steel P.	10	7½	7½	100	27/62	26/94	27/62		
Jay Engineering	27 3/20	27 3/20	15-10*	10	18/87	19/75	21/75	Philips India	12	12	13	10	22/62	22/62	22/62		
J. K. Steel P.	30	30	30	10	14/94	15/12	10/00	Publicity Society	10	75	75-50*	4	22/62	22/62	22/62		
Jessop & Co. P.	8.58	8.58	8.58	10	21/56	21/56	22/37	Rallis India P.	4	8½-10*	100	120/00	118/50	117/50			
Kumardhubi Engineering P.	10	11½	15	3	5/62	5/69	8/00	Rontas Industries P.	20	10	8-9*	10	11/03	11/19	10/75		
Marshall Sons (India)	Nil	Nil	Nil	2	3/12	3/06	2/87	Sirslit P.	Nil	..	..	10	7/69	7/66	6/81		
National Iron and Steel	Nil	Nil	Nil	10	5/78	5/72	4/25	Sen-Raleigh Industries P.	8	8	8	10	14/69	14/69	13/50		
Saran Engineering	8½	10	12½-10*	10	6/25	7/12	8/00	Snaw Wallace P.	8	15	8	10	15/62	15/44	16/87		
Steel Containers	30	20	30	10	28/12	28/12	19/75	Spencer's Hotel	2½	2½	10	1/25	1/25	0/94			
Textile Machinery	10	10	..	10	27/45	27/60	23/75	Union Carbide	18	18	12½	10	31/87	32/00	42/37		
SUGAR BREWERIES ETC.																	
Balrampur Sugar	8	8	4-Nil*	2½	1/75	1/75	2/00	Concord of India	20	20	20	5	10/00	10/00	10/25		
Bolsund Sugar	18½	10	6 2/3	7½	7/50	7/50	8/50	Hercules	22½	20	26½	10	23/50	23/50	24/19		
Bharat Sugar P.	15	15	15-15*	10	12/56	12/56	13/00	Ruby General	10	10½	13½	8	10/2	10/62	9/44		
Carew (Sugar) P.	Nil	Nil	Nil	10	12/19	12/19	12/50	Standard General	45	50	50	25	6/12	6/12	6/00		
Cawnpore Sugar P.	Nil	Nil	Nil	10	9/31	9/25	10/06	Triton	15	15	15	10	134/00	134/00	132/00		
Champaran Sugar	15	12	Nil-Nil*	10	10/78	10/78	15/87	Bengal	40	25	25	10	34/12	34/12	34/25		
Durbhanga	4	Nil	6	10	7/12	7/12	8/25	Delhi P.	..	..	..	10	14/00	14/00	14/00		
New Savan Sugar and Gur	..	..	..	10	4/00	4/00	3/62	Ganesh P.	..	..	..	12½	13/00	13/00	14/75		
Purtabpur Sugar P.	..	..	..	10	8/00	8/00	11/50	Hooghly	15	Nil	Nil	10	19/75	19/75	19/75		
Ramnugger Cane & Sugar P.	30	35	30-15*	10	29/31	29/31	9/31	United	55	10	7½	10	27/81	27/81	30/00		
Raza Buland	12½	10	10-10*	10	9/87	10/00	26/12	Oil Companies	Attack Oil	13½	13½	13½	£1	sh. 34/9	sh. 34/9	sh. 30/9	
Ryam Sugar P.	..	..	..	10	3/25	3/25	5/75	Burman Oil P.	9-2/5	..	..	£1	sh. 66/3	sh. 66/3	sh. 52/0		
Sarnatipur Central Sugar	..	..	..	10	3/75	3/75	9/62	Indo Burmah Petroleum P.	30	25	22½	10	21/75	22/00	23/00		
Shree Krishna Gyanoday Sugar P.	15	..	..	10	7/81	8/06	7/19	Tide Water Oil	30	35	35	10	33/19	33/19	25/25		
Shree Sitaram Sugar	..	..	..	10	8/00	8/00	7/12	PAPER MILLS	Bengal P.	32	27½	20	10	27/25	27/25	28/84	
Sitalpore Sugar	4	Nil	Nil-Nil*	10	3/69	3/69	6/12	India Paper Pulp	15	13	12-15*	10	19/56	19/50	17/44		
United Provinces	15	5	Nil	10	11/25	11/25	10/62	Orient Paper P.	22½	22½	22½-20*	10	35/95	36/00	34/00		
Upper Ganges Sugar P.	72½	72½	72½	10	60/25	60/25	65/00	Shree Gopal Paper P.	17-6/7	17-6/7	17-6/7	10	25/100	24/50	24/12		
MISCELLANEOUS																	
A. Firpo (Restaurateur)	7½	10½	5	10	5/90	5/90	5/90	Sirpur P.	6½	6½	8½-5*	10	11/62	11/94	1/87		
Aluminium Corporation P.	12	12	12-5*	10	11/87	12/12	13/25	Star Paper P.	Nil	Nil	Nil	10	9/06	9/06	10/06		
Anderson Wright Ltd P.	11½	Nil	6	10	11/50	11/50	11/50	Titaghur P.	10	13	13-13*	2½PO	3/31	3/31	3/78		
Angelo Bros	25	28½	28-28*	10	23/44	23/56	22/12	West Coast P.	25	20	10-10*	10AO	14/25	14/25	17/06		
Assam Match	10	20	20	10	26/37	26/37	28/75	Pressing Company	6	7½	10-10*	10BO	14/25	14/25	17/06		
Assam Saw Mills & Timber	Nil	Nil	3	8	2/56	2/56	2/50	Camperdown	11	11	..	100	100/00	100/00	104/00		
Associated Battery	25	15	15-15*	10	23/00	23/37	25/00	REAL PROPERTY STORAGE	Bengal Bonded Warehouse	11	8	8-9*	A500	995/00	995/00	1,050/00	
Associated Hotels of India P.	Nil	10	10-15*	10	10/31	10/31	10/31	Calcutta Safe Deposit	..	..	..	B52½	125/00	125/00	135/00		
Balmer Lawrie & Co.	25	25	25	100	256/00	256/00	247/00	Humayan Properties P.	6	..	..	C100	186/00	186/00	122/00		
Bataree Coke	Nil	Nil	13-15*	10	9/00	9/00	14/87	Midnapore Zemindary P.	Nil	..	..	D12½	45/00	45/00	14/15		
Birds Investments P.	9½	10	10	10	10/00	10/00	9/94	Indian Aluminium P.	Nil	..	..	100	7/37	7/37	7/87		
Britannia Biscuit P.	25	30	23-21*	10	50/25	50/25	41/62	Hindustan Pkington	9	12	12½-11*	10	11/00	11/00	11/00		
British India Corporation P.	4	7	9	5	9/62	9/69	8/62	Hindustan Freyford P.	Nil	Nil	Nil-Nil*	10	2/10	2/10	2/15		
British Paints	12½	15	10	10	20/50	21/00	20/50	Hoare Miller & Co. Ltd.	6	6	6	10	8/54	8/54	8/50		
Calcutta Silk Manufacturing P.	Nil	Nil	..	10	6/94	6/94	7/15	Imperial Tobacco	6	6	6-8*	10	10/25	10/25	10/00		
Clive Row Investment	8	7½	7½	10	8/44	8/44	8/35	Indian Aluminium Co. Ltd. P.	15	15	17½	10	8/84	8/84	8/50		
Duncan Brothers & Co. Ltd. P.	14	14	14	100	137/00	136/00	147/00	Indian Cable P.	22½	22½	22½-22½*	10	42/00	42/00	42/00		
Dunlop Rubber Co. (India) P.	21½	20	15	10	34/00	36/31	33/37	Indian Oxygen	20	20	12-12*	10	25/06	25/06	28/12		
Dyer Meakin (Breweries)	25	30	..	5	25/50	25/50	28/00	Ganges Rope	17½	20	20	100	236/00	236/00	236/00		
Eastern Investments Ltd P.	14	14	12-10*	100	107/00	107/00	129/00	General Investments Trust P.	5	5	5-5*	75	43/00	43/00	43/00		
Electric Construction	10	10	10-10*	10	12/75	12/69	13/00	Gillanders Arbuthnot & Co. Ltd. P.	10	11	11-11*	10	15/12	15/00	13/50		
French Motor Car	20	20	..	20	31/75	31/75	35/12	Gladstone Lyall & Co. Ltd. P.	42/5	40	30	10	28/12	28/12	33/25		
Ganges Rope	17½	20	20	100	236/00	236/00	236/00	Godfrey Phillips (India) Ltd P.	40	40	30	250	245/00	245/00	241/00		
General Investments Trust P.	5	5	5-5*	75	43/00	43/00	43/00	Great Eastern Hotel	9	6	..	250	28/12	28/12	33/25		
Gillanders Arbuthnot & Co. Ltd. P.	10	11	11-11*	10	15/12	15/00	13/50	Hindustan Aluminium P.	Nil	..	..	10	12/87	12/78	13/12		
Gladstone Lyall & Co. Ltd. P.	42/5	40	30	10	28/12	28/12	33/25	Hindustan Motors P.	9	12	12½-11*	10	13/22	13/41	16/87		
Godfrey Phillips (India) Ltd P.	40	40	30	250	245/00	245/00	241/00	Hindustan Pkington	Nil	Nil	Nil-Nil*	10	13/75	13/19	14/87		
Great Eastern Hotel	9	6	..	250	28/12	28/12	33/25	Hindustan Freyford P.	Nil	Nil	Nil-Nil*	10	12/62	12/62	13/94		
Hindustan Aluminium P.	Nil	..	..	10	12/87	12/78	13/12	Hoare Miller & Co. Ltd.	6	6	6	10	5/50	5/50	5/44		
Hindustan Motors P.	9	12	12½-11*	10	13/22	13/41	16/87	Imperial Tobacco	6	6	6-8*	10	9/56	9/72	10/37		
Hindustan Pkington	Nil	Nil	Nil-Nil*	10	13/75	13/19	14/87	Indian Aluminium Co. Ltd. P.	15	15	17½	10	30/06	32/06	33/87		
Hindustan Freyford P.	Nil	Nil	Nil-Nil*	10	12/62	12/62	13/94	Indian Cable P.	22½	22½	22½-22½*	10	34/50	35/75	30/06		
Hoare Miller & Co. Ltd.	6	6	6	10	5/50	5/50	5/44	Indian Oxygen	20	20	12-12*	10	25/06	25/06	28/12		
Imperial Tobacco	6	6	6-8*	10	9/56	9/72	10/37	Ganges Rope	17½	20	20	100	236/00	236/00	236/00		
Indian Aluminium Co. Ltd. P.	15	15	17½	10	30/06	32/06	33/87	General Investments Trust P.	5	5	5-5*	75	43/00	43/00	43/00		
Indian Cable P.	22½	22½	22½-22½*	10	34/50	35/75	30/06	Gillanders Arbuthnot & Co. Ltd. P.	10	11	11-11*	10	15/12	15/00	13/50		
Indian Oxygen	20	20	12-12*	10	25/06	25/06	28/12	Gladstone Lyall & Co. Ltd. P.	42/5	40	30	10	28/12	28/12	33/25		
Indian Rubber Manufacturers P.	20	30	30	10	21/25	21/25	19/87	Godfrey Phillips (India) Ltd P.	40	40	30	250	245/00	245/00	241/00		
Indian Wood Products	..	30	30-25*	10	21/50	27/50	29/00	Great Eastern Hotel	9	6	..	250	28/12	28/12	33/25		
Isaac Holdens	..	Nil	..	10	13/00	13/12	14/75	Hindustan Aluminium P.	Nil	..	..	10	12/87	12/78	13/12		
Investments and Finance P.	7½	7½	7½-7½*	100	30/00	30/00	35/00	Hindustan Motors P.	9	12	12½-11*	10	13/22	13			

• 1963



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7, Old Court House St.
Calcutta-I.

76th YEAR OF ISSUE

CAPITAL

A Weekly Journal of Commerce, Industry and Finance
WITH WHICH IS INCORPORATED
THE INDIAN FINANCIAL REVIEW



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CALCUTTA, 21st MAY, 1964.

Vol. CLII 3811

CONTENTS

Editorials		
Banks Prosper on the Milk of Deficit Financing	...	777
The Congress Debate	...	778
The Foreign Exchange Gap		778
Trends in General Insurance		779
Current News and Comment		780
Increasing Exports		
Efficiency of State Undertakings		
A Ditcher's Diary	...	781
Guide for Investors	...	783-
Engineering Shares Sluggish despite Growth Prospects		
Amar Dye-Chem		
Andhra Pradesh Paper Mills		
Aspinwall		
Aspinwall (Travancore)		
Bombay Oxygen		
Bharat Suryodaya Mills		
Bird-Heiglers Coal Group		
Calcutta Steam Navigation		
Caledonian Jute		
Coimbatore Pioneer Mills		
Cominco Binani Zinc		
Dharamsi Morarji Chemical		
Eagle Paint and Pigment		
Elecon Engineering		
Elphinstone Spinning and Weaving		
Ghusick Coal		
Guest, Keen, Williams		
Hindustan Polymers		
India United Mills		
Kerala Lakshmi Mills		
Khandelwal Ferro Alloys		
Lucky Valley Tea		
Madras Aluminium		
Mahendra Electricals		
Methoni Tea		
Muslia Coal		
Peermade Tea		
Prabhat Udyog		
Radhakrishna Mills		
Raymond Woollen Mills		
Rohit Pulp and Paper Mills		
Runglee Rangliot Tea		
Rajalakshmi Mills		
Seajuli Tea		
Southern Industrial Corporation		
Shree Digvijay Cement		
Steel Containers		
Travancore Rayons		
Tropical Plantations		
Tubes and Malleables		
The Stock Markets	...	789
Company Announcement		
Cominco Binani Zinc	...	794
Special Articles		
The Reserve Bank Reviews Progress in Banking	...	792
Helping Developing Nations through World Trade	...	795
Newsletters		
New Delhi	...	797
London	...	799
Sections		
Money	...	793
Commodity Markets	...	800
Jute	...	801
Books	...	803

BANKS PROSPER ON THE MILK OF DEFICIT FINANCING

THE past year has been a period of fairly satisfactory working for banks in this country. This is the main impression left by the annual report on the *Trend and Progress of Banking in India*, which was issued by the Reserve Bank on Saturday and covers the year 1963. The year began with a number of major uncertainties. The first arose from the Chinese invasion, which for a time not only decelerated the growth of deposits and advances but also threatened to throw the economy out of gear. The second was that the rise in Bank rate from 4 percent to 4½ percent at the beginning of the year seemed likely to depreciate investment portfolios and thus cut into banks' profits. Thirdly, at the end of February 1963, there came Mr. Morarji Desai's historic Budget; many feared that it would bring instability to the economy by raising production costs and selling prices; that the reduction in private savings would affect deposit growth; and that the demand for advances too might suffer with the sharp deterioration in the climate for investment and productive activity. The fourth uncertainty centred on the erratic nature of the Reserve Bank's credit policies. Bankers were never sure how frequently or drastically the policies might be amended from time to time, so they felt themselves unable to base their activities on reasonably long-term expectations. Last, but by no means least, towards the end of the year the banking laws were radically amended so as to give the Reserve Bank vast new powers to control the operations of banks; the amendments were made at the height of a major controversy about nationalising the entire banking system—a controversy which has not died down yet but to which the Reserve Bank report, oddly, makes no reference at all.

None of these anxieties could have been dismissed as baseless at the time. But if, in the event, bankers have emerged from the year moderately satisfied with their achievements, the reason is mainly one: their profits, after having fallen in 1962, have shown a fair recovery during 1963, the rise in the case of 29 of the larger Indian scheduled banks being about 8.5 percent (in after-tax profits). Earnings have increased because interest rates on advances have been raised and the average level of advances has been higher. Banks have also invested more money in Government securities, and obtained better yields from them. Although establishment expenses have gone up considerably, total expenditure has not risen as rapidly as earnings because interest payments on deposits have been kept down. Banks' success in checking the rise in their expenditure has indeed been remarkable considering that their branch expansion programmes have been implemented with great vigour.

From all this, however, the main conclusion which emerges is that banks would not have done half as well as they have if their deposits had not increased substantially. The increase has enabled them to raise their advances, expand their investment portfolios and thus achieve a bigger turnover. Much of the increase, however, is in a way fortuitous and, from the viewpoint of the economy as a whole, unhealthy in origin: the Reserve Bank

report points out that while branch expansion and deposit insurance have helped, a major factor responsible for the increase is "deficit financing by the Government as measured by the Government indebtedness to the banking system." If deficit financing has played havoc with the economy, but benefited banks, the satisfaction of the latter may be only temporary.

The Reserve Bank report, while adequate in its descriptive analysis, is unfortunately disappointing in that it offers no comment or guidance on crucial problems such as these. To say that the growth of deposits has been much faster in 1963 than in 1962 gives the impression that things are going reasonably well for the banking system. In fact, that is not the case, for banks have been floating along on a sea of "created" money rather than, as they should be doing, on one of genuine savings. By going in for reckless deficit financing, the Government could double the money supply and in the process bank deposits could perhaps be doubled too. But the "progress" achieved in this way can be no source of pride for either the banks, or the Government, or the economy. Many might have thought that it was the Reserve Bank's duty, in the circumstances, to highlight the fact that the progress of the banks has to be judged by their success in mobilising genuine savings; and then to indicate some of the ways in which this might be done. Instead, the Reserve Bank report merely mentions, in the briefest possible terms, the Governor's hint that the banks should take another look at their deposit interest rate structure, as fixed under the interbank agreement.

No indication is given whether the central bankers think that the rise in deposit rates should be selective or general. Nor is any indication given about how big the Reserve Bank feels the rise ought to be; the Government having declared that interest rates should correspond more closely to the real cost of capital in the economy, it could reasonably be expected that the central bankers would be a little more specific in translating the statement into more precise terms in so far as it concerned the banks. Finally, the report hardly touches on the crucial question whether interest rates on advances too would have to be raised if deposit rates are raised, in order to protect the bank's profitability. The Reserve Bank's "democratic" attitude may appear commendable if it implies that such questions should be resolved by free and frank discussions among bankers themselves. But democracy does not mean that leaders must not say precisely what they think. The Reserve Bank, as the leader of the banking system, unfortunately seems determined never to give its exact opinion, a practice which often creates the impression that it does not have any opinion at all to give.

Another disappointing feature of the Reserve Bank report is that it makes no critical analysis of the past year's credit policies. Due note is taken of the fact that at first the policies were restrictive; then, in October 1963, they were liberalised; and, then, in March 1964 they were again made restrictive. The familiar explanations are offered: when the policies were restrictive, the

trend in agricultural and industrial production was disappointing, and inflationary pressures were strong. On the other hand, when the policies were liberalised, the outlook for agricultural and industrial production was encouraging, and the economic mood needed to be improved. Towards the end of last year, most bankers were convinced that the policies had been liberalised because the earlier restrictions were thought to have hampered the growth of trade and industry; the Reserve Bank report, however, contains not the slightest hint of this realisation. Nor does it concede that the liberalisation of October 1963 was inspired more by the political need to boost the economic sentiment than by any optimistic assessment of the trend in agriculture, industry or prices.

Finally, the Reserve Bank report would never dream of saying so, but the truth is that the credit policy somersault of March 1964—performed less than four-and-a-half months after the liberalisation—was an act of panic. There was not the slightest evidence that the large increase in bank advances, although facilitated by the banks being allowed to borrow more freely from the Reserve Bank, had nourished speculation and thus contributed to the increase in prices. The central bank

kers nevertheless felt compelled to make a gesture; and that they did although, predictably, prices even so continued to rise. The conclusion emerges that there has been no fresh thinking on the efficacy of controls over bank credit. Habit refuses to bend before the fact that the influence of bank credit on speculation cannot be anything but minor, especially if the controls are applied with as great discrimination as the Reserve Bank claims they are. Speculation, to the extent that it is inflationary, is financed chiefly by the vast amounts of money circulating outside the banking system. The amounts of such money available for speculation in commodities, especially foodgrains, have been increased not only by the high levels of taxation, but also, more recently, by the sluggishness of the share, bullion and jute markets. It is possible that controls over bank credit, instead of checking speculation, might in these circumstances be actually helping to accentuate the influence of "unaccounted money" in the more volatile of today's commodity markets. This is among the most crucial problems facing the banking system, and one which needs to be analysed in detail if a rational policy for bank credit controls is to be evolved. But the Reserve Bank report, although ostensibly on banking, does not mention it.

THE CONGRESS DEBATE

THE continuation at the All-India Congress Committee session in Bombay of the debate on economic policies, begun by the Congress Party at its Bhubaneswar session, does not seem to have served any purpose at all. The arguments ran back and forth over already well-trodden ground with former leftist Ministers like Mr. Biju Patnaik, Mr. K. D. Malaviya and Mr. V. K. Krishna Menon raising once again the familiar demand for the nationalisation of private banks. That they should persist in their efforts to improve their popular image is not surprising, but it is strange that their extremist plea went largely unchallenged. The fact is particularly odd considering that the Congress Working Committee, after debating the issue at length both at Bhubaneswar and at the preceding A.I.C.C. session in Jaipur, has rejected the idea of bank nationalisation. Yet no one spoke up. Mr. U. N. Dhebar, head of the Committee whose report on the concrete tasks emerging from the Bhubaneswar resolution touched off the past week's debate, was curiously non-committal. Explaining his Committee's decision to avoid the nationalisation issue, all he had to say was that the original resolution contained no such directive. The answer is hardly adequate because the Dhebar report has interpreted its terms of reference very flexibly in other ways.

One cannot, therefore, avoid the suspicion that Mr. Dhebar chose to shirk the issue by seeking refuge in a technicality. This tendency to temporise exposes a basic weakness in the Party's higher echelons. Instead of joining issue with the leftist fringe, the Congress leadership prefers to leave its position undefined at these conclaves. Later, there will undoubtedly be statements which in effect reject the leftist position. But such reassurances often come too late and too haltingly for them to wipe out the impression created both within the country and abroad by leftist effusions. Anyone who has had the rare patience to read the long despatches from Bombay can readily see how the extremist viewpoint dominated the proceedings through others' default. Admittedly, Mr. Krishnamachari was most inconveniently taken ill and could not participate in last week's talking marathon, but there were any number of others who collectively share the responsibility for the policy to which the Finance Minister has given voice. Last, but not least, there was Mr. Nehru himself. His intervention on the Dhebar resolution was of a most curious kind; nothing of what he had to say had the remotest bearing on economic policy.

The banks apart, the discussion on the Dhebar report got bogged down in generalities. This was perhaps to be expected since the report itself is by no means a model of coherence. The All-India Congress Committee was quite lightly concerned over agricultural shortfalls, with Mr. A. P. Jain, who was himself at one time in charge of the particular portfolio in the Central Ministry, making two rather obvious points. First, agriculture has proved

a tricky charge to hold, resulting in frequent changes—seven Ministers in the 17 years since independence. No one, he alleged, had been in the job long enough to get on top of it, a curious argument because the individual in office is by and large only the instrument through whom the collective will of the Party and the Government finds expression. Continuity is by itself less important at this policy-making level than the consistency and purposefulness of the policies themselves. On this latter and more relevant issue, Mr. Jain was curiously silent; he chose to ignore the wide and often disastrous swings between pessimism and ambivalence about self-sufficiency in food. On a narrower and technical plane, New Delhi has been just as erratic in shifting the emphasis from large to small irrigation, from green manuring to chemical fertilisers, and so on.

Secondly, as the reports say, Mr. Jain, urged the "streamlining" of procedures in order to get the desired results in terms of farm productivity. In a situation where so many different inputs have to be delivered simultaneously to cultivators living in 600,000 villages, streamlining has to be viewed as a continuing task and not something to be undertaken sporadically under the goad of failures. A plea such as Mr. Jain made cannot, therefore, be taken as a serious contribution to the problem of agriculture unless he immediately proceeds to list the concrete steps he wants taken on an emergency basis. Equally pointless as a generalisation is Mr. Jain's exhortation to tailor agricultural programmes to the needs and potential of each area. This is already being done to some extent; any greater specialisation in cropping patterns would call for a large effort, which probably has to wait until the immediate and short-term goals for food and cash crops are fulfilled. Raw jute provides an example of a crop the output of which has now stabilised at a satisfactory level. This achieved, it is now possible to urge that unsuitable areas, such as parts of Bihar, should switch to other crops instead of growing a quality for which the market

CAPITAL, 21st May, 1964.

must inevitably shrink with the loss of sacking markets.

No discussion on the prospects for agriculture is possible without considering the incentives to the farmer. It is obvious that the end-result will depend on how effectively he can be motivated to deliver the goods. To leftists like Mr. V. K. Krishna Menon, former Defence Minister, this immediately raises the issue of land reforms—the part that tenancy arrangements still play in determining how much of the crop is retained by the grower himself and how much passes into the hands of intermediaries. That further reforms are necessary is not in dispute, because the laws so far enacted have admittedly left many loopholes. But if intermediary rights extinguished by law in one form have reappeared in other guises, it only confirms that there was a vacuum left in the countryside by hasty and ill-conceived legislation. To see the landlord-tenant relationship only in terms of the rents collected by the former is to miss the wider rôle played by intermediaries in the rural economy. Legal changes which touch upon only one part of the relationship are likely, therefore, to be infructuous, a lesson which the Congress should have learnt by now. It should have also recognised that the structural changes needed to remould village society must necessarily be gradual if violent upheavals are to be avoided. From this could have emerged a more realistic approach to tenancy reforms which geared changes to the pace at which alternative institutional arrangements could be made for providing credit, marketing and, above all, leadership to village communities. Professions of zeal are unlikely to be of any help in this challenging endeavour in which success depends wholly on the mobilisation of administrative and organisational skills.

As part of the programme, it will indeed be necessary to bring factories and farms closer together by appropriate measures of industrial decentralisation. The more sophisticated agriculture becomes, the greater will be its need for factory-made items. On the one hand, these will include better implements, artificial fertilisers and pesticides; and, on the other, consumer goods to nourish the farmer's desire for a better life and for a corresponding effort to enlarge his earnings. While the economies of scale will require concentration of production of basic items like steel or ammonium nitrate, there is logic in dispersing the processing of steel or the formulation of fertiliser mixtures in smaller units to meet the needs of local markets. In India's circumstances, it may well be necessary to extend the logic further than otherwise warranted to maximise employment opportunities.

Mr. Krishna Menon introduced, quite unnecessarily, a good deal of passion into his plea for rural industrialisation—a subject on which there really need not be any controversy at all unless one started to take extreme positions. For instance, power-looms may be necessary, but they do not eliminate the need for a large and growing textile mill sector since the country's total demand cannot otherwise be met at a reasonable cost to the consumer. This illustrates the need for a balanced approach to the problem, which aims at optimising benefits to the whole society rather than to any one section of it. In a democracy where votes would have to be won, some might be tempted to give primacy to sectional interests, but that would not make economic common sense. This is the obvious danger to guard against in the present context when people like Mr. Krishna Menon suddenly take it upon themselves to champion decentralisation.

THE FOREIGN EXCHANGE GAP

IF anything definite can be deduced from the dreams concerning the fourth plan emerging from the Planning Commission, it is that the foreign exchange shortage will become more acute and intractable than ever. According to the projections drawn up by an official working group on the basis of recommendations made by the planning groups for various industries, maintenance imports alone will require about Rs. 5,383 crores over the five-year period. Although the estimate has been reduced to Rs. 5,000 crores by the Economic Division of the Planning Commission on

the ground that the import policy will remain restrictive, the country's export earnings during the fourth plan may fall considerably short of even this figure. The Planning Commission has tentatively fixed an export target of Rs. 1,200 crores a year for the end of the fourth plan. But the Central Ministry of International Trade seems to think that a target of about Rs. 1,100 crores would be more realistic considering the present level of exports—in 1963-64 they amounted to Rs. 795 crores. Indeed, it would be a major stroke of luck if the export earnings during the fourth

CAPITAL, 21st May, 1964.

plan period averaged about Rs. 1,000 crores a year. Even so they may be hardly sufficient to meet the country's maintenance requirements.

Even assuming total earnings of Rs. 5,000 crores two other major requirements—development imports and the servicing of external loans—remain uncovered. A planning group has estimated the development requirements at Rs. 3,000 crores, but the total may actually turn out to be higher, depending on the investment programme of the fourth plan and international prices. An idea can also be formed of the magnitude of debt servicing. According to rough estimates, foreign loans may total nearly Rs. 3,000 crores by March 1966 and the interest on them may amount to about Rs. 100 crores, assuming an average rate of 3½ percent. Then there is the question of loan repayment. The repayment liability on credits offered up to 1963, it is estimated, may be as large as Rs. 116 crores in 1968-69. All these requirements, which are not likely to be covered by foreign exchange earnings, will have to be met out of external assistance. The aid-giving nations have reportedly indicated to the Government that assistance during the fourth plan cannot be much bigger than in the third plan. It is estimated that the net foreign aid may amount to only about Rs. 2,000 crores. It is obvious that the grandiose targets being visualised by the perspective planners will have to be pruned drastically if the plan is to correspond to the prospective resources.

It remains to be seen whether exports can at all reach the level of Rs. 1,200 crores, or even the Rs. 1,100 crores visualised by the Ministry of International Trade. This will involve a sharp rise from the present level of exports. It has to be borne in mind that the year 1963-64, when export earnings jumped by Rs. 81 crores to Rs. 795 crores, was itself attended with fortuitous circumstances favourable to Indian exports. Sugar fetched an unexpectedly large amount because of higher world prices. Likewise, the bigger earnings from tea exports were mainly due to higher prices—the average export price in 1963 was Rs. 5.92 a kilogram, against Rs. 5.84 in 1962. It cannot be expected that such favourable factors will continue year after year.

The Planning Commission visualises that as much as Rs. 500 crores will be earned by agricultural and agriculture-based commodities. The biggest earner in this category, jute goods, is facing increasingly severe competition from Pakistan. The price-support scheme for jute, along with fiscal and other statutory burdens, have made it difficult for Indian manufacturers to compete with Pakistani mills, who enjoy several advantages, including cheap fibre supply and export incentives. Indian tea has to compete with the supplies from Ceylon and east Africa, and according to present indications, competition from both will become more intense in the future. The Government has burdened the tea industry with a host of fiscal levies and statutory obligations, which have prevented it from going in for extensive modernisation and replantation. In the case of sugar, stifling controls and the Government's vacillating policies are affecting output. If exports are to increase at all, promotional efforts will have to be backed by far-reaching changes in the Government's policies. Planners of the export strategy will also have to take note of the expanding domestic market, and in the case of commodities like sugar, vegetable oils and cotton textiles, restraints on home consumption may become necessary, although they may be politically embarrassing.

In setting an export target of Rs. 1,200 crores, the planners visualise that "new manufactures", which consist mostly of light engineering goods, will earn Rs. 150 crores a year. A fundamental step for promoting the exports of engineering items is cost reduction. This is closely linked with the optimum use of installed capacity, which in turn depends on larger allocation of foreign exchange for importing raw materials, components and spare parts and the availability of adequate fuel, power and transport facilities. Fiscal levies on raw materials and equipment constitute a big element in industrial costs, so tax reliefs are important in any attempt to reduce costs. With the present disabilities continuing, it is unrealistic

to hope that exports of "new manufactures" will shoot up to Rs. 150 crores from the third plan

TRENDS IN GENERAL INSURANCE

THE Indian Insurance Year-book, 1963, which has recently been published, is much smaller than usual. It omits the customary graphs and illustrations, and also the bulky chapters on the contravention of the regulations concerning the limitation of expenses. Presumably, the size has been reduced as an economy measure. That does not mean that the Year-book is less useful, but one does miss the important tables giving the underwriting experience of insurers in India over the years in the fire, marine and miscellaneous departments. To make up for the omissions, the authors have, for the first time, introduced a mathematical analysis of the outflow on account of reinsurance transactions abroad.

The outflow on this account has been estimated at Rs. 1.84 crores in 1960, Rs. 3.27 crores in 1961 and Rs. 2.08 crores in 1962 for the Indian business of non-Indian insurers and for the total business of Indian insurers. The figures have been calculated by adding the profit of the gross direct business in India of all insurers to the profit of the gross direct business outside India of Indian insurers, and then deducting from the total sum the profit of the total net business of Indian insurers and the profit of the net business in this country of non-Indian insurers. The method of calculation does not appear to be incorrect, but the figures arrived at can be relied on only if the data used by the Controller of Insurance are adequate. Broadly, in the three years, there has been an outflow of varying amounts. In the gross direct business done outside India by Indian insurers, there has been a steady loss over the years, amounting to Rs. 82 lakhs in 1960, Rs. 1.11 crores in 1961 and Rs. 1.18 crores in 1962. The trend might encourage Indian insurers to think the matter over and reorganise their methods of acceptance. Even in fire insurance business in India, which has been profitable throughout, more profit is transferred outside India than is received. The same conclusion applies to miscellaneous insurance. Only in the marine department was there a profit in 1960. A scrutiny of the figures, and the method of evaluating the outflow, suggests that Indian and non-Indian insurers can perhaps retain more of the profits in the fire and miscellaneous sections in the country by exchanging business among themselves and by pooling their resources. This is partly true of marine business also, although here the Indian market may not have the full absorbing capacity. It also shows that professional reinsurers are unable to influence results, and there is scope for more professional reinsurers in India in this field. Some feel that the absorbing capacity of the Indian market has not yet been fully explored or utilised.

The direct business written in India has been profitable throughout. In the 1963 Year-book the Controller of Insurance has stated that profit from the gross direct business in India of all insurers was Rs. 5.6 crores in the fire section, Rs. 48 lakhs in marine and Rs. 2.72 crores in miscellaneous—giving a total of Rs. 8.8 crores. This is on the whole satisfactory. The total profit was Rs. 4.9 crores in 1960, and Rs. 7.74 crores in 1961. In the previous Year-book, the percentages of profit over the years were given on the gross direct business in India. The fire section showed a handsome profit and the balance, after accounting for claims, commission and expenses, went as high as 32.3 percent in 1957 and 26.2 percent in 1961. The experience of Indian and non-Indian insurers in their general insurance business written direct in India in 1962 shows that there is a profit of 32 percent for Indian insurers in the fire section and 32 percent for non-Indian insurers. In marine, it is 1.3 percent for Indian insurers and 12.1 percent for non-Indian insurers. In the miscellaneous section, the profit for Indian insurers is 13.4 percent, compared with 14.6 percent for non-Indian insurers.

Fire, motor and workmen's compensation insurance is tariffed in India. Marine is primarily

target of Rs. 30 crores—which, significantly, has not been achieved so far.

non-tariff; only a small part is tariffed. The profit ratio in fire has led to the view that the tariffs should be revised, conceding a certain part of the premiums to the insured. The gross direct marine insurance business in India has been profitable throughout, including the year 1962, when the profit ratio was 1.3 percent for Indian insurers and 12.1 percent for non-Indian insurers. In the net account, the profit for Indian insurers has been reduced to 0.3 percent, as against 11 percent for non-Indian insurers. This is a welcome departure for Indian insurers; after many years they have been able to turn the corner and show a profit in the net account. A study of the previous figures relating to the gross direct marine insurance business indicates that marine rates should not be tariffed. These rates, on underwriting considerations, are incapable of being tariffed. Experience and judgment are the basis for deciding them properly.

As far as the growth of general insurance business is concerned, it appears that the gross premium on business written direct in India by Indian and non-Indian insurers has reached the level of about Rs. 48 crores, compared with about Rs. 44 crores in 1961. Similarly, the net premium income in India has grown from Rs. 32 crores to Rs. 36 crores. The general insurance business of Indian insurers alone, including the gross premium written direct overseas, has gone up from a little over Rs. 41 crores to little over Rs. 45 crores, while the net premium has gone up from about Rs. 40 crores to about Rs. 44 crores in 1962. This would have been considered satisfactory had not the gross premium written direct outside India over the years shown a steady loss.

To eliminate the variations in premium income caused purely by changes in commodity values, the Controller of Insurance has divided the total gross premium on business written direct in India by Indian and non-Indian insurers each year by the corresponding index number of wholesale prices (revised series, with base year 1952-53 equalling 100). The resulting figures have been expressed as percentages of the figures for 1956. The premium income would change with changes in premium rates even if the goods and properties insured remain the same. An overall reduction of about 12 percent occurred in the fire insurance premium rates from 1st January, 1960. To eliminate the effect of this revision in the premium rates, the gross premium income of the fire insurance business has been multiplied by 100/88 for the years 1960, 1961 and 1962. The motor insurance premium rates were increased by about 12 percent from 1st January, 1958. But for want of sufficient data, no allowance could be made for this increase. The comparison with the index numbers of industrial production (base year 1956 equals 100) for the years 1956 to 1962 is given below:

	1956	1957	1958	1959	1960	1961	1962
Index number of general insurance business in India	100.0	100.9	105.4	113.6	129.0	144.3	155.3
General index number of industrial production*	100.0	104.1	108.1	116.9	129.8	139.3	149.8

* Source—Monthly Abstract of Statistics, Central Statistical Organisation.

The underwriting experience of Indian and non-Indian insurers in their total net business and net business in India, respectively, in 1962, shows that for Indian insurers there was a profit of 16.1 percent in the fire section, compared with 28.6 percent for non-Indian insurers. For the first time after many years, Indian insurers have been able to show a small balance of 0.3 percent in the marine section in the net account, compared with 11 percent for non-Indian insurers. Similarly, the experience in the miscellaneous section is 5.9 percent for Indian insurers and 11.1 percent for non-Indian insurers.

Current News and Comment

Increasing Rayon Textile Exports

The export promotion scheme for rayon and synthetic fabrics has been revised with effect from 15th May. Under the revised scheme, import entitlements have been reduced from 100 percent to 70 percent of the f.o.b. value of goods exported, and the concessional allotment of indigenous yarn against the surrender of 30 percent of import entitlements for the import of wood pulp to spinners has been discontinued. The new scheme has caused some uneasiness among manufacturer-exporters, as the allotment of indigenous yarn under the old scheme had provided the two-fold advantage of making yarn available at concessional rates and of an assured supply of yarn. Informed circles, however, hold that the modifications in the incentives are unlikely to have any significant impact on the export prospect.

Encouraged by past performance, the Silk and Rayon Textiles Export Promotion Council has fixed the export target for 1964-65 at Rs. 12 crores—about Rs. 2 crores higher than in 1963-64. The various measures outlined by Mr. D. N. Shroff, chairman of the Council, at a special meeting of the members suggest that the Council is making an all-out effort to boost exports to a new high level, in spite of the recent modifications in the export promotion scheme. The export plan for the current year covers institutional arrangements and steps to be taken to build up goodwill and confidence. In order to eliminate unfair internal competition, realise maximum export prices and improve the competitive capacity of the Indian exporter by making a co-ordinated approach, market-wise panels of exporters are being formed on the lines of the one already set up for Morocco. The panels would be open to all manufacturers at all times and nobody need have any fear of being left out. A special panel is being formed for east European and other rupee-payment countries as the trade with them has suffered on account of its being less remunerative. There is also a proposal to set up a panel of processors who would be required to abide by a code of good business practices and they might become qualified to get export promotion benefits.

To regulate the existing export activities as also to develop new markets, the Council proposes to set up soon a new trading body named Rayex (India) Ltd. This new organisation is likely to create a pool for the surrender of entitlement certificates and import licences and to arrange for the

import of yarn in bulk. The Council has decided to set up an export assistance committee to review the working of the export promotion scheme and other measures of assistance, and an inspection committee will be in charge of pre-shipment inspection. Regional offices are being established at important manufacturing centres with a view to developing and organising local initiative for export promotion effort. These regional committees will take steps to remove the local hurdles coming in the way of export trade and thereby try to ensure the implementation of the regional export targets. The organisational effort also includes the sending of delegations and study teams abroad, inviting overseas buyers to acquaint them with Indian material and the progress made by the rayon textile industry and participation in various exhibitions.

Manufacturers of rayon fabrics fear that with the withdrawal of the allotment of indigenous yarn at concessional rates, a rise in yarn prices is likely. This would push up the cost of production thereby increasing the loss element and hindering the export effort. Mr. Shroff assured the members that the Council had already drawn the Government's attention to such a possibility and the authorities had promised a close watch on the trend of yarn prices so that the export effort does not suffer. The chairman also assured that all outstanding commitments for the supply of yarn at concessional rates, estimated at over 4 million kilograms, would be honoured and that the yarn would be delivered without undue delay. Mr. Shroff said that there was considerable scope for increasing the exports of spun rayon fabrics, and he urged manufacturers and exporters to pay special attention to this item. Since the production of special types of fabrics catering to specific demands was linked with the available machinery and equipment, the Council is taking up with the Government the question of working out a scheme under which machinery could be procured on a deferred payment basis.

Efficiency of State Undertakings

Parliament's new committee on State enterprises has decided to examine the working of six of the largest and most crucial undertakings in the public sector during the coming year. Of them, three have been chosen for detailed examination because of their importance to the economy, while the operation of the other three will only be studied in a general way. The first in the former category is the Fertiliser Corporation of India, which has an important rôle to play in raising agricultural production. The second is the Rourkela steel plant, which Mr. C. Subramaniam, Central Minister for Steel, Mines and Heavy Engineering, once described as a "sick child". The third is the Oil and Natural Gas Commission whose work is of obvious importance in view of the search for oil in India. The three undertakings which the committee has selected for "general study" are the Shipping Corporation of India, the Life Insurance Corporation and the National Building Construction Corporation. Meanwhile, there is justifiable anxiety over the Central Government's latest commercial audit report. The report points out that although 34 Government companies showed a profit of Rs. 18.66 crores in 1962-63, before providing for taxation, as many as 12 incurred a loss of Rs. 31.04 crores. All the companies, taken together, thus suffered a net loss of Rs. 12.38 crores in 1962-63, against Rs. 10.60 crores in the previous year. The report adds that although 11 companies declared dividends amounting to Rs. 1.54 crores, the rate of return worked out to 6.4 percent on their paid-up capital and only 0.2 percent on the total paid-up capital of all the companies taken together.

The efficiency of State undertakings cannot always be judged on the basis of the returns on the capital employed. Some concerns are not expected to yield a profit since they are run on "welfare" considerations. But there are others which should be managed on strictly commercial principles and should, therefore, show a profit like any commer-

CAPITAL, 21st May, 1934.

cial concern. In this category, however, are a number of undertakings with a relatively long gestation period; they inevitably take time to yield adequate returns. In assessing the progress of State undertakings, the new committee will need to consider these differences. The inefficiency of State undertakings not only involves a national loss, but also recoils on taxpayers who have to bear a heavier burden. Yet the importance of keeping costs down has not yet been appreciated by the planners and administrators of India's State undertakings. Costs in State enterprises are high because of several factors. In the first place, there is the failure and inefficiency of the managements. But the latter can point out that they are left with very little autonomy and that their functioning is hamstrung by too many rules and regulations. Secondly, productivity in many State undertakings is abnormally low because of the lack of incentives and the absence of modern management practices. Thirdly, there is no uniform system of costing, and the authorities have paid little or no attention to the standardisation of accounting practices. Fourthly, costs in State undertakings are high because of the lack of competition.

These factors apart, the operation of State undertakings has often been affected by wastage, extravagance and carelessness. The Central Government's latest commercial audit report is replete with instances where wastage and losses could have been avoided by better planning and greater foresight. Investments in many State undertakings have exceeded the original estimates either because the prices of plant and machinery have gone up or because there has been an inordinate delay in commissioning the projects. The authorities of many public-sector undertakings in India have yet to appreciate that delays are expensive. Operations have also been hindered, as in the private sector, by the shortage of raw materials, transport and power. In submitting its report on public-sector undertakings, the new committee of Parliament will no doubt bear these factors in mind.

DEATH OF MR. J. N. TATA

WHEN the news came from Vienna a few days ago that Mr. J. N. Tata was no more, it was instinctively felt that "A Prince and a great man had fallen" in the ranks of the benefactors of the Empire. But the good he has already done will live after him, and the large projects he had planned, taken up by sympathetic and willing hands, will march onward to the goal of accomplishment. Mr. Tata was a man of vision. He thought imperially and then proceeded to translate his thoughts into imperial action. He was often blocked by men of whom it might be said that the only thing of obstruction about them was to sit in a state of obstruction and masterly inactivity in their Secretariats and draw imperial salaries. But Mr. Tata was not the man to sit down before official inertia, often born of pure imperial ignorance. Blocked in India concerning his great project for developing the enormous mineral wealth of our Central Provinces, he promptly went to London and saw the Secretary of State. On his return, he found his former obstructives full of smiles, and eagerly asking "What can we do to help your work?" It is one of the wise sayings of the olden time that "he that believeth shall not make haste." The man who has absolute confidence in his vision and that his plans will eventually work out all right can afford to wait. It was a good thing for India that Mr. Tata possessed the gift of patient quietness and confidence, or else his right royal scheme for the erection and endowment of a great Research University, proposed so far back as 1898, might have been lost to India. His death occurred just as the lengthened negotiations with the Government were nearing a satisfactory close. The Research Institute, when brought into being, will be a fitting memorial of the man who had the wisdom to plan and the unselfish generosity (with the co-operation of the Government) to carry out the great patriotic scheme for the benefit of the people of India. May the mantle of the worthy father fall upon worthy sons, to whom the path of all will be extended. The life of Mr. Tata ought to be an inspiring example to the noble sons of India of what one earnest hearted man can do with time and talents and wealth at his disposal for the benefit of the people among whom his lot is cast.

FROM

CAPITAL
26th May, 1904

CAPITAL, 21st May, 1964.

A Ditcher's Diary

HAVING EXPECTED NOTHING, I AM NOT REALLY disappointed at the outcome of the last session of the All India Congress Committee. On Kashmir, Mr. Nehru was as elusive as Mr. Sadiq was forthright. That there were obvious contradictions in the two speeches is perhaps a matter of detail; between them, however, they reflected the reality of India's Kashmir policy which is half a dozen mutually exclusive things clumsily lumped together. On China Mr. Nehru was again tentative in the extreme, although if the suggestion on posts in Ladakh means that the Colombo proposals are no longer the fetish they used to be with New Delhi there may be a breakthrough. Since I always eschew moral judgments in political discussion, I can see as much sense in an anti-Pakistan stance as in a friendly approach to that neighbour; at different levels an anti-China stand can be as valid as a positive effort to make it up with China. What does not make sense and takes India nowhere is a mixture of the two approaches; and it is no wonder that India's foreign policy in relation to her two most important neighbours is as destitute of a sense of direction as a frog is of hair. Not the least disquieting consequence of such protracted indecision is that even India's friends and spokesmen do not know what New Delhi may suddenly decide. There has been some evidence lately that the Russians, who had once fully accepted the Indian case on Kashmir and more than used their veto, are today not quite so sure about what to make of Sheikh Abdullah's statements and New Delhi's reaction thereto. If I were in Mr. Chagla's shoes in New York I would wonder if it was really wise to tell the Security Council so firmly that, so far as India was concerned, there was nothing to discuss over Kashmir. If I were the Tengku, I would wonder how serious India was about resisting the Chinese. The point is that I shouldn't be wondering so much over so many things. My wonderment produces only a harmless little paragraph in this diary; those in charge of executing and interpreting Indian policy, in New Delhi and abroad, simply do not know what is expected of them.

DINNER BY CANDLELIGHT IS SUPPOSED TO BE A VERY sophisticated and elegant affair although, personally, I like to see what I am eating. Trust the Corporation of Calcutta to go one better. Last week it held its weekly meeting in complete darkness. No, there hadn't been a power failure. A councillor switched off all lights in protest against something or other and, in the consequent darkness, threw new light on democracy. His act, he

said, was an assertion of his democratic rights. If the Corporation officials had put the lights on again, he claimed, this would not have been a demonstration of democracy. But, to coin a phrase, there is a silver lining to the Corporation's dark cloud. The meeting last week recorded maximum business. While the usual habit of our councillors is to adjourn meetings on some pretext or another, on that dark Friday Calcutta's municipal body passed 22 items, two of them described as vital. Perhaps this is the cure for the Corporation's malaise. No lights; and business as usual. But how long is this corporate buffoonery going to go on? Student indiscipline and juvenile delinquency are supposed to be worrying the country's leaders. What worries me more is the senile delinquency manifest in the misbehaviour of the elders elected to civic and legislative bodies, which brings contempt not upon a few individuals but on all democratic institutions and democracy itself. The funnier side of these goings-on is far less important than the grim portents they carry. In Germany the Nazis burnt down the Reichstag; the Weimar Republic was soon reduced to ashes. In East Pakistan a Deputy Speaker was done to death in the House he was presiding over; and see what has been happening there since. You can burn a legislature down as effectively with ridicule as with fire. The failure of Calcutta's civic body reflects and represents a wider failure; I suspect that the entire social fabric of the State is confronted with a threat I cannot precisely define and identify but cannot help sensing all around me. The frivolous irresponsibility of the councillors on Friday is only a symptom. Is there nobody in Bengal today to diagnose the disease?

APART FROM ITS ADMIRABLE CHARACTER, THE ONE incontrovertible feature of *Encounter* is that it loses money: about \$35,000 a year in round figures. There is nothing surprising in that: it is virtually impossible to make ends meet in a literary venture of this kind, and no prospective backer need be under any illusions about the fact. Yet I have been wondering whether Mr. Cecil King, chairman of the vast International Publishing Corporation, and the new "supporter" of *Encounter*, really appreciates what he has let himself in for. True, Mr. King has lost money before, and the £10,000 a year needed to keep the magazine alive would scarcely make a dent in his small change. But primarily he is a business man, not a philanthropist; and when in the past he has temporarily forgotten his real avocation, reversion to it has usually been rapid and quite fatal

for any money-losing project involved. The *Daily Herald* is a case in point, although I know that publication passed into his hands without any particular initiative on his part when he took Odhams over. Closer to the *Encounter* situation was that of the *London Magazine*, which Mr. King began supporting financially in 1954 when the circulation was 25,000 and ceased doing so two years later when it was down to 7,000. The theory that umbrellas are most urgently required when it is raining does not appear to be one with which Mr. King has much sympathy. Perhaps nowadays his philanthropy is of a more tenacious character. I hope so, because *Encounter* deserved sustained and consistent backing, and the Congress of Cultural Freedom, whatever its motives may have been, is worthy of sincere congratulations for having provided it over these first formative years. I am told that *Quest*, India's gift from the same sources, is also looking for a local backer. I can think of very few I could really recommend. That is especially true of prospective ones who might be concerned in publishing already, although certainly nothing could be stranger than to find *Encounter* being stabled alongside the *Daily Mirror*.

FRANKLY, THE THOUGHT THAT EGYPT MAY HAVE the atom bomb makes my blood run cold. Equally, I do not believe she has got it, at least not yet. She will soon, though, along with Israel too no doubt. And probably a number of other countries besides, not excluding the Chinese. The reality we have to accept is simply that nuclear weapons are the national status symbols of the second half of the twentieth century, and no country capable of acquiring them is going to resist the temptation for very long. Which generalisation, of course, includes India, there having been a noticeable revival of interest in the possibility here recently. I cannot imagine where it is all going to lead to. The idea of world peace being maintained on the basis of nuclear stalemate when a whole host of countries have the bomb, seems far-fetched. Take Egypt's case, for instance. Without in any way wishing to be numbered among the admirers of President Nasser, I do not think he would be foolish enough to use nuclear weapons, assuming he has them, when the consequences would so obviously be fatal for his country, for his own ambitions, and possibly for the world as well. But is the strength of his position such that he can resist the fanaticism of his followers in their persistent demand for a *jehad*? I do not think it is, or at any rate will not be indefinitely. What then are the chances of maintaining world peace in the absence of exclusive two-bloc nuclear balance on which it has relied since 1949? Perhaps not quite as remote as they may seem. Relations between Russia and the United States have improved recently, and the eventual possibility of their agreeing to act jointly on a guarantee of im-

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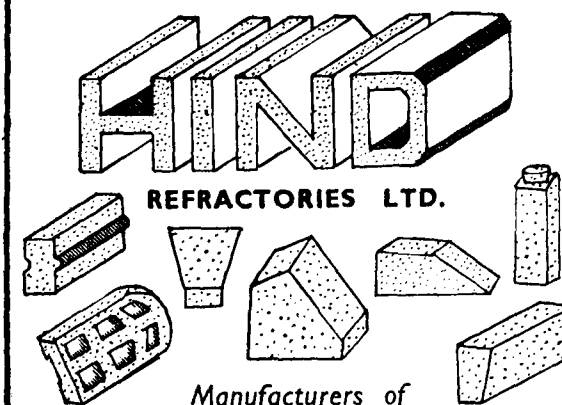
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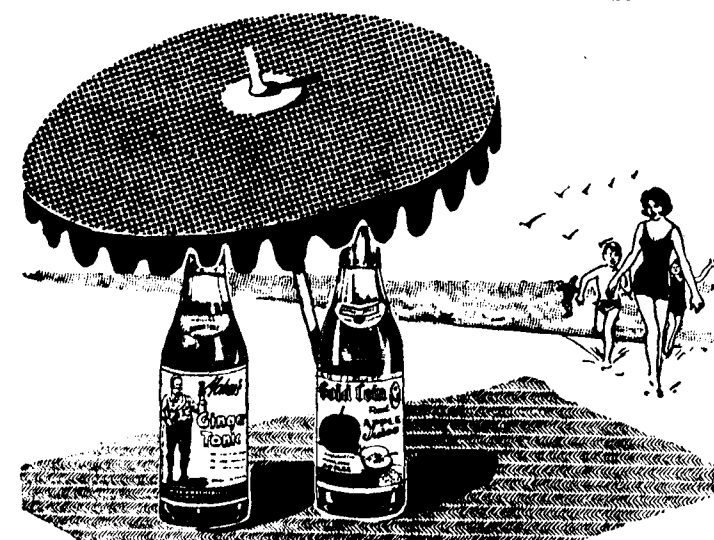
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diate retaliation against any Power resorting to nuclear war cannot be ruled out entirely. Especially—dare one say it?—if the most likely candidate for attention in the foreseeable future is not Egypt at all, but China. I wish I could see the United Nations assuming the rôle of the world's nuclear policeman. But at the moment it seems more likely that we shall have to rely on the one thing East and West really have in common—the fear that somebody else might push them into committing joint suicide.

PITIFUL WAS THE P.T.I. COVERAGE OF THE KASHMIR debate in the Security Council; A.I.R.'s unworthy comment. Why do I have to remind the agency correspondent that he is not a member of the Indian delegation to the United Nations but a reporter filing despatches full of facts and nought else? It is none of his business to tell his readers that Mr. Chagla scored a triumph or that Mr. Bhutto suffered a defeat; that the West has been pro-Pakistan or anti-. In the last fortnight we have been told one day that India is daily winning more friends, only to be told the next day that the prospects for India are bleak. Such oscillations between euphoria and melancholia, bad for the reader's health, would have been quite unnecessary if the reporter had stuck to his job and not ventured into comment and interpretation for which his competence seems limited. Journalists ill serve their only masters, the readers, when they act as disguised official spokesmen. One has only to go abroad for a few days or speak to foreigners to know that the outside world's acceptance of the Indian case on Kashmir or the Sino-Indian dispute is neither universal nor total. I am not suggesting that the outside world is right and India wrong, although both propositions may be correct. All I am getting at is that the country should know just where it stands vis-à-vis the rest of the world. This is what is being steadily made impossible by the officially-owned All India Radio and the officially-manipulated Press Trust of India. The public is being given the rosier side of the picture, depicting the unbounded success of Indian diplomacy; the many failures are not reported at all. "News management", it had better be known, is no longer an American monopoly. In fairness to P.T.I. it should be added that this is not the only news agency to "slant" news. I would warn the unwary against A.F.P. on Algeria, D.P.A. on East Germany, Reuter on the Middle East and A.P. on the Deep South.

IT IS OFTEN SAID THAT BRITISH IMPERIALISM'S most ghastly legacy is Victorian gothic architecture. If you agree with this, and like myself are one of those people who involuntarily shudder whenever they set eyes on Calcutta's Law Courts, you are unlikely to approve the latest scheme for extending the Houses of Parliament in London. In which case, you should find yourself in excellent company. To me, the idea of adding to the Palace of Westminster in the existing style amounts to piling one architectural monstrosity on another. The new building would certainly harmonise with the old, but what is the use of trying to harmonise with disharmony? It may be far better perhaps to adopt the rival scheme for a modern building on the other side of New Bridge Street and connected with the present one by an underground passage. That way at least the horrors of Victoriana need not be compounded. As one critic has put it: "To build a copy of a copy is just absurd". It has always puzzled me why the Victorian British should have chosen to revive a style of building design which, although admittedly the greatest of native English architectural achievements, was essentially religious in inspiration. Surely something in the classical tradition would have been more appropriate, as with Calcutta's Victoria Memorial. I know that good taste—although only relative—did prevail in the case of the Foreign Office building, the original design for which eventually finished up as St. Pancras station. But the survival of the gothic style in buildings ranging from the Houses of Parliament to public lavatories remains one of Britain's least attractive features.

THE DITCHER

Guide for Investors

ENGINEERING SHARES SLUGGISH DESPITE GROWTH PROSPECTS

(BY A SPECIAL CORRESPONDENT)

ENGINEERING shares have not responded to the payment of bigger dividends by leading companies like Jessop, Braithwaite and the Textile Machinery Corporation. Guest, Keen, Williams has reduced the taxable ordinary dividend from 14 percent to 12 percent, including an interim of 6 percent, but it has paid the final dividend on a share capital which has been subsequently increased by the issue of bonus shares through capitalising reserves. The payment of the bigger dividends has been possible because of bigger earnings, but investors have not been impressed because they think that the distribution should have been still bigger to compensate for the rise in interest rates. At the current prices of many engineering shares, the yield is far short of the market rate of interest. Support for these shares have hitherto stemmed from such considerations as growth prospects. In view of the impetus provided by the five-year plans, the prospects for engineering concerns are unquestionably good. But the big question is whether the investors feel that they have a share in the growth. The dividend tax and the capital gains tax on bonus shares imposed by the last Budget have also discouraged them.

Reports that the market prices of various items of de-controlled steel have risen above the prices fixed by the Joint Plant Committee have caused a great deal of concern to many engineering firms. Since the prices of many de-controlled items of steel were raised earlier by the Joint Plant Committee, production costs of engineering units are likely to be higher. Whether the effect of the increased prices can be absorbed by a bigger output, remains to be seen. Considering that many small engineering firms have to rely on market supplies of steel, their working is likely to suffer.

This apart, the latest results of engineering companies show that their production schedules have been interrupted by an inadequate supply of matching steel. There have been shortages of quality steel also. Judging by present indications, it looks as if the difficulties about steel supplies will not be relieved until the output of steel producers increases substantially.

For the time being, worry has centred on the recommendations of the Bonus Commission, which threaten to mop up the bulk of the profits of engineering companies. If they were to be implemented, the companies in general would be left with little funds to plough back for expansion and rehabilitation. This apart, production costs have tended to rise due to increased labour charges and higher prices of various raw materials. A more liberal supply of imported raw materials is in prospect, particularly as the Aid-India Club is expected to sanction substantial non-project aid at its meeting on 26th May. Engineering concerns, which have concentrated on producing goods for exports, are likely to get a higher quota of foreign exchange. But it

remains to be seen how the investors view these prospects.

Bird-Heilgers Coal Group Results

THE results of the Bird-Heilgers group of coal Companies have been published. The Burrakur Coal Co. Ltd has earned a profit of Rs. 40.39 lakhs for the year ended June 1963, against Rs. 35.75 lakhs for 1961-62, after providing Rs. 21.68 lakhs (against Rs. 23.86 lakhs) for repairs to machinery, Rs. 3.81 lakhs (against Rs. 3.39 lakhs) for repairs to buildings, Rs. 20.77 lakhs (against Rs. 20.79 lakhs) for taxation, Rs. 6.95 lakhs (against Rs. 2.22 lakhs) for statutory development rebate reserve, Rs. 1 lakh for debenture redemption reserve, Rs. 5.90 lakhs for general reserve and Rs. 15.56 lakhs (against Rs. 13.46 lakhs) for depreciation. The taxable ordinary dividend of 13 percent has been repeated at the present price of Rs. 15.69 a share of Rs. 10 each. The carry-forward is Rs. 10,459, against Rs. 90,768 brought in.

Raisings dropped from 1.33 million tons to 1.30 million tons and despatches from 1.37 million tons to 1.33 million tons. Licences for Rs. 73.82 lakhs have been received under the World Bank loan and orders have been placed for Rs. 39.62 lakhs of equipment. The balance of the equipment is expected to be received soon. The Company has applied for further licences and if these are granted, the value of the equipment ordered under the World Bank loan will increase by Rs. 6 lakhs. Deliveries under the latter licences are not expected until the second quarter of 1964. The second quarter of Budroochuck with amalgamation of Budroochuck with Modidih-Teetulumuri has been approved by the Collieries Voluntary Amalgamation Committee. Sand transported over the Company's rope-way system amounted to 630,251 tons, against 803,746 tons. The Loyabad coke plant produced metallurgical coke of 105,207 tons, compared with 104,847 tons. The Katras Beehive coke produced 13,780 tons and 10,470 tons were despatched. The Government of India has given a notice to the Company to acquire part of its Central Jharia leasehold under the Coal Bearing Areas Act.

In their report for the year ended February 1963, the directors of the Karanpura Collieries Ltd said that the Company has been allocated foreign exchange for Rs. 11.59 lakhs under the World Bank loan. Import licences for Rs. 10.08 lakhs have already been received and orders for machinery to the extent of Rs. 9.98 lakhs have been placed. The profit has amounted to Rs. 2.22 lakhs, against Rs. 2.38 lakhs for 1961-62, after providing Rs. 2.22 lakhs (against Rs. 2.25 lakhs) for depreciation, Rs. 5.71 lakhs (against Rs. 4.39 lakhs) for taxation, Rs. 1.03 lakhs for the super profits tax, Rs. 50,000 (against Rs. 40,900) for statutory development rebate reserve and Rs. 2.10 lakhs (against Rs. 75,000) for general reserve. The taxable ordinary dividend of 10 percent has been maintained. It amounts to a yield of 8 percent at the present price of Rs. 12.44 a share of Rs. 10 each. The carry-forward is Rs. 9,997, against Rs. 32,810 brought in. Raisings rose from 236,790 tons to 265,945 tons and despatches from 237,594 tons to 276,844

tons. The supply of wagons showed an improvement.

The Karanpura Development Co. Ltd paid a taxable ordinary dividend of 3 percent, against 5 percent and a taxable dividend of 9 percent, against 15 percent on founders' shares for the year ended December 1962. The profit has totalled Rs. 1.37 lakhs, against Rs. 1.35 lakhs for 1961, after providing Rs. 33,793 (against Rs. 2.60 lakhs) for taxation, Rs. 44,600 (against Rs. 13,600) for statutory development rebate reserve and Rs. 34,539 (against Rs. 26,406) for depreciation. General reserve is allocated Rs. 1.50 lakhs (against Rs. 1 lakh) and the carry-forward is Rs. 37,294, against Rs. 1.40 lakhs brought in.

The directors say that further 45 bighas of land have been acquired by the Government of India in the Karanpura field and claims for additional 1,248 bighas have been submitted to the National Coal Development Corporation Ltd. The Company's claim for Bachra has been heard by the tribunal and the decision is expected shortly. As for the Chordhara area, it has been decided that no useful purpose would be served by instituting a suit against the sub-lessees, Rajendra Collieries Ltd, since it is generally agreed that "they have little or no funds." The court is also not empowered to give permission to the Company to re-enter the property as it has been acquired by the Central Government, free from encumbrances. A further course of action is being considered. The Company has lost its entire royalty income from the Karanpura field with the exception of the small amount from mouza Argada. Raisings amounted to 1.7 million tons and despatches totalled 1.7 million tons.

Guest, Keen, Williams Profit Rises

SALES of Guest, Keen, Williams, Ltd rose from 13.06 crores for 1962 to Rs. 16.37 crores for the 52 weeks ended 28th December, 1963. But there was difficulty in obtaining adequate supplies of quality billets and deliveries from main producers were irregular. Production also showed an increase. The profit has risen from Rs. 1.28 crores to Rs. 2.17 crores, after transferring Rs. 51.14 lakhs (against Rs. 51.19 lakhs) to depreciation, Rs. 7.75 lakhs (against Rs. 6.08 lakhs) to additional depreciation reserve, Rs. 9.65 lakhs (against Rs. 9.75 lakhs) to interest on debentures and Rs. 13.91 lakhs (against Rs. 7.56 lakhs) to interest on overdrafts.

An interim dividend of 6 percent was paid earlier on the share capital of Rs. 4.21 crores. The final dividend of 6 percent has been declared on the increased capital of Rs. 6.32 crores. The yield amounts to 5 percent at the present price of Rs. 24 a share of Rs. 10 each. The dividend amounted to 14 percent, subject to tax for 1962.

Taxation is allocated Rs. 1.10 crores (against Rs. 55.60 lakhs) and a sum of Rs. 6.77 lakhs (against Rs. 9.12 lakhs) has been transferred to taxation equalisation reserve. The tax provision included an amount of Rs. 4.30 lakhs to cover the liability on account of the dividend tax. A provision of Rs. 26.34 lakhs has been made for tax payable on the issue of bonus shares. The additional taxation reserve of Rs. 1.20 lakhs created in the account for 1962 to meet the liability to super profits tax has been written back as no super profits tax is payable for the 1962 profit. There will be no liability for surtax on the 1963 profit. Development rebate reserve is allocated Rs. 6.93 lakhs (against Rs. 5.55 lakhs). Surplus tax provision for previous periods amounting to Rs. 91,859 (against Rs. 2.60 lakhs), and additional taxation reserve for Rs. 1.20 lakhs have been written back. General reserve is allocated Rs. 3.64 lakhs (against Rs. 6.15 lakhs), capital reserve Rs. 7,537 and debenture sinking fund Rs. 5,05 lakhs (against Rs. 5 lakhs). Additions to fixed assets amounted to Rs. 67.27 lakhs (against Rs. 53.09 lakhs). Provision has been made for Rs. 6.93 lakhs for development rebate reserve to earn the development rebate admissible on these additions. The debenture sinking fund has been used to buy from the market and cancel Rs. 10.25 lakhs of the Company's 6½ percent debenture stock for Rs. 1.50 crores. The ordinary share capital has been raised from Rs. 4 crores to Rs. 6.32 crores by issuing bonus shares through the capitalisation of reserves. Reserves amount to Rs. 5.12 crores (against Rs. 6.98 crores). Fixed capital expenditure has amounted to Rs. 6.69 crores (against Rs. 6.63 crores).

Elphinstone Mills Earns Less

THE preliminary report on the working of the Elphinstone Spinning and Weaving Company for 1963 shows that the Company has fared badly during the year. In spite of an increase of about 15 percent in the sales from Rs. 2.98 crores to Rs. 3.43 crores, the gross profit has declined by about 21 percent from Rs. 35.24 lakhs to Rs. 29.08 lakhs. The dividend, however, has been maintained at 18 percent, that is, Rs. 9 a share, although the Company has had to withdraw Rs. 2.65 lakhs from the past reserves to meet the dividend liability. Appropriations include depreciation Rs. 12.35 lakhs (against Rs. 9.82 lakhs), development rebate reserve Rs. 2.22 lakhs (against Rs. 3.07 lakhs), development reserve Rs. 73,940 (against Rs. 1.02 lakhs), bonus Rs. 3 lakhs (against Rs. 10.76 lakhs), taxation Rs. 5.60 lakhs (against Rs. 60,000),

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doubtful debts Rs. 4,000 (against Rs. 12,500), donations Rs. 56,224 (against Rs. 1.50 lakhs), general reserve Rs. 4.50 lakhs. The proposed dividends, ordinary and preference, absorbing Rs. 7.15 lakhs are to be paid from general reserve and since this is inadequate to meet the full liability, a sum of Rs. 2.65 lakhs has been transferred from the past reserves. After making various provisions, there remains a balance of Rs. 12,247 to be carried forward, against Rs. 5,844 brought in. The Rs. 50-paid share of Elphinstone Mills is quoted around Rs. 97, offering a gross return of about 10 percent.

Amar Dye-Chem Earns Less

AMAR Dye-Chem reports poor results for 1963. In spite of an increase in the sales from Rs. 1,428 crores to Rs. 1,495 crores, the gross profit is down from Rs. 36.59 lakhs to Rs. 30.38 lakhs. The dividend has been reduced from 9 percent to 8 percent, and even for the payment of the reduced dividend, the directors have had to withdraw a large sum from the reserves. After providing Rs. 20.75 lakhs (against Rs. 12.65 lakhs) for depreciation and nil (against Rs. 9.63 lakhs) for taxation, the net profit amounts to Rs. 8.67 lakhs, against Rs. 12.30 lakhs in the previous year. Out of this, the directors have set aside Rs. 6.62 lakhs (against Rs. 2.31 lakhs) for development rebate. A sum of Rs. 6.60 lakhs has been withdrawn from development reserve in order to provide for the payment of the proposed dividend. Preference dividend takes up Rs. 1.71 lakhs (the same) and equity dividend absorbs Rs. 7.20 lakhs (against Rs. 8.10 lakhs). The substantially higher depreciation that has been provided for 1963, is due to the additional depreciation allowance for the third shift.

A number of adverse factors are stated to have contributed to the setback in the gross profit. These include large imports of naphthols and bases against unused licences, shift in consumption pattern resulting in a large accumulation of finished products leading to a slowdown of factory's production, heavy interest charges, reduction in selling prices and larger discounts allowed on sales and cut in raw material licences necessitating the purchase of export promotion licences at huge premiums. The outlook for the current year, however, seems to be more encouraging. The directors state that business conditions have improved considerably since the last quarter of 1963. Sales for the first quarter of this year have been much better than in the corresponding period last year. New plants for reactive and T.P.M. dyes have been commissioned. This is expected to contribute substantially to the profitability of the Company. A major portion of the expansion initiated in earlier years is likely to be completed during the current year. There has been some delay in the implementation of the first phase of T.P.M. dyes programme. But of the T.P.M. dyes, three items—methylene blue, brilliant green crystals and malachite green crystals have been marketed and plants for two more—rhodamine and auramine—have gone into regular production. It is hoped that by the end of June 1964, all the plants of T.P.M. first phase will have paid from the general reserve and been tuned to work to the rated capacity. The second phase also is likely to be completed by the end of the current year. The acid plant was commissioned in December last and its two units are now working to the rated capacity.

The output will be doubled in the course of next four months when two

more units will be put into operation. The pigment plant is ready for operation and trial runs are being carried out. At present, there appears to be a clear shift in the consumption pattern of dyestuffs towards pigment printing colours. The Company has received necessary permission for manufacturing pigment printing colours. The manufacture of these colours is expected to compensate for the setback in business of naphthols and fast bases. Reactive dyes and pigment printing colours are said to be highly promising and the directors hope that the entry into these lines will in due course greatly enhance the prosperity of the Company. The Company also proposes to diversify its activities and it has obtained a licence for the manufacture of 240 tonnes a year of organic peroxides in collaboration with Novadel Ltd of London. The Company will be the first in India to make these products which serve as vital raw materials for a number of industries.

Dharamsi Chemical Fares Well

THE preliminary report on the working of Dharamsi Morarji Chemical for 1963 showed that the Company had fared much better than in the previous year. Its sales rose from Rs. 2.33 crores to Rs. 2.90 crores, and the gross profit increased from Rs. 35.80 lakhs to Rs. 46.35 lakhs. In the final report, the directors point out that the various schemes of expansion and diversification are making good progress. The contact sulphuric acid plant with a daily capacity of 300 tons is expected to go into production before the Company's annual general meeting on 9th June. As for the 100-ton alumina sulphate project in Ambarnath, the installation of equipment for a production of 70 tons a day has been completed, but the actual output has had to be kept down to 50 tons a day for want of sulphuric acid and steam. Civil construction work for the additional equipment required to achieve 100 tons a day is in progress. The installation of additional equipment required for 50 tons a day of alumina sulphate in Kumbhari has been completed. The production of this factory had to be curtailed because of the shortage of sulphuric acid. These difficulties are likely to disappear when the 300-ton sulphuric acid plant goes into production. The Company has been licensed to expand its capacity of chlorosulphonic acid from 1,010 tonnes to 6,600 tonnes a year. No progress has, however, been made in connection with the proposed manufacture of industrial explosives. Construction of the factory building of Borax Morarji Ltd in which Dharamsi Chemical has invested Rs. 7.50 lakhs, is in full swing. It is expected to go into production before the end of this year.

Caledonian Jute Repeats

CALEDONIAN Jute Mills Co. Ltd produced larger quantities of jute goods during the year ended November 1963, because of an abundant supply of fibre. Towards the second half of this period, the margin of profit was squeezed due to keen competition from the Pakistani mills and because of the absence of demand for jute goods from abroad. The prospects for the current year are not considered very promising since production costs have risen considerably due to the implementation of the Wage Board award. The charges for power, fuel and stores have risen in the meantime. The Company has been considering diversifying its activities to

achieve better results. It has installed further 15 broad looms raising the total to 30. Gunny sales rose from Rs. 1.81 crores to Rs. 1.87 crores, and stocks of jute goods dropped from Rs. 9.36 lakhs to Rs. 8.36 lakhs. The profit has improved from Rs. 17.55 lakhs for 1961-62 to Rs. 19.55 lakhs for 1962-63, after increasing depreciation from Rs. 3.68 lakhs to Rs. 6.79 lakhs. The taxable ordinary dividend of 15 percent has been repeated. The yield amounts to 8.6 percent at the present price of Rs. 175 a share of Rs. 100 each. Taxation is allocated Rs. 9.88 lakhs (against Rs. 11.22 lakhs), development rebate reserve Rs. 3.19 lakhs (against Rs. 60,346) and general reserve Rs. 3.61 lakhs (against Rs. 2.40 lakhs). The carry-forward is Rs. 7,332, against Rs. 9,234 brought in.

Travancore Rayons Disappoints

IN spite of an increase of nearly 10 percent in the sales from Rs. 3.13 crores to Rs. 3.43 crores, the gross profit of Travancore Rayons for 1963 is slightly lower at Rs. 58.06 lakhs, against Rs. 58.38 lakhs. And the dividend which had been reduced from 20 percent to 15 percent in 1962 has been further cut down to 12½ percent. Even for the payment of this reduced dividend, the directors have had to draw on the reserves. The gross profit of Rs. 58.06 lakhs is the lowest since 1957 when the Company earned Rs. 56.19 lakhs, but that was on a substantially lower turnover of Rs. 2.55 crores. The directors point out that the working results for 1963 would have been better had the rayon division worked throughout the year, but that was not possible because of the labour trouble. Allocations include depreciation Rs. 32.20 lakhs (against Rs. 26.75 lakhs), development rebate Rs. 8.50 lakhs (against Rs. 1.15 lakhs) and taxation Rs. 4.60 lakhs (against Rs. 17.73 lakhs). The directors have withdrawn a sum of Rs. 3 lakhs from dividend equalisation reserve to make up the shortfall in the amount available for dividend distribution. The proposed equity dividend will absorb Rs. 12.50 lakhs (against Rs. 15 lakhs) and preference dividend will take up Rs. 3.25 lakhs (the same).

The directors expect better results for the current year. Labour relations are normal. Production so far has been satisfactory and it is hoped that, in the absence of adverse developments, the output this year would set a new all-time record. Production is expected to exceed the rated capacity of 7½ tons a day. The new rayon spinning tubes which will greatly improve the quality of yarn are expected to be commissioned before the end of July. The production of rayon grade pulp from cotton linters on a commercial scale has been a success, and the rated capacity is likely to be reached shortly after installation of some additional balancing equipment.

Progress of India United Mills Scheme

THE India United Mills did extremely well during 1963. Its gross profit increased by about 50 percent from Rs. 86.62 lakhs to Rs. 1.30 crores, and the dividend was stepped up from Rs. 1.10 to Rs. 1.25 a share on equity shares and from 25.26p to 31.25p a share on deferred shares. Several factors contributed to the Company's improved performance last year. These include better utilisation of the spinning and weaving plants and of the processing capacity, adoption of realistic and profitable

manufacturing programme, the shift towards finer and fancy types of cloth and increased earnings from exports. Technical efficiency of the mills has shown a marked improvement and the recovery of yarn on cotton consumed has improved due to the reduction in the percentage of soft and hard wastes.

In his statement to the shareholders, the chairman, Mr. N. K. Petigara, says that the programme of rehabilitation and modernisation has been taken up very methodically and seriously. The additions to the plant and machinery during 1963 were of the order of Rs. 63 lakhs—the largest expenditure on modernisation and rehabilitation made by the Company in the last several years. The programme of further modernisation of the spinning department will cost about Rs. 1.30 crores. Orders for machinery worth Rs. 19 lakhs have been placed for the current year. The present installed capacity of the spinning section is 262,044 spindles and under the balancing licences granted to the Company, another 25,807 spindles will be added. These are already under order and will be commissioned by the middle of next year. Further, the mills have been granted 21,598 spindles under the general permission of 7.5 percent increase and the installation of these spindles is under consideration. The Company's quest for diversification continues. A separate terylene spinning section is being set up in one of the Company's mills with the intention of starting the spinning of terylene and other synthetic fibres and cotton blends. The setting up of this terylene spinning section is expected to enable the mills utilise the terylene fibre imported against export incentives in a more remunerative manner.

Although four months have already elapsed during the current year and the working has been fairly normal, the chairman has been extremely cautious in expressing an opinion on the outlook for the current year. He has drawn attention to the uncertainty about the cotton supply position, mounting interest charges and the ever increasing incidence of labour cost and excise duties. But the chairman seems hopeful that with the changes that have been made in the manufacturing programme, the higher working efficiencies obtained and installation of new plant and machinery, the Company's working results for the current year are likely to be as satisfactory as last year.

Rohit Pulp and Paper Shows Better Results

ROHIT Pulp and Paper Mills Ltd reports very encouraging results for 1963, with production, sales and profit showing impressive improvement over the previous year. The output has risen from 1,400 tonnes to 3,280 tonnes, sales have gone up from Rs. 26.03 lakhs to Rs. 64.08 lakhs, and the gross profit amounts to Rs. 7.06 lakhs whereas in the previous year, the Company had incurred a loss of Rs. 3.74 lakhs. After providing Rs. 3.18 lakhs (against Rs. 2.21 lakhs) for depreciation, the surplus of Rs. 3.88 lakhs has been adjusted against previous losses amounting to Rs. 5.11 lakhs, leaving a loss of Rs. 1.23 lakhs to be carried forward. In view of the loss carried forward, the directors have passed over the dividend. The Company's working during the current year is said to be much better than in 1963.

Good Prospects for Elecon Engineering

THE preliminary figures which had been released along with the

announcement of a 6 percent maiden dividend showed that the Elecon Engineering Company had done very well during 1963. Its turnover increased from Rs. 27.63 lakhs to Rs. 1.03 crores, and it made a gross profit of Rs. 16.27 lakhs, against a loss of Rs. 2.37 lakhs in the previous year.

Digvijay Cement Results Impress

SHREE Digvijay Cement Co. Ltd has raised the dividend for 1963 from 10 percent to 13 percent, and this on the increased capital, absorbing Rs. 22.61 lakhs, against Rs. 13.49 lakhs. The increase in the dividend is fully justified by the Company's impressive performance during the year. The turnover has increased by about 33 percent from Rs. 4.65 crores to Rs. 6.18 crores, and the gross profit has shot up by about 70 percent from Rs. 76.08 lakhs to Rs. 1.287 crores. After providing Rs. 32.63 lakhs (against Rs. 21.75 lakhs) for depreciation, Rs. 16.20 lakhs (against Rs. 11.21 lakhs) for development rebate reserve and Rs. 29 lakhs (against Rs. 17.65 lakhs) for taxation, the net profit amounts to Rs. 45.29 lakhs, against Rs. 21.62 lakhs in the preceding year. The directors have provided Rs. 4.73 lakhs (against Rs. 4.95 lakhs) for rehabilitation, research and development reserve and Rs. 19 lakhs (against nil) for general reserve.

This expansion has become necessary as contracts for complete plants such as coal handling plants, fertilizer plants, etcetera, generally include heavy structural work. The new structural shop is expected to go into production by the third quarter of the year. The total capital investment of the new structural shop is estimated at Rs. 12 lakhs. The necessary sanction for fabrication of heavy structurals has already been received from the Government. A few machines have also arrived at the site. When the structural shop operates at the full rated capacity, the additional sale will amount to some Rs. 30 lakhs a year. The Company has successfully concluded a technical collaboration agreement with Richard Sutcliffe Engineering Systems Ltd of the U.K. for the manufacture of various types of standardised surface installation conveyors and mining conveyors under licence in India, subject to the Government of India's approval. The Rs. 100-paid share of Elecon Engineering is currently quoted around Rs. 81.

Mahendra Electricals Makes Profit

MAHENDRA Electricals Ltd has made a gross profit of Rs. 8.22 lakhs during 1963—the first year of production. The Company's production amounted to Rs. 44.87 lakhs, and its sales amounted to Rs. 30.40 lakhs. After providing Rs. 6.06 lakhs for depreciation and transferring Rs. 7.50 lakhs to development rebate reserve, the year's working shows a net loss of Rs. 5.34 lakhs. This, together with the loss of Rs. 95,039 brought in and taking credit for Rs. 1,029 being excess provision for tax for the previous year, makes a total debit balance of Rs. 6.28 lakhs, which is being carried forward. Sales and production during the year were restricted, compared with the production capacity of the plant. This was due to the delays on the part of the Government in fulfilling the generating programme and coming into production of new cable makers at about the same time.

Efforts are, however, being made to increase the sales of products and consequently their output. The Company has obtained I.S.I. certification marks and fire insurance approval for its products. In his statement to shareholders, the chairman, Mr. R. J. Chinal, says that the progress of the Company is very much tied to the level of electric power generation and the consequent industrial progress of the country. He

feels that with the increase in power generation, the demand for the Company's products will necessarily rise. The current working of the Company is said to be much better than in 1963.

view that the ferro-manganese industry has tided over the initial period of depression and that it can look to the future with a measure of confidence. Exports by way of barter deals are proving somewhat remunerative and there is also a steadily increasing demand in the domestic market due to the expansion of steel plants. Under the recent barter deal for the export of 128,000 metric tons of ferro-manganese to the U.S.A. over a period of 18 months commencing from the middle of December 1963, Khandelwal Ferro has been allotted a share of 44,000 tonnes. Two shipments amounting to 18,500 tonnes have already been made and the Company is unlikely to have any difficulty in completing the entire quota. With the expansion of the steel plants in the country, the demand for ferro-manganese is steadily increasing and the Company expects to be able to supply about 15,000 tonnes during the current year to the steel plants.

The Company also hopes to make a profit by exporting ferro-manganese slag, the stock of which is now accumulating. A sample shipment of 1,500 tonnes has been made. Considerable progress has been made in the establishment of a steel tube mill as a separate unit of the Company. This project is likely to improve considerably the earning capacity of Khandelwal Ferro. The Government of India has offered adequate Belgian credit to cover the import of plant and machinery on deferred payment terms spread over 12 years. An import licence for Rs. 64.7 lakhs has been received. The Industrial Finance Corporation has agreed to guarantee the Belgian loan and grant a rupee loan of Rs. 77 lakhs. The construction of the project is expected to be taken in hand shortly.

Seajuli Tea Cuts Dividend

THE Seajuli Tea Co. Ltd (an Assam garden) has earned a revenue profit of Rs. 1.27 lakhs for the year ended December 1963, against a profit of Rs. 3.62 lakhs for 1962, after providing Rs. 34,180 (against Rs. 1,029) for depreciation and Rs. 22,000 (against Rs. 28,500) for bonus. The taxable ordinary dividend has been reduced from 30 percent to 25 percent to absorb Rs. 62,250. The yield amounts to 10 percent at the present price of Rs. 25.12 a share of Rs. 10 each. Taxation is allocated Rs. 54,000 (against Rs. 21.9 lakhs) and general reserve Rs. 50,000 (against Rs. 1.50 lakhs). The carry-forward amounts to Rs. 15,780, against Rs. 74,945 brought in. The crop declined from 207,643 kilograms to 201,112 kilograms and the average sale price dropped from Rs. 7.36 to Rs. 6.63 a kilogram. The 1964 crop has been estimated at 217,800 kilograms at a cost of Rs. 6.04 a kilogram.

Runglee Rangliot, Poobong Tea Results

THE reports of two Darjeeling tea Companies under the management of Duncan Brothers for the year ended December 1963 have been published. The Runglee Rangliot Tea Co. Ltd has reduced the taxable ordinary dividend from 7½ percent to 5 percent which works out to a yield of 1.7 percent at the present price of Rs. 300 a share of Rs. 100 each. The revenue profit has amounted to Rs. 2,834, against a loss of Rs. 3,382 for 1962, after providing Rs. 22,247 (against Rs. 24,126) for depreciation. Taxation absorbs Rs. 2,060 and development rebate reserve Rs. 3,500 (against Rs. 8,500). The carry-forward amounts to Rs. 6,363, against Rs. 6,741 brought in, after transferring

Rs. 2,000 from development rebate reserve. The crop amounted to 86,726 kilograms, against 85,234 kilograms and the average sale price rose from Rs. 6.64 to Rs. 7.21 a kilogram. The 1964 crop has been estimated at 95,000 kilograms at a cost of Rs. 6.89 lakhs. The start of the new season has not been very satisfactory due to drought and labour troubles.

The revenue profit of the Poobong Tea Co. Ltd has dropped from Rs. 1 lakh for 1962 to Rs. 34,269 for 1963, after transferring Rs. 10,311 (against Rs. 10,308) to depreciation. The dividend has been passed, but it amounted to 5 percent for 1962. Revenue reserve is allocated Rs. 50,000 (against Rs. 75,000) and development rebate reserve Rs. 2,500, leaving a carry-forward of Rs. 14,788, against Rs. 30,513 brought in. The crop declined from 122,495 kilograms to 112,874 kilograms, and the average sale price fell from Rs. 6.65 to Rs. 6.44 a kilogram. The crop for 1964 has been estimated at 120,000 kilograms at a cost of Rs. 8.18 lakhs. The directors say that the new season has not started well due to drought and hail damage.

Methoni Tea Cuts Dividend

THE Methoni Tea Co. Ltd (an Assam garden) has shown a profit of Rs. 2.26 lakhs for the year ended December 1963, compared with one of Rs. 6.22 lakhs for 1962, after transferring Rs. 59,125 (against Rs. 60,807) to depreciation. An interim dividend of 11 percent was paid earlier to absorb Rs. 1.10 lakhs. The yield amounts to 7.9 percent at the present price of Rs. 14 a share of Rs. 10 each. There will be no final dividend. The dividend amounted to 20 percent, subject to tax for 1962. Taxation absorbs Rs. 1.44 lakhs (against Rs. 3.76 lakhs) and development rebate reserve Rs. 370 (against Rs. 300), leaving a carry-forward of Rs. 14,959, against Rs. 8,441 brought in. The crop amounted to 350,854 kilograms, against 374,221 kilograms and the average sale price dropped from Rs. 7.12 a kilogram to Rs. 6.39 a kilogram. The 1964 crop has been estimated at 590,000 kilograms at a cost of Rs. 33.45 lakhs.

Nil from Ghusick Collieries

THE Ghusick and Muslia Collieries Ltd has again passed the dividend for the year ended March 1963. The profit has amounted to Rs. 7,080, against Rs. 921 for 1961-62, after transferring Rs. 2.22 lakhs (against Rs. 1.79 lakhs) to depreciation. Bringing in a loss of Rs. 6.24 lakhs, providing Rs. 1,723 for taxation and Rs. 30,000 for development rebate reserve, a debit balance of Rs. 6.49 lakhs has been carried forward. Raisings amounted to 203,733 tons, against 177,995 tons and despatches totalled 163,731 tons, against 156,218 tons. Efforts are being made to construct the second pit of Muslia colliery and to start raising coal. Capital expenditure has amounted to Rs. 4.29 lakhs and steps have been taken to install more machinery.

Share Offer by Cominco Binani Zinc

THE list for the offer of 839,993 ordinary shares of Rs. 10 each for subscription at par by Cominco Binani Zinc Ltd opens on 27th May, 1964. Out of the issue, 80,000 shares will be reserved for allotment to the shareholders in Metal Distributors Ltd in the proportion of three shares of the new Company for every 20

shares held in Metal Distributors. The remaining 80,000 shares, together with any shares not taken up by the shareholders of Metal Distributors, are being offered for public subscription. The shares allotted privately to the directors, promoters, their friends and associates will have to be held as long-term investments and cannot be disposed of within one year of the date of allotment. A sum of Rs. 2 a share will have to be paid on application and a further sum of Rs. 2 a share on allotment. Applications must be made for a minimum of 50 shares or multiples thereof. The entire public issue has been underwritten. The subscribed capital amounts to Rs. 1.26 crores, out of which a sum of Rs. 25.20 lakhs has been paid-up. Out of the subscribed capital, 840,000 ordinary shares have been taken up by the Consolidated Mining and Smelting Co. of Canada Ltd, the foreign collaborators, and 420,000 shares have been subscribed by Metal Distributors Ltd. Application has been made to the Calcutta Stock Exchange for permission to deal in and for an official quotation of the Company's share.

The Company has been sanctioned an industrial licence to establish a smelter in Alwaye, Kerala State, to produce zinc by the electrolytic process and such by-products as sulphuric acid and cadmium. The licence provides for an initial output of 12,000 tons of zinc a year which can be extended up to 20,000 tons a year. The by-products will be increased in proportion. The Company has already applied for a licence to import plant and equipment. The factory site is considered suitable from the point of view of water and electric supply. The chief raw material, zinc concentrates, will be imported as long as the indigenous raw material is not available. Metal Distributors Ltd has been appointed the sole selling agents for five years. The cost of the project has been estimated at Rs. 4.95 crores. The Industrial Finance Corporation of India has agreed to offer a loan of Rs. 99 lakhs. A loan of Rs. 38 lakhs will be given by the Kerala State Industrial Development Corporation and a loan of Rs. 70.32 lakhs will be sanctioned by the Export Credits Insurance Corporation of Canada.

The prospect is considered encouraging since zinc is widely used for various purposes. No zinc is produced in India now, although a unit has been licensed to produce 18,000 tons of zinc a year. This plant is being constructed in Rajasthan. Zinc is at present imported and in 1963 imports amounted to more than 73,123 tons valued at about Rs. 10 crores. The demand may rise to 187,500 tons by the end of 1965. The Company will also produce 45,000 tons of sulphuric acid a year. In view of the good demand for zinc and the by-products, the Company will have no difficulty in selling all its products. Commercial production may begin by the middle of 1966. The directors think that the Company will earn enough profits in due course and pay reasonable dividends. The foreign collaborators have a worldwide reputation as metal producers. The directors are Messrs G. D. Binani, W. S. Kirkpatrick, R. G. Edwards, A. O. Wolff, T. G. Harding, H. T. Fargey, D. D. Morris, D. K. Basu, Charat Ram, S. C. Gladstone, Ghanshyamdas Binani and R. K. Bagri. (Details of the issue have been printed on a later page in this week's issue of *Capital*.)

Raymond Woollen Shows Good Results

ALTHOUGH the dividend has just been maintained at 12 percent, the working results of the Raymond Woollen Mills for 1963 show an appreciable improvement over the previous

year's performance. The turnover has gone up by as much as 36 percent from Rs. 3.76 crores to Rs. 5.11 crores, and the gross profit has risen by about 23.5 percent from Rs. 60.87 lakhs to Rs. 75.21 lakhs. The directors have justified the maintenance of the dividend in spite of much larger profits on the plea that the Company needs vast sums for modernisation. Allocations include depreciation Rs. 9.70 lakhs (against Rs. 6.40 lakhs), taxation Rs. 34.50 lakhs (against Rs. 30.30 lakhs), development rebate Rs. 1.80 lakhs (against Rs. 95,000), deferred taxation reserve Rs. 2.50 lakhs (against nil) and general reserve Rs. 11.80 lakhs (against Rs. 10 lakhs). After providing for the proposed dividends which absorb Rs. 10.62 lakhs (the same), there remains a surplus of Rs. 14.825 to be carried forward, against Rs. 51,319 brought in.

The marked increase in the Company's turnover is attributed mainly to huge defence orders which amounted to as much as Rs. 2.38 crores, against Rs. 36 lakhs in the previous year. Sales to the civilian market dropped by about 40 percent because of the severe cut in the import of raw materials. Export sales, however, were considerably higher at Rs. 27 lakhs, against Rs. 15 lakhs in 1962. The Company is said to have made satisfactory progress in developing business in nylon hosiery articles. It secured import entitlements worth Rs. 24.81 lakhs for a consideration of Rs. 12.36 lakhs. With the subsequent requestioning of import entitlements worth Rs. 20.79 lakhs, the Company is now in a position to import plant and machinery worth Rs. 45.60 lakhs. The production and turnover of the engineers' files division showed further improvement in 1963. The Company's schemes for modernisation and development include the setting up of a wool combing division in collaboration with Sir James Hill and Sons of the U.K. The Company also proposes to undertake the complete modernisation of its worsted spinning section. The proposal to run Bainjath Banky Beharil Woollen Mills has been shelved for the time being.

Aspinwall (Travancore) Pays Again

THE working results of Aspinwall and Company (Travancore) Ltd for the year ended December 1963, are encouraging. The profit earned is a decent one (against a loss in the previous year) and a dividend of 10 percent (against nil) has been declared. The net profit for the year after depreciation and taxation amounts to Rs. 2,14,517, compared with the previous year's loss of Rs. 55,217. With the amount of Rs. 43 brought forward from the previous year, the total available for appropriation comes to Rs. 2,14,560. The interim dividend at 4 percent has absorbed Rs. 40,000. The proposed final dividend of 6 percent amounts to Rs. 60,000. The balance of Rs. 1,14,560 is carried forward.

Aspinwall and Company Repeats

ASPINWALL and Co. Ltd has earned a net after-tax profit of Rs. 2,51,148 for the year ended December 1963 after providing Rs. 3,01,300 for taxation, compared with the previous year's net profit of Rs. 3,04,583, after providing Rs. 2,91,443 for taxation. With the amount of Rs. 60,219 brought forward, the total available surplus comes to Rs. 3,11,367. Out of this, Rs. 2,188 is transferred to development rebate reserve. A sum of Rs. 44,914 is transferred to capital reserve being the profit on sale of

land and buildings. Dividend at 6.66 percent on preference shares amounts to Rs. 14,252. The ordinary dividend of 6 percent (the same) amounts to Rs. 2,15,280. The balance of Rs. 34,733 is carried forward.

Peermade Tea Cuts Dividend

LOWER crop and a reduction in the ordinary dividend to 17½ percent (from the previous year's level of 20 percent) are the features of working of the Peermade Tea Co. Ltd during the year ended December 1963. But the price realised for the Company's teas was higher than that of the previous year. The profit for the year before taxation amounts to Rs. 7,13,678, compared with the previous year's profit of Rs. 7,64,540. After deducting the tax provision of Rs. 3,56,000 (against Rs. 4,29,750), the net profit comes to Rs. 3,57,678. Adding to this profit, a sum of Rs. 69,839 brought forward from the previous year, along with Rs. 30,000 being excess provision written back, the total available for appropriation comes to Rs. 4,57,517. Out of this, a sum of Rs. 3,710 is transferred to development rebate reserve, Rs. 100,000 is transferred to general reserve (against nil). Dividend at 6.765 percent on the preference shares amounts to Rs. 10,147. The interim dividend at 5 percent on the equity shares has absorbed Rs. 85,000, and the proposed final dividend of 12½ percent on equity shares will absorb Rs. 2,12,500. The balance of Rs. 46,160 is carried forward. The crop for the year amounted to 1,069,078 kilograms (against 1,104,598 kilograms). The average sale price of tea amounted to 419.03nP a kilogram, against 383.73nP a kilogram. The estimated crop for 1964 is put at 1 million kilograms.

Nil from Calcutta Steam Navigation

THE Calcutta Steam Navigation Co. Ltd has shown a debit balance of Rs. 11,281 for the year ended June 1963, after transferring Rs. 2.42 lakhs (against Rs. 2.73 lakhs) to depreciation and Rs. 75,000 to development rebate reserve. The profit for 1961-62 amounted to Rs. 28,490. The dividend has been passed. The directors say that the lighterage freight did not improve. Since there has been an increase of 20 percent in the lighterage rates for gunnies, a profit may be earned during the current year, provided the labour situation remains normal.

Radhakrishna Mills Maintains

DECLINE in the profit in spite of higher sales and the maintenance of the 10-percent dividend feature the working of Radhakrishna Mills Ltd for the year ended December 1963. The directors say that the profits earned during the year were whittled down by the increase in costs. Sales amounted to Rs. 2,56,31,749, against Rs. 2,07,24,768 in the previous year. The profit for the year amounted to Rs. 15,60,015, after providing Rs. 6,72,119 for depreciation. This compares with the previous year's profit of Rs. 16,18,920, after providing Rs. 5,70,220 for depreciation. With Rs. 4,908 brought forward from the previous year, the total surplus comes to Rs. 15,64,923. Out of this, the directors have transferred Rs. 9,00,000 (against Rs. 8,46,534) to contingency reserve. A sum of Rs. 25,977 (against Rs. 1,40,525) is transferred to development rebate reserve. The proposed dividend of 10 percent will absorb

Rs. 6,30,450. The balance of Rs. 8,496 is carried forward.

The directors' report says that the working results for the first half of the year were not very encouraging and it was only in the second half that the profits took a turn for the better. The working of the weaving section was not encouraging as the ceiling prices for cloth remained stationary in spite of the increased cost of yarn. The selling prices for exportable cloth were not also attractive. The gross block of the Company stands at Rs. 1,26,22,027 and after deducting depreciation provided to the extent of Rs. 89,14,242, the net block stands at Rs. 37,07,785.

New Product from Eagle Paint

EAGLE Paint and Pigment Industries Private Ltd, Calcutta, will manufacture in collaboration with Messrs Cornelius Cremer and Company of the West Germany Corroless paint. Corroless paint to be produced for the first time here is a special rust stabilising paint. Made by Cornelius Cremer and Company of West Germany, Corroless not only makes use of rust but also serves as a priming paint. It has been developed for use in cases where good surface preparation such as sandblasting or cleaning with power tools is impossible. It is now being manufactured in 30 different countries.

Metal surfaces to be coated are merely wire-brushed to remove loose rust, scale and dirt, and the primer then applied by brush or spray. It dries in three hours. The usual paint finishes can then be applied.

Lucky Valley Tea Earns Less

LOWER crop and a price realisation around the previous year's level have led to a reduction in the profit of Lucky Valley (Nilgiri Hills) Tea Estates for the year ended December, 1963. But the dividend is maintained at 10 percent. The profit, before taxation, amounts to Rs. 1,02,008 (against Rs. 1,66,239). After deducting Rs. 49,000 (against Rs. 92,000) towards taxation provision, the net profit amounts to Rs. 53,008. With Rs. 36,576 brought forward from the previous year and with Rs. 14,300 being the excess provision for taxation for the previous year no longer required, the total available for appropriation comes to Rs. 1,03,884. Out of this, Rs. 4,418 is transferred to development rebate reserve. The proposed dividend of 10 percent will absorb Rs. 50,000. The balance of Rs. 49,466 is carried forward.

During the year, the Company produced a crop of 332,643 lbs of tea, against 343,350 lbs for the previous year. Although the first half of the year was promising, unfavourable climatic conditions, particularly in the third quarter, spoilt any chances of another record year. A further area of seven acres has been cleared during the year and planted with clonal tea. The estate cost of production a lb of made tea amounted to Rs. 1.52, compared with Rs. 1.41 a lb in the previous year. The average sale price realised amounted to Rs. 2.41 a lb, compared with Rs. 2.42 a lb in the previous year. The estimated crop for 1964 is placed at 315,000 lbs to be harvested at a cost of Rs. 1.57 a lb.

Kerala Lakshmi Mills Shows Loss

THE third annual report of the Kerala Lakshmi Mills Ltd for the year ended December 1963 says that

on account of the acute shortage of roofing materials such as A.C. sheets, which are now under Government control, the building to house the entire licensed spindles could not be completed in time. The spindleage installed at present is only 12,180, against the projected complement of 24,360 spindles. There has been some delay in receiving ring-frames from the indigenous manufacturers and the Company expects to get the remaining ring-frames before the middle of this year. The full complement of the licensed capacity may go into production soon thereafter. The report also says that the imported blow-room machinery and O.M. super-drafters have been received, and their erection is progressing. It is reported that there is very good demand for the Company's yarn. The working of the Company during the year shows a net loss of Rs. 4,82,871 (against one of Rs. 1,62,683 in the previous year), after providing Rs. 2,38,785 (against Rs. 33,689) for depreciation and Rs. 3,41,809 (against Rs. 1,24,134) for development rebate.

Better Outlook for Bombay Oxygen

THE chairman of Bombay Oxygen Corporation, Mr. Madanmohan R. Ruia, assured the shareholders at the Company's annual meeting that they could look forward to the future with confidence. Now that all the teething troubles have been overcome, the Company's working results for the current year are likely to be better than in the previous year. Sales during the first four months of the year have already exceeded the total turnover in 1963, which amounted to no more than Rs. 2.63 lakhs. According to Mr. Ruia, sales this year are likely to be around Rs. 25 lakhs, and the profit margin is expected to be about 15 to 20 percent. The capacity of all the four oxygen plants is 1.728 million cubic metres, and that of the acetylene plant is 576,000 metres a year on a three-shift basis. When all these plants operate at full capacity, the Company's annual sales would be of the order of Rs. 75 lakhs.

All the gas cylinders for industrial as well as medical oxygen and dissolved acetylene have been received from abroad. While striking an optimistic note about the Company's future, Mr. Ruia was quite cautious in making any positive commitment on the maiden dividend. But it seems likely that the shareholders will not probably have to wait for long before their investment begins to bear fruit. The chairman informed the shareholders that negotiations with foreign manufacturers for the welding electrode plant are likely to be finalised shortly. The requisite industrial licence was expected to be issued in about three months' time. Meanwhile, the Company has started marketing electrodes manufactured by one of the leading welding electrode manufacturers. The Rs. 100-paid share of Bombay Oxygen are quoted around Rs. 82.

Tubes and Malleables Pays More

TUBES and Malleables Ltd reports highly encouraging results for 1963. Sales have risen by 40 percent from Rs. 95.56 lakhs to Rs. 1,338 crores, and the gross profit has shot up by about 56 percent from Rs. 12.32 lakhs to Rs. 19.08 lakhs. Improved results have encouraged the directors to step up the total dividend from 17½ percent to 20 percent. The provision for depreciation amounts to Rs. 40,445, against Rs. 34,197, and taxation accounts for Rs. 12.65 lakhs, against Rs. 9.60 lakhs. A sum of Rs. 1.50 lakhs

(against nil) has been allocated to the general reserve, and Rs. 14,500 have been set aside for short provision for taxation relating to the previous year.

After providing Rs. 4.40 lakhs (against Rs. 3.49 lakhs) for the proposed dividend, there remains a small balance of Rs. 3,220 to be carried forward, against Rs. 4,212 brought in. The Company produced 5,418 tonnes of pipes, against 3,971 tonnes in the previous year. The directors state that with the commencement of production of pipes by the fifth mill—Ambika Mills—there will not be any scarcity for pipes in the country. The directors are hopeful of a further increase in the Company's turnover in spite of increasing competition. The Company's negotiations for Italian collaboration have not been successful, and negotiations with a British firm are now in progress.

Share Offer by Hindustan Polymers

HINDUSTAN Polymers Ltd, which proposes to set up a factory in Visakhapatnam (Andhra Pradesh) for the manufacture of power alcohol, styrene monomer and polystyrene and its co-polymers, is offering 127,400 equity shares of Rs. 100 each at par for public subscription. The list will open on 26th May and close on 4th June or earlier but not before 28th May. The Company has been licensed to manufacture annually 1.5 million gallons of power alcohol, 10,000 tons of styrene monomer and 7,500 tons of polystyrene and its copolymers including high impact copolymers by a continuous mass polymerisation process. The U.S. firm of Universal Oil Products Company is collaborating in the manufacture of styrene monomer and the British firm of B. X. Plastics will be collaborating in the manufacture of polystyrene.

The Company has an authorised capital of Rs. 5 crores consisting of Rs. 3 crores in equity shares of Rs. 100 each and Rs. 2 crores in unclassified shares of Rs. 100 each. The issued capital will be Rs. 3 crores in equity shares. Shares worth Rs. 30.61 lakhs have already been subscribed, of which Shree Ram Mills of Bombay, a promoter of the Company has taken up Rs. 30 lakhs. Shares of the value of Rs. 1,41,99,000 are being taken up privately—Rs. 30 lakhs by Shree Ram Mills, Rs. 51.99 lakhs by Shree Ram Mills, Rs. 51.99 lakhs by the promoters, directors and their associates, Rs. 20 lakhs by I.C.I.C.I., Rs. 20 lakhs by the Commonwealth Development Finance Company and Rs. 20 lakhs by Bakelite Xylonite Ltd, England. The balance of Rs. 1,27,40,000 is being offered for public subscription.

A. P. Paper Mills to Take Over Rajahmundry Factory

THE Andhra Pradesh Government has entrusted the management of the old and uneconomic Rajahmundry paper factory to West Coast Paper. Under the agreement signed between the State Government and Mr. G. D. Somani, this factory will be incorporated as a joint stock Company to be known as Andhra Pradesh Paper Mills Ltd, which will have an authorised capital of Rs. 2 crores in equity shares and Rs. 1 crore in preference shares. The West Coast Paper Mills, which will supply technical co-operation to the new unit, will subscribe for one-third of the equity capital. The State Government will also take up an equal amount, and the balance will be offered for public subscription. The capacity of the new paper mill is being raised from 60 tonnes to 100 tonnes a day, in order to make it an

economic unit. The new equipment is already at the site. The entire project, when completed, will involve a capital outlay of about Rs. 7 crores. Of this, Rs. 4 crores will be in the form of permanent capital and the balance in the form of borrowings from financial institutions. Arrangements are being made to start the erection work of the plant and machinery. It is expected that one paper machine will go into production within a year, and the rest of the plant within six months thereafter. The abundance of raw materials, water and power supply available at the factory's site are said to offer exceptionally favourable conditions for the successful working of the mills.

Southern Industrial Corporation Loses

THE working of Southern Industrial Corporation Ltd for the year ended December 1963, has resulted in a net loss of Rs. 3,06,320 after providing Rs. 1,76,283 for depreciation, compared with the previous year's net loss of Rs. 38,466, after providing Rs. 1,79,865 for depreciation. Adding to the year's loss, a sum of Rs. 1,27,130 being the loss brought forward from last year and a sum of Rs. 1,451 being the transfer to development rebate reserve, the total loss of Rs. 4,34,901 is carried forward.

The directors are hopeful about the future prospects of the Company. They feel that the loss will be reduced to a great extent in the current year since finished product inventories have been reduced and the Suhner-India flexible shaft machines and Speedometer cables are being marketed on a profitable basis. The Government of India has issued a licence to the Company for establishing the manufacture of close tolerance rolled products of copper and brass with foreign collaboration. The Company is negotiating with one of the largest non-ferrous metal semis manufacturers in Europe and the possibility of foreign collaborators participating in the capital of the Company is also being explored.

The chairman in his statement to shareholders says that during the year, the Company met with a number of unexpected problems which adversely affected the working results. Flexible shaft sales were far below expectations due to large imports of flexible shaft machines from rupee payment countries which were being offered at very low margins. The Company is no longer depending on a single supplier of wire. The motor-vehicle manufacturers having changed over to the Company's Speedometer cables, this section can be expected to work profitably.

Rajalakshmi Mills Earns Less

IN spite of a slight increase in the sales from Rs. 1.31 crores to Rs. 1.35 crores, the gross profit of Rajalakshmi Mills of Coimbatore for 1963 has fallen by 18.5 percent from Rs. 20.05 lakhs to Rs. 16.35 lakhs. The profit margin has been squeezed as a result of the continuous rise in the cost of raw materials and other working expenses without any corresponding increase in the selling prices of yarn. In spite of the lower profit, the dividend has been maintained at 15 percent. After providing Rs. 5.91 lakhs (against Rs. 6.17 lakhs) for depreciation, Rs. 92,500 (against Rs. 87,000) for development rebate and Rs. 4.25 lakhs (against Rs. 4.85 lakhs) for taxation, the net profit amounts to Rs. 4.25 lakhs, against Rs. 7.07 lakhs in 1962. A sum of Rs. 57,349 has been written back,

being excess provision made for bonus for 1962. The directors have set aside Rs. 15,000 (the same) for donation to Rangaswamy Educational Trust. Preference and equity dividends absorb Rs. 4.66 lakhs. After making certain adjustments, there remains a balance of Rs. 2,240 to be carried forward, against Rs. 4,998 brought in. The Company's new unit in Karamdai is getting ready for commissioning. The waste spinning plant has been erected and it is likely to be commissioned shortly.

Coimbatore Pioneer Pays the Same

IN spite of a decline in the net profit for the year ended December 1963, the directors of the Coimbatore Pioneer Mills have repeated the dividend of 15 percent. The net profit before taxation for the year amounts to Rs. 10,36,921, after providing Rs. 7,41,866 for depreciation and Rs. 2,10,071 for development rebate reserve. This compares with the previous year's profit of Rs. 16,42,150, after providing Rs. 6,48,447 for depreciation and Rs. 1,34,862 for development rebate reserve. With the amount of Rs. 615 brought forward from the previous year, the total surplus comes to Rs. 10,37,536. Out of this, the provision for taxation comes to Rs. 1,59,000 (against Rs. 8,76,000). The dividend at 8.45 percent on preference shares amounts to Rs. 8,450. A sum of Rs. 3,90,000 is transferred to general reserve (against Rs. 35,000). Provision for dividend tax amounts to Rs. 33,425. The proposed dividend at 15 percent on ordinary shares will absorb Rs. 4,45,665. The balance of Rs. 996 is carried forward. Sales amounted to Rs. 1,64,28,636 (against Rs. 1,61,25,520).

Tropical Plantations Repeats

THE directors of the Tropical Plantations Ltd have repeated the dividend of 8 percent for the year ended December 1963, which is the same as with previous years. The net after-tax profit for the year amounts to Rs. 2,50,474.76 after providing Rs. 53,324 for depreciation, and Rs. 2,06,000 for taxation, compared with the previous year's net profit of Rs. 2,00,691, after providing Rs. 49,002 for depreciation and Rs. 2,28,400 for taxation. With the amount of Rs. 14,062.15 brought forward from the previous year, and with Rs. 21,509.05 being excess provision written back, the total available for appropriation comes to Rs. 2,86,045.96.

Out of this, development rebate reserve gets Rs. 3,600 (against nil). Development reserve gets Rs. 50,000 (against nil) and Rs. 60,000 is transferred to general reserve (against Rs. 40,000). The proposed dividend at 8 percent will absorb Rs. 1,60,000. The balance of Rs. 12,445.96 is carried forward. The tea crop for the year amounted to 232,801 kilograms. The average price realised amounted to Rs. 2.99 a kilogram.

Madras Aluminium Makes Profit

THE possibility of starting production by the end of 1964, and a rise of about Rs. 2 crores in the cost of the scheme due to a reassessment of cost by the Industrial Finance Corporation of India, are the features of the directors' report of the Madras Aluminium Co. Ltd for the year ended December 1963. The Company has

earned a net profit of Rs. 55,387.24, after covering the loss in mining operations and trading of Rs. 1,46,999.84. This compares with the previous year's net loss of Rs. 56,125. The profit for the year has been possible, as the Company was able to earn substantial interest on call deposits, and by investment of funds not immediately required for the purpose of the Company's business. After providing Rs. 1,08,843 for income tax for the year ended December 1962, the loss carried forward to next year amounts to Rs. 13,455.76.

The report says that the local fabrication of indigenous machinery is in progress, and this is expected to be completed within the scheduled time. As for foreign machinery, some shipments have been received, and the bulk of the shipments are expected to be received during May-June 1964. The directors are hopeful that production can be started by the end of 1964. The erection of imported machinery including those produced indigenously, is in progress. All major civil constructions including railway sidings have been completed. The Company has approached the Industrial Finance Corporation of India for a loan of Rs. 1 crore, and the Punjab National Bank for a loan of Rs. 1 crore. The report says that after the factory goes into production, it is expected that the cash resources made available by the provision of depreciation, development rebate and tax holiday, will be more than sufficient to meet all the commitments including the Rs. 2-crore loans noted above.

As for expansion, the directors say that the Company has already applied to the Government of India for a licence to expand its smelter capacity from 10,444 tonnes to 20,000 tonnes of aluminium ingots and alloys, and its fabrication capacity from 7,500 tonnes to 15,000 tonnes a year. The Company has already been granted an industrial licence for the manufacture of 3,000 tonnes of E.C. grade wire rods. It has also obtained permission from the Government to import a proper plant to produce rods. Steps are being taken to get foreign exchange for the import of this plant, so that it may start production of rods simultaneously with the manufacture of ingots. The Government of India has also issued an industrial licence to the Company for manufacturing 3,500 tonnes of aluminium rolled products and 1,000 tonnes of aluminium extensions a year.

Steel Containers Cuts Dividend

STEEL Containers Ltd has reduced the taxable ordinary dividend from 20 percent to 17½ percent for the year ended December 1963. The yield amounts to 6.2 percent at the present price of Rs. 28.12 a share of Rs. 10

each. The profit has amounted to Rs. 5.43 lakhs, against Rs. 5.84 lakhs for 1962, after providing Rs. 43,791 (against Rs. 38,434) for depreciation and Rs. 8.21 lakhs (against Rs. 14.88 lakhs) for taxation. Development rebate reserve is allocated Rs. 53,120 (against Rs. 575), general reserve Rs. 1.45 lakhs (against Rs. 1.81 lakhs) and replacement reserve Rs. 1 lakh (against Rs. 2 lakhs). Sales declined from Rs. 1.14 crores to Rs. 94.22 lakhs. Production has been restricted by the shortage of steel sheets.

Bharat Suryodaya Issues Rights

BHARAT Suryodaya Mills of Ahmedabad has maintained the dividend for 1963 at Rs. 12 a share and the directors have also announced the issue of rights shares at par in the proportion of one right share for every four held. The Rs. 100-paid share of the Company is currently quoted around Rs. 165. The Company's working results for 1963 show an appreciable improvement over the previous year's performance. Sales have increased by 18 percent from Rs. 1.48 crores to Rs. 1.75 crores, and the gross profit has shot up by about 67 percent from Rs. 7.74 lakhs to Rs. 12.94 lakhs. From the year's gross profit, the directors have provided Rs. 72,000 for export penalty for 1962 and Rs. 1 lakh for bonus for 1963. The other appropriations include depreciation Rs. 23,000, statutory development rebate Rs. 65,000, taxation Rs. 2.05 lakhs, general reserve Rs. 2 lakhs and donation Rs. 16,000. The proposed dividends are to be paid out of the general reserve.

Prospects for Prabhat Udyog

IN spite of a labour strike for about eight months, Prabhat Udyog showed fairly encouraging results for the year ended August 1963. Its sales amounted to Rs. 82.16 lakhs on which it made a gross profit of Rs. 10.65 lakhs and declared a maiden dividend of 6 percent. And from what the chairman, Mr. Pratapsingh Shoorji Vallabhdas, stated at the Company's annual meeting on 25th April, the shareholders can look forward to better results for the current year. The labour trouble is over and with a view to achieving production, steps are being taken to introduce an incentive bonus scheme. Production during the current year so far has already shown some improvement over the previous year. The chairman said that the quotas for some of the principal items of raw materials were inadequate, but efforts were being made to get these quotas enhanced.

Meanwhile, the present shortfall was being met by purchases from the local market. In spite of still

competition from other manufacturers, there has been an improvement in the Company's sales this year, indicating the popularity of its products. Sales during 1963-64 are expected to rise to around Rs. 90 lakhs. The Company has plans for expansion. The foreign collaborators have submitted their report which is being examined by the board. As for overseas business, the chairman stated that the Company had recently executed orders received from Africa, Middle East and Far East countries and he expressed the view that the company would be able to develop a good market for its products in these regions. The Rs. 100-paid share of Prabhat Udyog are currently available around Rs. 72.

Cawnpore Sugar Passes Dividend

CAWNPORE Sugar Works Ltd has again incurred a loss of Rs. 16.69 lakhs for the year ended October 1963, compared with one of Rs. 21.74 lakhs for 1961-62, after providing Rs. 7.43 lakhs (against Rs. 7.25 lakhs) for depreciation, Rs. 3.71 lakhs (against Rs. 1.36 lakhs) for development rebate reserve and Rs. 2,000 (against Rs. 6,500) for agricultural tax. After bringing in a loss of Rs. 25.45 lakhs, a debit balance of Rs. 42.64 lakhs has been carried forward. The dividend has been passed. The directors say that the prolonged crushing season has contributed to the unsatisfactory results. There was a shortage of cane supplies. The first phase of the rehabilitation and modernisation programme for the factories in Marhowrah, Padrauna and Kathkuian has been implemented. So the working efficiency of these factories has improved during the 1963-64 season. Steps have been taken to develop sugarcane cultivation.

Borosil Glass Shows Good Progress

THE shareholders of Borosil Glass Works have no reason to feel disappointed over the Company's decision to skip the dividend for 1963. The working of the Company's Andheri plant (belonging to Industrial Engineering and Appliances Co. Private Ltd which has been merged with Borosil Glass) has been much better than in the previous year, but the dividend has had to be skipped because the new Company needs to conserve its resources for its Marol project. The Company's accounts covering the period, 14th December, 1962 to 31st December, 1963, reflect the working of the Andheri plant and the capital expenditure on the new project in Marol. The Company's turnover, after deducting Rs. 5.12 lakhs for excise duty, amounts to Rs. 39.46 lakhs which is nearly 15 percent higher than the previous year's figure. Operations of the Andheri plant have resulted in a pre-tax profit of Rs. 8.67 lakhs, against Rs. 7.50 lakhs in 1962.

The profit has been arrived at after transferring Rs. 4.26 lakhs to unallocated capital expenditure, and providing Rs. 2.32 lakhs for depreciation and Rs. 6,790 for development rebate. The directors have provided Rs. 4.90 lakhs for taxation and have transferred Rs. 1.53 lakhs to adjustment on amalgamation. The surplus of Rs. 2.23 lakhs has been ploughed back. Construction work on the new project in Marol, it is said, has reached an advanced stage and the major portion of machinery and equipment has been received. The directors expect the new plant to commence production in the last quarter of the current year.

Indigenous capital expenditure of this project is being financed princi-

pally from the funds raised by the issue of share capital last year. The Company has also been granted an eight-year loan of Rs. 71 lakhs by the Agency for International Development. Till the funds from A.I.D. become available, cash credit arrangements for Rs. 25 lakhs have been made with the First National City Bank, Bombay. During the current year, equity shares worth Rs. 40 lakhs have been allotted to Corning Glass Works, U.S.A., against the supply of machinery and equipment in terms of the technical collaboration agreement. In his statement, the chairman, Mr. G. W. Franks, says that the production of the Andheri plant represents only a fraction of the countrywide demand for the Borosil products, and this is evident from the fact that the imports of special type of glassware which are to be manufactured by the Company were of the order of Rs. 1.4 crores in the first ten months of 1963-64. These imports took place in spite of foreign exchange scarcity. The management is confident about a ready market for the Company's products. The Rs. 10-paid share of Borosil Glass is quoted around Rs. 11.36.

Cawnpore Textiles Disappoints

CAWNPORE Textiles reports poor results for 1963. Whereas sales are up by nearly 7.7 percent from Rs. 1.735 crores to Rs. 1.869 crores, the gross profit has fallen by 8.4 percent from Rs. 19.16 lakhs to Rs. 17.55 lakhs. The profit margin has been squeezed by the all-round rise in production costs without any increase in cloth prices. Allocations include depreciation Rs. 4.64 lakhs (against Rs. 4.30 lakhs), development rebate Rs. 1.99 lakhs (against Rs. 75,750), taxation Rs. 5.33 lakhs (against Rs. 7.08 lakhs) and general reserve Rs. 5.20 lakhs (against Rs. 3 lakhs). The dividend has been maintained at 10 percent—50p a share it will absorb Rs. 3 lakhs and will be paid out of the general reserve. The Company earned Rs. 6.11 lakhs (against Rs. 8.84 lakhs) by way of premium on cotton entitlements under the export promotion scheme. Implementation of the programme of renovation and modernisation is in progress.

The Company has received an industrial licence for the installation of additional 12,500 spindles, and the work in this connection has been taken in hand. Under the general permission given by the Government to all textile units to install additional spindles to the extent of 7½ percent of their existing total spindleage, the Company is entitled to install a further 2,205 spindles. It has a paid-up capital of Rs. 30 lakhs, which is supported by reserves and surplus amounting to Rs. 65.7 lakhs.

EXHIBITION OF TESTING MACHINES

An exhibition of material testing equipment manufactured in East Germany was organised in Calcutta last week by the Blue Star Engineering Company (Calcutta). Testing machines for use in metal, textile, paper, cellulose, rubber, plastic and construction industries were displayed. With the growth of industry and technology, testing procedures and methods have become exacting. This has necessitated the use of high precision instruments. Factories now have to be equipped with modern testing machines to examine the quality and standards of raw materials, industrial components and finished products. It is only through such rigorous instrumental testing of the inputs that the quality of the final product can be assured.

The Stock Markets

SHARES DROP FURTHER: A.I.C.C. DISCUSSIONS INDUCE CAUTION

Tuesday Evening.

THE Calcutta stock market has closed in a subdued mood. Not only has turnover shrunk considerably during the past week, but share prices have also dropped further. Business is confined to clearing shares. Although turnover in cash shares is negligible, their prices have declined due to the absence of buyers. The clearing took place on Tuesday since the working on Wednesday may be interrupted by the *hartal*. Carry-forward charges are smaller than those in the past settlement, but operators are unimpressed.

Lyons Range has taken a cautious view since speakers at the A.I.C.C. meeting in Bombay have again referred to the question of bank nationalisation. Although no decision has been taken on the Dhebar Committee's report on socialism and democracy, it is feared that the Government's economic policy may drift increasingly towards socialism. Meanwhile there is an inclination to await the Government's move to relax the margins on trading in the stock markets. For the time being, brokers are worried by the lack of business. Except for business of a jobbing nature, there is very little trading.

Indian Iron have retreated on tired bull liquidation, combined with pressure from bears. Engineering shares are quoted at lower prices. In the miscellaneous section, attention centres on clearing scrip, but their prices have declined. New shares, in particular, have suffered heavily. Phillips Carbon have nose-dived on incurring a substantial loss. Managing agency shares are weak on a predominance of sellers. Stray business has been transacted in electric company shares. Bank shares are neglected. In paper shares, Orient have lost on profit-taking. Seshasayee, Titagur and Bengal Paper have declined. Sugar shares are difficult to transact in the absence of buyers.

Interest in jute shares has declined appreciably. Prices of selected scrip like Birla, Kinnison and Champdany have dropped. Coal shares are subdued and their prices have fallen on a predominance of sellers. Stray business has been transacted in cotton mill shares at lower prices. A few transactions have taken place in tea shares.

Government securities are steady partly due to the support from the Reserve Bank and partly because of strong enquiries from banks for short-dated stocks. Medium-dated loans are about steady. The 3 percent Conversion Loan 1986 has improved further to Rs. 63.75.

Bombay

SMALL TURNOVER IN DALAL STREET DECISION ON MARGINS AWAITED

Tuesday Evening.

THE Bombay stock market has been dull during the past week. Share prices have fluctuated narrowly in restricted turnover. Operators are reluctant to extend their commitments either way due to various un-

certainties. Bulls are inclined to take their profits at every bulge.

Dalal Street is inclined to await the Government's decision on liberalising margin restrictions. The A.I.C.C. debate on the Dhebar Committee's report on socialism and democracy has given rise to fresh uncertainties. Concern is felt since the question of bank nationalisation has been raised again.

Tata Steel ordinary have closed around Rs. 147.50. Among engineering shares, Tata Engineering are depressed due to rumours of a cut in the dividend. Alcock Ashdown, Premier Construction and Larsen and Toubro have moved narrowly. Among motor-vehicle shares, Hindustan Motors have dropped on profit-taking, while Premier Automobiles are sluggish.

Turnover in cotton mill shares has declined appreciably. Attention centres on Century which have fluctuated both ways. Bombay Dyeing, Kohinoor, Swadeshi, Standard, Morarjee and Gokak have been more or less maintained. Business in miscellaneous shares has been small. Sugar shares are neglected. In cement shares, Digvijay are about steady since the Company may diversify its activities. Among mining shares, B.B. Petrol have gained, while Shivrajpur Syndicate have been weaker. Among steamship company shares, Scindia Steam have dropped on profit-taking. Chemical shares are quiet. Tata Chemical and Indian Dye stuff have declined. Interest in rayon shares is negligible, and National Rayon have been quoted at lower prices. Voltas are about steady, but Tata Oil have weakened.

Bank shares are neglected. Stray business has been transacted in Central Bank and Bank of India. In electric companies, Ahmedabad and Tata Hydro have changed hands.

Madras

SHORTAGE OF FUNDS WORRIES MARKET TURNOVER DECLINES CONSIDERABLY

Tuesday Evening.

QUITE conditions have prevailed in the Madras stock market during the past week due to the lack of support from outside centres. The earlier steadiness was temporary since operators and investors are worried over the growing shortage of funds. The A.I.C.C. debate on socialism and democracy has called for caution. There is some concern about the Prime Minister's health.

Turnover in clearing and cash scrip has declined considerably. Government securities are dull, although selected State Government loans have met with scattered support. Although interest is shown in good preference shares, business has been small due to the shortage of declared sellers. Electric shares are sluggish, and South Madras have come to hand at Rs. 11.10. Business in West Coast has been transacted around Rs. 13.50. Sugar shares are depressed, and Deccan have lost at Rs. 11.52. E.I.D. have been barely steady at Rs. 35.50

and Cauvery have been freely available at Rs. 100. Andhra have been quoted at Rs. 13.79 and Jeypore at Rs. 16.50.

Turnover in planting shares has dropped, although the prices of selected scrip have been about steady. Blue Mountain have changed hands at Rs. 2.37 and Cochin Malabar at Rs. 6.45. Consolidated Coffee have come to hand at Rs. 22 and Ouchterlony at Rs. 3.55. Periakaramalai have been done at Rs. 3.46. In tea shares, Kalasa have been taken at Rs. 4.10 on declaring an interim taxable ordinary dividend of 7½ percent. Non-such have attracted attention at Rs. 22.20, Parkside at Rs. 25.73 and Peermade at Rs. 21.25. In coffee shares, Lingapur have been steady at Rs. 5.25 on declaring an interim taxable ordinary dividend of 5 percent. Ossoor have been bought at Rs. 2.56, Rajendra at Rs. 10.42 and Swinton at Rs. 2.68.

Textile shares are depressed, and South India Viscose have dipped to Rs. 119. Travancore Rayon have been available at Rs. 21.90 due to the cut in the dividend. Lakshmi have weakened to Rs. 131 and Madura to Rs. 33.10. Vijayakumar have been transacted at Rs. 115 since the Company proposes to reorganise its capital structure. Vijayeswari have been done at Rs. 112 on declaring a taxable ordinary dividend of 10 percent. Buckingham have been softer at Rs. 270 and Bangalore Woollen at Rs. 252. Kadri have come to hand at Rs. 127.40 on declaring a taxable ordinary dividend of 9 percent.

Miscellaneous shares are easier in sympathy with the general trend. Ashok Leyland have dropped to Rs. 6.98, while Aluminium Industries have been steady around Rs. 20.15. In cement shares, Dalmia have been bought at Rs. 13.15 and India Cement at Rs. 5.52. Mettur Chemical have fluctuated around Rs. 13.30. Seshasayee Paper have dropped to Rs. 7.45 and Tube Investment to Rs. 201. Tubes and Malleables have been quoted at Rs. 10.45. The Company has called a general meeting to consider the offer of 56,600 ordinary shares of Rs. 10 each in Tubes and Malleables for every two shares of Rs. 10 each in Tube Suppliers Ltd. The latter scrip have been quoted at Rs. 10. Parry's Confectionery have weakened to Rs. 3 and Madras Rubber to Rs. 13.03.

THE WEEK'S TRANSACTIONS

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

CLEARED SECURITIES

Birla Jute—Rs. 30/00—30/19—29/50—30/06—(28/75).
Dunlop Rubber—Rs. 34/00—34/12—33/50—33/75—(32/44).
Guest, Keen, Williams—Rs. 24/00—24/06—23/69—23/69—(33/75).
Hindustan Motor—Rs. 18/25—18/28—18/00—18/09—(16/84).
Howrah Jute—Rs. 15/44—15/50—15/44—13/44—(19/50).

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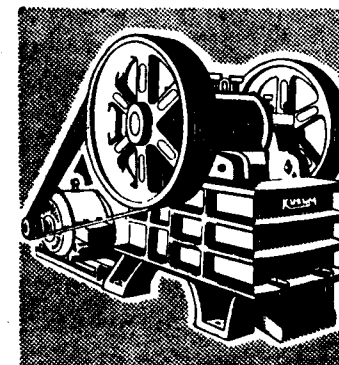
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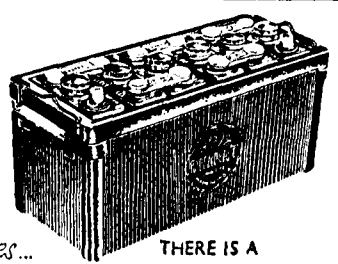
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The automobile industry is currently contributing some 260 crores of rupees yearly to the national exchequer—towards the funds required for providing the nation with free education and medical aid, better housing and cheaper electric power, more irrigation works, greater agricultural production and a host of other public needs.

In the price structure of the Hindustan Ambassador, for instance, the Government's share constitutes about 33% of the total "on the road" price of the car in Calcutta (or 5140 rupees per vehicle).

Besides the automobile manufacturers, the producers of tyres, batteries, oil and a great many other suppliers all contribute their share in the form of taxes, duties and other fees. The ancillary industries which supply a large portion of the requirements of components of motor vehicles constitute another rich source of revenue to the Government. Cars like the Hindustan Ambassador today utilise more than 80% indigenous content, of which the ancillary industries supply articles worth some 3628 rupees per car. This represents 24% of the "on the road" price of this car in Calcutta.

A further contribution to the national exchequer is provided by the income tax paid by the increasing number of employees of the automobile and allied industries.

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CAR PRICE STRUCTURE :

Government taxes, direct and indirect :	33%
Raw materials, manufacturing and overhead expenses, salaries and wages, depreciation, profit etc. :	25%
Indigenous ancillary components :	24%
Imported components :	11%
Dealer's commission including distribution, service, advertising etc. :	7%

CAPITAL, 21st May, 1964.

Indian Aluminium—Rs. 30/25—30/25—29/75—30/06—(34/44).
Indian Copper—Rs. 3/24—3/26—3/14—3/23—(3/98).
Indian Iron—Rs. 24/44—24/54—24/24—24/32—(22/48).
Indian Cable—Rs. 34/25—34/25—34/25—34/25—(31/00).
J. K. Cotton—Rs. 10/81—10/94—10/56—10/69—(13/62).
Jaipur Udyog—Rs. 11/00—11/00—10/87—11/00—(11/12).
Kesoram Industries—Rs. 25/44—25/56—25/00—25/37—(22/25).
Orient Paper—Rs. 36/15—36/15—34/40—35/60—(33/85).
Orissa Cement—Rs. 13/00—13/06—12/84—13/00—(13/87).
Rohtas Industries—Rs. 11/06—11/06—10/94—11/00—(11/12).
Sree Gopal Paper—Rs. 25/06—25/06—25/06—25/06—(23/87).
Textile Machinery—Rs. 27/60—27/60—27/30—27/45—(23/83).

GILT-EDGED

3 % Loan (1986)—Rs. 63/70—63/80—63/70—63/80.
3 % " (1970-75)—Rs. 90/50—90/53—90/47—90/53.
3 % " (1966-68)—Rs. 98/10—98/10—98/02—98/02.
3½ % " (1967)—Rs. 99/70—99/70—99/70—99/70.
3½ % " (1969)—Rs. 97/77—97/77—97/77—97/77.
3½ % " (1965)—Rs. 100/00—100/00—99/97—99/97.
3½ % " (1968)—Rs. 99/70—99/70—99/55—99/60.
4 % West Bengal (1969)—Rs. 99/35—99/35—99/35—99/35.
4 % " (1967)—Rs. 99/00—99/03—99/00—99/03.
4 % Loan (1970)—Rs. 99/00—99/00—99/00—99/00.
4 % " (1972)—Rs. 98/90—100/10—98/90—100/10.
4 % " (1969)—Rs. 99/65—99/65—99/65—99/65.
4½ % " (1972)—Rs. 100/00—100/00—100/00—100/00.
4½ % West Bengal (1974)—Rs. 99/50—99/55—99/50—99/55.
4½ % " (1970)—Rs. 98/75—98/80—98/75—98/80.
4½ % Madras (1972)—Rs. 97/90—97/90—97/90—97/90.
4½ % (1975) Orissa State Electricity Board Bonds—Rs. 96/50—96/50—96/50—96/50.
4½ % Loan (1973)—Rs. 99/85—99/90—99/85—99/90.
4½ % " (1986)—Rs. 100/00—100/03—100/00—100/03.
4½ % " (1989)—Rs. 100/05—100/20—100/05—100/20.
4½ % Andhra (1972)—Rs. 97/65—97/65—97/65—97/65.

BANK

United Bank of India (Rs. 10/- paid)—Rs. 7/31 S.T.—7/56—7/31—7/44—(7/31).

TEXTILES

Elgin—Rs. 17/94—18/00—17/94—18/00—(18/69).
Orissa Textiles—Rs. 6/56—6/94—6/50—6/87—(9/00).
Swadeshi (Pref.)—Rs. 68/75 S.T.—69/23—68/75—69/25 S.T.
Do. (P.O.)—Rs. 6/62—6/62—6/62—6/62—(7/03).

COALS

Burrakur (1st Pref.)—Rs. 99/00—99/00—99/00—99/00.
Karanpura Collieries—Rs. 11/75—11/75—11/75—11/75—(16/75).
New Beerbhoom—Rs. 15/44—15/56—15/44—15/56—(19/37).
New Manbhoom—Rs. 11/50—11/50—11/50—11/50—(16/00).
Sree Mahakali—Rs. 3/50—3/50—3/50—3/50—3/50.

JUTES

Agarpara—Rs. 9/00—9/00—8/87—8/87—(10/81).
Auckland (2nd Pref.)—Rs. 58/00—58/50—58/00—58/50.
Barnagore—Rs. 218/00 S.T.—220/00—218/00—220/00—(190/00).
Chitavalsah—Rs. 8/37—8/37—7/94—7/94—(10/75).
Champdany—Rs. 22/00—22/25—21/87—22/06—(24/00).
Fort William—Rs. 22/12—22/19—22/12—22/19.
Ganges—Rs. 13/12—13/37—13/12—13/37—(13/37).
Hooghly (Pref.)—Rs. 12/25—12/25—12/25—12/25.
Lansdowne—Rs. 93/50—94/00—93/50—94/00—(84/50).
Do. (Pref.)—Rs. 86/00—86/00—86/00—86/00.

CAPITAL, 21st May, 1964.

Megna—Rs. 11/69—11/75—11/69—11/75—(13/31).
Nuddea—Rs. 53/00—53/00—53/00—53/00—(55/25).
Naihati—Rs. 95/00—95/00—95/00—95/00—(81/00).
Nellimarla—Rs. 8/31—8/31—8/00—8/25—(11/50).
New Central—Rs. 10/62 S.T.—11/00—10/62—10/94—(12/62).
Do. (Pref.)—Rs. 91/00—91/00—91/00—91/00.
Presidency—Rs. 4/31—4/37—4/25—4/25—(5/19).

MINING

Metal Corporation—Rs. 6/75—6/81—6/62—6/69—(7/87).

CEMENTS

Bengal Potteries—Rs. 4/90—4/90—4/90—4/90—(5/06).
Dalmia (Bhara)—Rs. 13/31—13/44—13/25—13/44—(13/12).
Sone Valley—Rs. 4/16—4/16—4/06—4/16—(4/69).

CHEMICALS

Alkali & Chemical—Rs. 27/50—27/50—27/00—27/25—(33/19).
Bengal—Rs. 97/00—97/00—97/00—97/00.
Do. (4½% Pref.)—Rs. 60/00—60/00—60/00—60/00.
Chemicals & Fibres—Rs. 12/19—12/25—11/75—11/84.

PUBLIC UTILITY

Calcutta—Rs. 14/12—14/12—14/12—14/12—(14/25).

ENGINEERINGS

Bharat Ball Bearing—Rs. 12/06—12/19—11/87—12/00.
Bhartia Electric Steel—Rs. 14/25—14/25—14/06—14/25—(14/50).
Britannia Eng.—Rs. 9/81—10/00—9/81—9/87—(10/62).
Braithwaite & Co.—Rs. 32/50—32/50—32/50—32/50—(28/00).
Do. (Pref.)—Rs. 106/00—106/00—106/00—106/00.
Binani Metal—Rs. 12/62—12/62—12/62—12/62.
Calcutta Steel—Rs. 15/00—15/00—14/50—14/56—(13/25).
Dalmia Iron—Rs. 10/94—10/94—10/84—10/84—(9/69).
Escorts—Rs. 17/50—17/91—17/50—17/70.
Indian Iron (Pref.)—Rs. 80/50—80/50—80/50—80/50.
Indian Standard Wagon—Rs. 34/44—34/44—34/44—34/44—(28/87).
Jay Eng.—Rs. 18/94—18/94—18/94—18/94—(21/75).
J. K. Steel—Rs. 14/94—14/94—14/87—14/87—(15/00).
Kumardhubi—Rs. 5/62—5/69—5/62—5/62—(8/00).
Marshalls—Rs. 3/06—3/12—3/06—3/12—(2/81).
Textile Machinery (6½% Pref.)—Rs. 106/00—106/00—106/00—106/00.

INSURANCES

New Asiatic—Rs. 6/75—6/94—6/75—6/94.
Ruby General—Rs. 10/62—10/62—10/62—10/62—(9/37).

MISCELLANEOUS

Aluminium Corpn.—Rs. 11/81—12/00—11/81—11/81—(12/87).
Angelo Brothers—Rs. 23/12—23/44—23/12—23/44—(21/44).
Asian Refractories—Rs. 11/12—11/25—11/12—11/25.
Asiatic Oxygen—Rs. 10/37—10/50—9/87—9/87.
American Refrigerators—Rs. 7/12—7/19—7/12—7/19.
Bharat Nidhi—Rs. 5/69—5/69—5/69—5/69.
Britannia Biscuits—Rs. 38/00—38/00—38/00—38/00—(41/62).
B. I. Corpn.—Rs. 9/56—9/62—9/56—9/62—(8/81).
Clive Row Investments—Rs. 8/44—8/44—8/37—8/44—(8/40).
East Anglia Plastics—Rs. 6/53—6/53—6/37—6/50.
Electric Construction—Rs. 12/62—12/81—12/62—12/81—(13/00).
Goodyear India—Rs. 22/00—22/06—21/56—21/69.
Gwalior Rayon—Rs. 36/44—36/44—36/44—36/44.
Hindustan Aluminium—Rs. 12/31—12/62—12/31—12/37—(12/75).
9/31—(10/82).
Indian Forge & Drop Stamping—Rs. 6/94—6/94—6/87—6/87.

Indian Rubber Mfg.—Rs. 21/62—21/62—21/62—21/62—(19/87).
Isaac Holdens (New)—Rs. 12/25—12/25—12/25—12/25.
Jardine Henderson—Rs. 73/25—73/50—72/00—72/00—(86/00).
Jayshree Industries—Rs. 14/25—14/41—14/25—14/41—(16/06).
J. K. Synthetics—Rs. 11/50—11/56—11/31—11/44—(10/81).
Martin Burn—Rs. 26/19—26/25—26/19—26/25.
Metal Box—Rs. 30/37—30/62—30/37—30/62—(49/87).
Metal Distributors—Rs. 3/62—3/94—3/62—3/94.
National Rolling & Steel Ropes—Rs. 18/50—18/50—18/50—18/50—(18/87).
National Insulated Cable—Rs. 22/50—22/50—22/31—22/31—(24/62).
National Pipes & Tubes—Rs. 25/87—26/06—25/87—26/06—(27/25).
National St. Duncan—Rs. 73/00—73/50—73/00—73/50.
National Tobacco—Rs. 11/25—11/25—11/06—11/06—(11/75).
Philips India—Rs. 28/00—28/00—28/00—28/00—(25/87).
Philips Carbon—Rs. 10/94—11/00—10/37—10/37.
Rallis India—Rs. 117/00—118/00—117/00—118/00—(117/50).
Shaw Wallace—Rs. 15/56—15/62—15/56—15/62—(14/75).
Sirsil—Rs. 7/69—7/69—7/56—7/62—(9/19).
Union Carbide—Rs. 31/00 c.t.—31/00—30/25 x.d.—30/25 x.d.—(38/50).
Do. (New)—Rs. 31/00—31/00—31/00—31/00.
Universal Electrics—Rs. 7/25—7/31—7/25—7/31.
Walford Transport (P.O.)—Rs. 2/91—2/94—2/87—2/94—(2/37).

PAPERS

Bengal—Rs. 27/37—27/37—27/37—27/37—(29/37).
India Paper Pulp—Rs. 19/50—19/56—19/44—19/44—(17/44).
Orient (2nd Pref.)—Rs. 61/00—61/50—61/00—61/50.
Seshasayee—Rs. 7/25—7/31—7/06—7/19.
Sirpur—Rs. 11/31—11/31—11/19—11/19—(11/81).
Straw Products—Rs. 9/25—9/25—9/25—9/25.
Titagur—Rs. 14/00—14/25—14/00—14/19—(16/75).

SAW MILL

Assam Saws—Rs. 2/69—2/69—2/69—2/69—(2/50).

OIL

Indo-Burma Petroleum—Rs. 21/62—21/62—21/62—21/62—(23/00).

SHIPPINGS

India Steamship—Rs. 6/37—6/44—6/37—6/44—(6/50).
Port Shipping—Rs. 14/25—14/25—14/25—14/25—(12/44).

SUGARS

Carew & Co.—Rs. 12/19—12/19—12/12—12/19—(12/50).
New Saran—Rs. 3/62—3/62—3/62—3/62—(3/62).
Ryam (8% Pref.)—Rs. 7/00—7/00—7/00—7/00.
Raza Buland—Rs. 9/94—9/94—9/81—9/87—(9/31).
Shree Krishna Gyanoday—Rs. 7/87—7/87—7/87—7/87—(7/00).
Tulsipur—Rs. 4/12—4/25—4/12—4/25.

TEAS

Atal—Rs. 5/44—5/44—5/31—5/37—(8/75).
Do. (Pref.)—Rs. 3/12—3/25—3/12—3/25.
Dauracherra—Rs. 12/12—12/12—12/00—12/00—(7/56).
Grob—Rs. 6/12—6/12—6/12—6/12—(9/00).
Killcott—Rs. 15/12—15/25—15/12—15/25—(16/25).
Nagri Farm—Rs. 29/81—29/87—29/81—29/87—(27/00).
New Terai—Rs. 20/50—20/50—20/50—20/50.
Rajgarh—Rs. 18/50—18/56—18/50—18/56—(21/37).
Teliapara—Rs. 96/00—97/00—96/00—97/00—(99/00).
Tukvar—Rs. 3/75—3/75—3/75—3/75—(7/12).

London

OPERATORS CHEERED BY ELECTION NEWS

LEADING INDUSTRIALS HIGHER

London, 20th May.

THE by-election results brought a turn-round in the stock market when the new account opened last Friday. Prior to this, the market had drifted lower in unsettled conditions, and at one time, showed fairly widespread losses. The "little elections" news was, from the Government's point of view, considerably better than had been feared, and brought buyers back into the market. The better tendency was maintained after the holiday week-end, but not expectedly, business failed to record any expansion. Leading industrials moved ahead strongly after the election results and often showed gains on balance. Rolls Royce were an outstanding feature, following their excellent results while Hawkers moved up for a similar reason. Company announcements continued to play a large part elsewhere. Marks and Spencer dipped on some disappointment with their statement and lost further ground later on adverse comment. Gilt-edged attracted a small demand, and recorded modest gains, but the new Liverpool 5½ percent stock, which was comparably oversubscribed, opened at a small discount. Greek bonds attracted support from time to time. Dollar stocks fluctuated with Wall Street. Interest in mining sections was at a low level, and prices for the most part drifted lower. In oils, Shell last ground following the quarterly report. Teas were often lower following disappointing dividend statements, while rubbers fell back on news of the Indonesian takeover of a British-owned estate.

BOOKS RECEIVED :

Industrial Finance in India. By P. C. Jain. (Published by S. M. Suneja for Suneja Book Centre, 24/90 Connaught Circus, New Delhi 1. Price Rs. 9.50, pages 338.)

Productivity and Economic Growth. By Kedar Sangha. (Published by P. S. Jayasinghe, Asia Publishing House, Calicut Street, Ballard Estate, Bombay 1. Price Rs. 14, pages 117.)

Scotland in Modern Times. By W. H. Marwick. (Published by Frank Cass and Co. Ltd, 10 Woburn Walk, London, W.C.1. Review copy received from Rupa and Co., 15 Bankim Chatterjee Street, Calcutta 12. Price 30s, pages 209.)

The Law Relating to Bankers' Letters of Credit. By B. C. Mitra. (Published by B. N. Mathur, The Indian Press (Publishers) Private Ltd, Allahabad. Price Rs. 22, pages 274.)

International Currency Plans and Expansion of World Trade. By K. Venkatagiri Gowda. (Published by P. S. Jayasinghe, Asia Publishing House, Calicut Street, Ballard Estate, Bombay 1. Price Rs. 18, pages 216.)

The European Community: A New Path to Peaceful Union. By Walter Hallstein. (Published by P. S. Jayasinghe, Asia Publishing House, Calicut Street, Ballard Estate, Bombay 1. Price Rs. 12, pages 68.)

Admars Annual Number, 1964. (Edited and published by V. Achuthan on behalf of the Admars Co., 6/174 Mahalakshmi Building, Sir Bhalchandra Road, Dadar, Bombay 14. Price Rs. 10, pages 274.)

THE RESERVE BANK REVIEWS PROGRESS IN BANKING

(BY A SPECIAL CORRESPONDENT)

The Reserve Bank's latest review of banking progress maintains its tradition as a dull narration of well-known facts. The size of the report has been reduced, so it does not adequately cover such important subjects as the future rôle of small banks, the branch expansion programme or the defects revealed in the course of inspection of commercial banks.

IT is a statutory obligation for the Reserve Bank to present a review of banking conditions each year. Such reports appear at the end of the busy season, but they contain a review of only the calendar year. At one time, the Reserve Bank used to give a perspective chapter, but now this has been dropped presumably because of the danger of the assessment becoming inaccurate with the

swift changes in events. As a result, the review has become a dull narration of well-known facts in the familiar officialise style.

The most distinctive characteristic of the latest review is its diminutive size. This could mean that the Bank is anxious to conceal from the public as much as possible about the results of its policies. Even a thorough

scrutiny of the report does not indicate what the Reserve Bank's policy is on the future rôle of small banks. The defects revealed in the inspection of banks are likewise concealed. When the Reserve Bank will issue licences to a large number of unlicensed banks—there remained 194 unlicensed ones at the end of 1963—has not been indicated. The report also does not adequately dis-

CAPITAL, 21st May, 1964.

cuss the branch expansion programme of banks. It should have been made clear how the Reserve Bank is going to ensure the spread of banking facilities to the unbanked towns.

The Liquidity Ratio

The liquidity position of several scheduled banks does not seem to be satisfactory. There were 16 scheduled banks out of 79 which had a ratio below the 28 percent which will become effective from 16th September, 1964. Apart from suggesting that certain banks should take steps to correct their over-extended position, the Reserve Bank has not done anything to ensure that there is an improvement in the liquidity of commercial banks.

The report shows that the Reserve Bank has been indecisive in pursuing its credit policies. For instance, the past year started with a rise in Bank rate and a policy of credit restraint. In the slack season of 1963, the Bank discovered that there was an "unusually large contraction" of credit. The accretion of deposits in the slack season was satisfactory. Side by side, the economy developed considerable sluggishness. As industrial production was rising, the Bank should have seen that the slack in the economy was due to the failure of agriculture. But it created a "psychology geared to expansion."

Half-way through the busy season, say, by mid-March 1964, the Bank discovered that bank credit was expanding at twice the rate of the preceding busy season and hastened to put the credit policy in reverse gear. That it has not succeeded in restraining credit expansion is evident from the increase in credit even in the last week of April. Banks' client have been left with the feeling that with the unpredictable policies of the Reserve Bank, it is difficult to plan their requirements from bank intelligently.

Right Approach

The Reserve Bank has been at pains to prove that it has succeeded in placing the banking system on a sound footing. This is a right approach in the context of the clamour for bank nationalisation. During 1963, deposits recorded a rise of Rs. 283 crores or 14 percent, compared with 13 percent in 1962. The rise in the investment portfolio of banks has been higher at Rs. 161 crores in 1963. The accretion to owned funds in 1963 was Rs. 4.4 crores, against Rs. 2.1 crores in 1962. The liquidity ratio of the banking system, excluding the State Bank, was restored to 33.3 percent at the end of 1963. Against this, banks are required to adhere to the enhanced liquidity ratio (28 percent) from only 16th September, 1964. A record number of offices were opened by scheduled banks during 1963 and the total number of six offices of scheduled and non-scheduled banks was around 5,500 at the close of the year.

Furthermore, the Reserve Bank made some progress in weeding out unsound banks. It undertook inspection on a large scale to instil confidence in depositors. The Deposit Insurance Corporation did useful work. The Credit Information Bureau functioned efficiently and tried to check "over-trading" by banks' customers by supplying them with useful information. The Bank has been cautious in using the wide powers it has been given by the Government. The Governor of the Bank made it clear on more than one occasion that these powers were a sort of "reserve" and would not be used indiscriminately.

As investments and advances were both bigger and at higher rates, banks

CAPITAL, 21st May, 1964.

were able to increase their profits during 1963. The Reserve Bank Governor hinted last March that banks should raise the rate of interest on deposits. One wishes that the Bank had outlined the various measures which the banking system should take to mobilise deposits. This is another sad but significant omission.

THE CALCUTTA MONEY MARKET

SMALL INCREASE IN ADVANCES

Wednesday, 20th May.

THERE has been a small increase in the general level of advances in the Calcutta money market during the past week. This is because the requirements of the iron, steel and engineering industries, and of the foodgrains and seeds trade, have risen. Cotton and jute advances are unchanged, but sugar credit has decreased slightly. In the interbank market, conditions are tight and the call rate has hardened to 5½ percent.

The exchange market has been moderately active, with a small supply of gunny bills and a fair number of tea bills. The demand for remittances has been moderate. In the London market, sterling has improved in relation to most of the major currencies, except the Swedish and Austrian.

DURING THE WEEK ENDED 15TH MAY, Government of India Treasury bills for Rs. 109,33,00,000 were sold in favour of the Reserve Bank.

TENDERS FOR Rs. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 19th May. The total amount offered was Rs. 2 crores. Tenders at Rs. 99.250 percent and above were accepted in full, and those at Rs. 99.245 percent were allotted 80 percent. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 3.000 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 25th May.

IT IS STATED THAT 91-DAY INTERMEDIATE Treasury bills will be sold from 20th May to 22nd May at Rs. 99.266 percent. Sales can be stopped at any time without notice if the Government thinks it necessary. These bills sold from 13th May to 16th May amounted to Rs. 3,54,25,000.

THE RETURN OF THE STATE BANK OF India for the week ended 8th May.

1964, shows a drop of Rs. 5.03 crores to Rs. 613.79 crores in total deposits. Investments in Government securities are up by Rs. 2.02 crores to Rs. 234.60 crores, while other authorised investments remain unchanged at Rs. 9.44 crores. Advances, including loans, cash credits, overdrafts and bills discounted and purchased have risen by Rs. 2.57 crores to Rs. 380.89 crores. Cash and balances are, in consequence, shown at Rs. 20.37 crores or Rs. 7.95 crores less.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 8th May, 1964, shows Demand and Time liabilities at Rs. 1,240.39 crores (Rs. 38.25 crores on account of borrowings from banks) and Rs. 1,296.57 crores (Rs. 12.20 crores), compared with Rs. 1,246.27 crores (Rs. 40.70 crores) and Rs. 1,297.03 crores (Rs. 12.45 crores), respectively, in the previous week. Cash has risen by Rs. 63 lakhs to Rs. 60.85 crores, while balances with the Reserve Bank have fallen by Rs. 6.73 crores to Rs. 80.30 crores. There is rise of Rs. 2.60 crores to Rs. 621.49 crores in investments. Advances and bills discounted at Rs. 1,871.81 crores show an increase of Rs. 6.84 crores. The ratios to total of advances and discounts are, in consequence, shown at 5.6 percent and 73.8 percent, against 5.8 percent and 73.3 percent.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 22-5-64.

Issue Date	Maturity Date	Amount (000's Rs.)	Acces. Rate
22-5-64	25-8-64	2,00.00	...
15-5-64	18-8-64	2,00.00	Rs. 3.000%
8-5-64	11-8-64	2,00.00	Rs. 3.000%
1-5-64	4-8-64	2,00.00	Rs. 3.000%
24-4-64	27-7-64	2,00.00	Rs. 3.000%
17-4-64	20-7-64	2,00.00	Rs. 3.000%
10-4-64	13-7-64	2,00.00	Rs. 3.000%
3-4-64	6-7-64	2,00.00	Rs. 3.000%
26-3-64	29-6-64	2,00.00	Rs. 2.750%
20-3-64	23-6-64	2,00.00	Rs. 2.500%
13-3-64	16-6-64	2,00.00	Rs. 2.360%
6-3-64	9-6-64	2,00.00	Rs. 2.360%
28-2-64	31-5-64	2,00.00	Rs. 2.350%

(Monthly Maturities (000's omitted))		
May, 1964	2,00.00	
June 1964	8,00.00	
July, 1964	8,00.00	
August, 1964	8,00.00	
Total	26,00.00	

CLEARING HOUSE RETURNS

Week	Calcutta	Bombay
15-5-64	86.75	1,15.79
8-5-64	94.46	1,36.44
1-5-64	1,09.44	1,14.68
24-4-64	80.06	1,08.18

FIRMS INTERESTED IN SELLING THEIR OLD OR CONDEMNED TIME RECORDING CLOCKS

MAY PLEASE WRITE TO
POST BOX NO. 100
CALCUTTA-1.

RESERVE BANK

ISSUE DEPARTMENT		Week Ended		
(In '000's of Rupees)		8-5-64	1-5-64	17-5-63
Liabilities—				
Notes & Banking Dept. ...	...	18,31.38	20,44.16	20,35.00
Notes in Circulation ...	...	25,76,90.28	25,33,42.84	23,21,95.55
Total Notes Issued ...	...	25,95,21.66	25,53,87.00	23,42,30.55
Assets—				
A. Gold Coin and Bullion ...	...	1,17,76.16	1,17,76.10	1,17,76.10
Foreign Securities ...	...	1,03,45.69	1,03,45.69	1,03,08.43
Total of A ...	...	2,21,21.79	2,21,21.79	2,22,84.53
B. Rupee Coin ...	...	1,05,25.79	1,05,25.79	1,13,02.50
Rupee Securities ...	...	22,72,36.87	22,27,39.42	20,06,43.52
Total ...	...	25,95,21.66	25,53,87.00	23,42,30.55

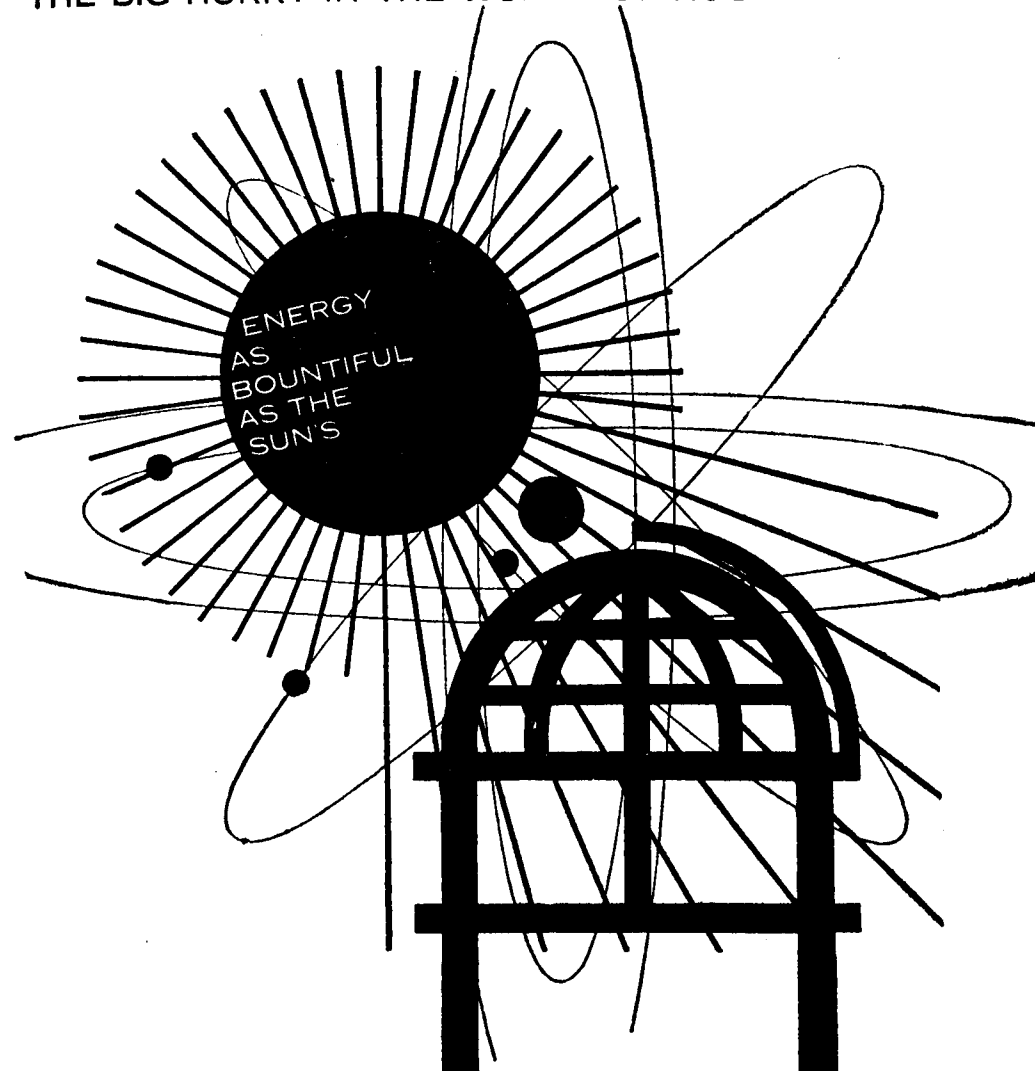
BANKING DEPARTMENT

Liabilities—		5,00.00	5,00.00	5,00.00
Capital Paid-up ...	...	80,00.00	80,00.00	80,00.00
Reserve Fund ...	...	73,00.00	73,00.00	61,00.00
National Agricultural Credit (Long Term Operations) Fund ...	...	8,00.00	8,00.00	7,00.00
Deposits—				
(a) Central Govt. ...	...	53,74.97	49,34.22	54,11.32
(2) State Govts. ...	...	21,89.50	14,22.43	12,19.38
(b) Banks—				
(i) Scheduled Banks ...	...	80,94.27	91,20.53	83,51.90
(ii) State Co-operative Banks ...	...	2,22.68	2,19.51	2,23.08
(iii) Other Banks ...	...	4.28	4.85	7.27
(c) Others ...	...	1,59,15.32	1,59,44.33	1,69,04.87
Bills Payable ...	...	36,13.13	42,93.69	29,63.61
Other Liabilities ...	...	73,68.59	74,44.44	79,79.78
Total ...	...	5,93,82.74	5,99,84.00	5,83,81.17
Assets—				
Notes ...	...	18,31.38	20,44.16	20,35.00
Rupee Coin ...	...	3.49	7.33	90
Small Coin ...	...	4.88	4.63	2.69
National Agricultural Credit (Long Term Operations) Fund				
(a) Loans and Advances to—	...			
(i) State Govts. ...	...	28,30.57	28,30.77	27,17.02
(ii) State Co-operative Banks ...	...	8,16.39	8,26.19	9,11.57
(iii) Central Land Mortgage Banks ...	...	...	...	...
(b) Investment in Central Land Mortgage Bank	...	3,59.36	3,59.36	2,84.88
National Agricultural Credit (Stabilisation) Fund				
Loans and Advances to State Co-operative Banks ...	...	...	...	...
Bills Purchased and Discounted—				
(a) Internal ...	...	...	...	...
(b) External ...	...	...	...	...
(c) Govt. Treasury Bills ...	...	59,17.77	64,93.10	56,59.39
Balances Held abroad ...	...	8,27.32	9,36.28	14,04.76
Loans and Advances to Govt. ...	...	56,57.28	74,47.90	49,21.02
Loans and Advances to—				
(i) Scheduled Banks ...	...	79,04.23	65,52.55	24,92.20
(ii) State Co-operative Banks ...	...	1,12,80.70	1,11,99.46	1,11,18.08
(iii) Others ...	...	1,81.70	1,79.25	3,28.02
Investments ...	...	1,86,25.36	1,79,70.57	2,26,84.06
Other Assets ...	...	31,41.33	31,32.42	38,21.56
Total ...	...	5,93,82.74	5,99,84.00	5,83,81.17

SCHEDULED BANKS

(In '000's of Rupees)		Week Ended		
		8-5-64	1-5-64	10-5-63
(i) Demand Liabilities—				
(a) Demand Deposits:				
(1) From Banks ...	...	67,25.10	65,19.91	49,95.26
(2) From others ...	...	10,65,24.18	10,69,60.36	8,81,13.46
(b) Borrowing from Banks ...	...	38,24.67	40,70.19	25,04.99
(c) Other ...	...	69,65.27	70,76.18	62,46.73
(ii) Time Liabilities—				
(a) Time Deposits:				
(1) From Banks ...	...	25,78.40	27,05.22	27,22.07
(2) From others ...	...	12,46,99.81	12,45,86.41	12,00,99.59
(b) Borrowing from Banks ...	...	12,19.96	12,45.20	18,21.33
(c) Other ...	...	11,59.00	11,66.02	10,48.06
(iii) Borrowing from State Bank—				
(a) Demand Liabilities ...	...	12,14.06	13,13.64	8,16.26
(b) Time Liabilities ...	...	9,85.00	11,00.00	10,06.00
(iv) Borrowing from Reserve Bank ...	...	79,01.98	83,94.51	45,82.75
(v) Cash ...	...	60,85.02	60,22.22	55,67.52
(vi) Balances with the Reserve Bank ...	...	80,29.71	87,03.33	79,91.57
(vii) Balances with other Banks in current account ...	...	21,61.33	21,29.93	19,48.16
(viii) Money at call and short notice ...	...	45,02.25	48,33.60	43,99.85
(ix) Investments in Central and State Govt. Securities ...	...	6,21,48.97	6,18,85.80	6,06,85.42
(x) (a) Loans, Cash Credits and Overdrafts ...	...	15,63,52.69	15,56,34.93	13,30,62.36
(b) Due from Banks ...	...	15,61.79	13,32.96	8,78.95
(xi) Inland Bills purchased and discounted ...	...	2,25,45.06	2,27,40.19	2,03,35.69
(xii) Foreign Bills purchased and discounted ...	...	67,21.25	67,88.48	55,19.03
(xiii) Total of X, XI and XII ...	...	18,71,80.79	18,64,96.56	15,97,96.03

THE BIG HURRY IN THE WORLD OF NUCLEAR PHYSICS



The hurry is to find a compact source of energy that will be as prodigious as the sun and will not exhaust though the world live a million years. ■ Closest to the ideal is Uranium 235, a scant one milligram of which, when fissioned or "exploded", releases more energy than that obtained by burning millions of tons of coal. This great world of power will keep all of us going, and going well, when the present natural sources such as coal give out. Already atomic power stations are an actuality in many countries including India. ■ Shaping the giant pressure vessels enclosing the reactor cores demands a very specialised knowledge of welding. ■ It is this specialised knowledge and application of industrial gases that Indian Oxygen affords Indian industry.

INDIAN OXYGEN LIMITED (IOL)

85-NA

Products of—
SHARAT ELECTRICAL INDUSTRIES LTD.
19, R. N. Mukherjee Road, Calcutta-1.
Agents—
THE ORIENTAL MERCANTILE CO. LTD.
Calcutta, Bombay, Kanpur, Delhi, Madras

THIS IS NOT A PROSPECTUS BUT ONLY AN ANNOUNCEMENT OF THE PROPOSED ISSUE OF THE CAPITAL. INTERESTED PERSONS MAY OBTAIN COPIES OF THE PROSPECTUS FROM THE COMPANY'S REGISTERED OFFICE, BANKERS, BROKERS AND UNDERWRITERS.

COMINCO BINANI ZINC LIMITED

(Incorporated in India as a Public Company on 2nd August, 1962 under the Companies Act, 1956.)

Registered Office: Binani Buildings, 38 Strand Road, Calcutta 1.

EXISTING AND PROPOSED ACTIVITIES

The Company will manufacture Zinc in India by the Electrolytic process. The Industrial Licence issued to the Company provides for initial manufacture of 12,000 metric tonnes of zinc per annum to be expanded to 20,000 metric tonnes per annum and proportionate quantities of by-products like cadmium and sulphuric acid. These activities will be carried on in collaboration with the Consolidated Mining and Smelting Company of Canada Limited popularly known as 'Cominco' who own and operate the largest electrolytic Zinc Plant in the world. Besides contributing technical assistance, know-how and helping to train Indian personnel, Cominco has also subscribed for 8,40,000 Equity Shares in the Company. The work at site has commenced and it is hoped that the plant will commence production about the middle of 1966.

LOCATION OF FACTORY

Approximately 103 acres of land at Edayar near Alwaye has been allocated to the Company by Government of Kerala of which the Company has already entered into possession of approximately 96 acres. The site is on the bank of the navigable River Periyar.

SHARE CAPITAL

Authorised:

30,00,000 Equity Shares of Rs. 10/- each ... Rs. 3,00,00,000

Issued, Subscribed and Paid-up for Cash at par:

	Subscribed	Paid Up
7 Equity Shares of Rs. 10/- each, fully paid, subscribed for by the signatories to the Memorandum of Association ...	Rs. 70	Rs. 70

8,40,000 Equity Shares of Rs. 10/- each subscribed by the Consolidated Mining and Smelting Company of Canada Limited, of Quebec, Canada, upon which Rs. 2/- per share has been paid	Rs. 84,00,000	Rs. 16,80,000
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4,20,000 Equity Shares of Rs. 10/- each subscribed by Metal Distributors Limited, upon which Rs. 2/- per share has been paid	Rs. 42,00,000	Rs. 8,40,000
	Rs. 1,26,00,070	Rs. 25,20,070

Present Issue:

8,39,993 Equity Shares of Rs. 10/- each in cash at par ... Rs. 83,99,930

Of this issue, 80,000 shares are reserved for the shareholders in Metal Distributors Ltd. who will be given a preferential allotment of three

shares for every twenty shares or as nearly as circumstances permit, registered in their name in the books of that company on 11th May 1964. THE REMAINDER OF THE ISSUE, TOGETHER WITH ANY OF THESE 80,000 SHARES NOT TAKEN UP BY SHAREHOLDERS IN METAL DISTRIBUTORS LIMITED ARE NOW OFFERED TO THE PUBLIC AT PAR FOR SUBSCRIPTION IN CASH.

TERMS OF PAYMENT

On application	Rs. 2/- per share
On allotment	Rs. 2/- per share

The balance of Rs. 6/- per share will be payable on one or more calls at such time and in such manner as the Directors determine. There will be an interval of at least Six months between allotment and the first call.

APPLICATIONS FOR SHARES MUST BE FOR A MINIMUM OF 50 SHARES OR FOR A MULTIPLE THEREOF.

APPLICATIONS

Copies of the application form and prospectus can be obtained from the Registered Office of the Company or from the Bankers, Brokers and Underwriters listed herein.

DATES OF OPENING & CLOSING OF SUBSCRIPTION LIST

The Subscription List will open at the commencement of banking hours on 27th May, 1964 and will remain open until the close of banking hours on 6th June, 1964 unless closed earlier at the discretion of the Directors if the issue is subscribed upto the full amount of the public offer; but not earlier than the close of banking hours on 29th May, 1964.

DIRECTORS

- Shri G. D. BINANI**, 38, Strand Road, Calcutta-1. Industrialist and Chairman of the Company. Also a Director of: The United Commercial Bank Ltd., Metal Distributors Ltd., The Binani Metal Works Ltd., Multimetal Ltd., Star Metal Refinery Private Ltd. and of other companies.
- Mr. W. S. KIRKPATRICK**, 2820, Hill Park Road, Montreal 25, P.Q., Canada. President of The Consolidated Mining and Smelting Company of Canada Ltd. of Montreal, Quebec, Chairman of West Kootenay Power and Light Company Ltd., of British Columbia. Also a Director of: Amalgamated Metal Corporation Ltd. (England), Consolidated Paper Corporation Ltd. (Canada), and of other companies.
- Mr. R. G. EDWARDS**, Flat No. 11 Tivoli Court, 1A, Ballygunge Circular Road, Calcutta-19. (Alternate for Mr. W. S. Kirkpatrick), Stockbroker and Managing Director of: Place, Siddons & Gough Private Ltd., Also a Director of: Braithwaite & Co. (India) Ltd., British Paints (India) Ltd., Indian Iron & Steel Co. Ltd., Indian Standard Wagon Co. Ltd., Tita-gur Paper Mills Co. Ltd. and of other companies.
- Mr. A. O. WOLFE**, 90, Ballantyne Terrace, Dorval, Quebec, Canada. Vice-President, Research & Development of The Consolidated Mining and Smelting Company of Canada Ltd. President & Director of The Luster Corporation of Canada Ltd. of Walleburg, Ontario and National Hardware Specialities Ltd. of Dresden, Ontario. Director of Schultz Die Casting Co. of Canada Ltd. of Lindsay, Ontario.
- Mr. T. G. HARDING**, First National City Bank, 9, Brabourne Road, Calcutta-1. (Alternate for Mr. A. O. Wolfe), Manager, First National City Bank, Calcutta.
- Mr. H. T. FARGEY**, 2145, Hanover Road, Town of Mount Royal, Montreal, Quebec, Canada.
- Vice-President, Sales, The Consolidated Mining and Smelting Company of Canada Ltd.**
- Mr. D. D. MORRIS**, 410, Ritchie Avenue, Trail, British Columbia, Canada. Vice-President & General Manager, The Consolidated Mining and Smelting Company of Canada Ltd. Vice-President & Director of Pacific Coast Terminals Co. Ltd., Pacific Coast Bulk Terminals Ltd., West Kootenay Power & Light Company Ltd., Coast Copper Co. Ltd., Pine Point Mines Ltd.
- Mr. D. K. BASU**, Regal House McLean Street, Madras. (Alternate for Mr. D. D. Morris). Solicitor and Partner of: Orr, Dignam & Co. of Calcutta & Delhi, King & Partridge of Madras, Ootacamund & Bangalore. Director of: Fibreglass Pilkington Ltd., Arbor Acres Farm India Ltd. and of other companies.
- Shri CHARAT RAM**, 15, Sardar Patel Road, New Delhi. Industrialist, Director of: Delhi Cloth & General Mills Co. Ltd., Jay Engineering Works Ltd., Industrial Finance Corporation of India, Usha Refrigeration Industries Ltd. and of other companies.
- Mr. S. C. GLADSTONE**, 7, Ironside Road, Ballygunge, Calcutta. Merchant, Director of: Gillanders Arbuthnot & Co. Ltd., (Managing Director) Clive Buildings (Calcutta) Ltd., Mackintosh Burn Ltd., Multi-metals Ltd. and of other companies.
- Mr. GHANSHYAMDAS BINANI**, 38, Strand Road, Calcutta-1. Industrialist and Merchant, Director of: The Binani Metal Works Ltd. (Managing Director) Metal Distributors (U.K.) Ltd., London, Metdist Inc., New York, Multimetal Ltd., Multimetal Ltd., and of other companies.
- Mr. R. K. BAGRI**, Barrington House, 59/67, Gresham Street, London, E.C.2. Merchant, Director of: Metal Distributors (U.K.) Ltd., London, Metdist Inc., New York, Multimetal Ltd., The Binani Metal Works Ltd., Metal Distributors Ltd.

Vice-President, Sales, The Consolidated Mining and Smelting Company of Canada Ltd.

SOLICITORS

Orr, Dignam & Co., 29, Netaji Subhas Road, Calcutta-1.

AUDITORS

S. R. Baliboi & Co., 1B, Old Post Office Street, Calcutta-1.

BANKERS

to this issue

STATE BANK OF INDIA: Any branch or branches in Ahmedabad, Amritsar, Bangalore, Baroda, Bombay, Calcutta, Cochin, Coimbatore, Delhi, Hyderabad, Indore, Lucknow, Madras, Madurai, New Delhi, Nagpur, Poona Camp, Poona City, Surat and Trivandrum.

THE UNITED COMMERCIAL BANK LTD: Any branch or branches in Ahmedabad, Amritsar, Bangalore, Baroda, Bombay, Calcutta, Cochin, Coimbatore, Ernakulam, Delhi, Hyderabad, Indore, Lucknow, Madras, Madurai, New Delhi, Nagpur, Poona Camp, Poona City and Surat.

THE BANK OF INDIA LTD: Any branch or branches in Ahmedabad, Amritsar, Bangalore, Baroda, Bombay, Calcutta, Cochin, Coimbatore, Ernakulam, Delhi, Hyderabad, Indore, Lucknow, Madras, Madurai, New Delhi, Nagpur, Poona City and Surat.

THE BANK OF BARODA LTD: Any branch or branches in Ahmedabad, Amritsar, Bangalore, Baroda, Bombay, Calcutta, Cochin, Coimbatore, Delhi, Hyderabad, Indore, Lucknow, Madras, Madurai, New Delhi, Nagpur, Poona City and Surat.

FIRST NATIONAL CITY BANK: Any branch or branches in Bombay, Calcutta, Madras and New Delhi.

SOLE SELLING AGENTS

Metal Distributors Limited, 38, Strand Road, Calcutta-1.

BROKERS

CALCUTTA
Place, Siddons & Gough (Pvt.) Ltd., 6, Lyons Range, Calcutta-1.
G. M. Pyne, Allahabad Bank Buildings, 14, India Exchange Place, Calcutta-1.
Ramnarain Kayan & Co., 7, Lyons Range, Calcutta-1.

MADRAS

Paterson & Co., Post Box No. 48, 32/33, Linghi Chetty Street, Madras-1.

Maconochie & Co., Mercantile Bank Buildings, First Line Beach, Post Box No. 291, Madras.

BOMBAY

Badilvala & Karani, Union Bank Buildings, Dalal Street, Fort, Bombay-1.
Lewis & Jones, Bank of Baroda Building, Apollo Street, Fort, Bombay-1.

Merwanjee Bomanjee Dalal, Allahabad Bank Building, Apollo Street, Fort, Bombay-1.

NEW DELHI

Harbans Singh Mehta & Co., 33, Regal Building, Parliament Street, Post Box No. 300, New Delhi.

Raj Paul Chadha & Co., Delite Cinema Building, Ajmeri Gate Extension Area, Asaf Ali Road, New Delhi.

P. Roy Company, 3/8, M. M. Road, Junction Panch Kuin Road, New Delhi.

UNDERWRITERS

	Rs.
1. Kerala State Industrial Development Corporation Ltd., Trivandrum-1.	33,99,930/-
2. Life Insurance Corporation of India, Bombay-1.	20,00,000/-
3. Investment Corporation of India Ltd., Bombay-1.	20,00,000/-
4. Industrial Finance Corporation of India, New Delhi.	10,00,000/-
	Rs. 83,99,930/-

HELPING DEVELOPING NATIONS THROUGH WORLD TRADE

By V. P. Chitale

While world trade as a whole has expanded, the share of primary-producing countries has continued to decline, largely because of the restrictive policies followed by the industrially advanced nations towards imports from the former. Even the I.M.F. has not extended adequate help in times of acute balance of payments difficulties.

In a decade dedicated to development, the World Trade Conference in Geneva is confronted with the growth-promoting problems of international trade. The proposed Kennedy round of negotiations on tariff cuts may pave the way for some positive action to minimise the terms of inequality in world trades among the richer and poorer nations. The conference is primarily concerned with the lifting of Customs barriers, and even if it may not achieve full success, it will constitute a first step towards the wider objective of helping the poorer countries. While tariff cuts no doubt contain vital elements of trade expansion, they are not the panacea for all ills that afflict the foreign trade of the less developed areas. The under-developed world does not stand to gain much by this isolated act. The problems of their exports are many and varied. A simultaneous action on the wider front of trade and payments is needed to rectify the growing structural disequilibrium in international trade.

The long history and the present status of under-developed economies in the international set-up, pose issues of fundamental importance; how far the foreign trade has a propulsive rôle in the growth of the economy? The classical economists gave an affirmative answer and their optimism was indicated in some cases. In the case of Britain, development was fostered by exports in woollen manufactures and cotton textiles; for Sweden, it was timber trade, for Denmark dairy produce, Canada, wheat, Switzerland lac-making and clock-making and Japan, silk. However, the experience of these countries cannot be easily universalised. Indeed, the historical experience of the numerous poor countries shows considerable growth in foreign trade, but only a slow rate of domestic development. The causes of under-development in case of these countries primarily originate from domestic obstacles to growth, obstacles which include factor immobility, price rigidity, restrictive tendencies in both factors and goods markets, ignorance of technical possibilities, limited knowledge of market conditions and few centres of entrepreneurship. But these growth-rewarding factors are further accentuated by perverse tendencies in international trade like the secular decline in the terms of trade for primary producing countries. The classical analysis, therefore, indicates at best only what it could be or ought to be, not necessarily what has been and is.

Balance of Payments Problems

The situation calling for immediate action is the unusual balance of payments vulnerability of primary producing countries, which is the direct outcome of two interacting forces, a downward pressure on export proceeds and an upward pressure on growth imports. A detailed analysis of these forces is highly rewarding in appraising the rôle of international trade and aid in the development of poor countries.

The slower rate of growth in the volume of world trade in primary products than in manufactures has, in fact, been a notable feature since mid-1930s. The restraining factor is

the sluggish demand of industrial countries for primary commodities. This has resulted in adverse terms of trade for the latter. The deterioration in terms of exchange between primary products and manufacturers has been considerably greater; since 1955 it amounted to 17 percent. While the volume of exports of under-developed countries increased by some 30 percent from 1955 to 1961, the value of their exports has risen by only 16 percent and much of this by only 16 percent of petroleum exports, which only benefited Venezuela and a limited group of countries in the Middle East. Excluding the exports of these countries, the increase in total exports of the remaining under-developed countries of the world was little over 10 percent in the last six years. The rise in the purchasing power of these exports in terms of manufactures has been only 5 percent.

The most important reason for sluggishness of demand is the structural change in the pattern of demand in industrial countries for imported primary products. The slow growth rate in exports of primary producing countries to industrial countries was concentrated in food and industrial materials. Professor Maizels has analysed these trends with rare insight and brilliance. As for food, beverages and other similar items, the fall in the import content of consumption is due in part to a shift in the pattern of demand and in part to the substitution of home output for imports. The main features of the demand shift have been the relatively small increases in the consumption of tropical beverages and vegetable oils, each of which has high import content, and the relatively large increases in meat consumption, with a low import content. The consumption of tropical beverages has reached saturation levels in high-income areas. The small increases for vegetable oils is due partly to a shift in consumer demand from soap to synthetic detergents and partly to the substitution of animal fat (tallow) for vegetable oils in soap-making. The great expansion in U.S. soyabean output accounts for the major decline in demand for oilseeds from primary producing countries. Another important substitution has been beet for cane sugar especially in the common market countries.

Restrictive Import Practices

The industrial countries follow highly restrictive import practices to protect domestic agriculture. The more important of these policies, apart from high tariffs, are quantitative restrictions on the import of cereals, dairy produce and other foodstuffs, and the support by subsidy or minimum price regulations of home production of beet sugar and oils and oilseeds. Fiscal taxes, that is, those on tea and coffee are also of importance in reducing the demand for imports from primary producing areas. The short-term prospects of increased exports from primary to industrial countries in these commodities through the elimination of Customs barriers can be rated high. However, much depends on the willingness of the advanced

countries to liberalise their import policies in favour of primary producers. The intransigent attitude of the E.E.C. countries in the matter of their agricultural protectionism, will prove a real stumbling block in any eventual settlement of tariff and quota problems. Here the interests of haves and have-nots are diametrically opposed. But the long-term prospects of a substantial increase in earnings from these exports are not bright.

For industrial materials, the pattern of change, as it affects the primary producing countries, has been similar to that for food. But the reasons lie less in protection and fiscal policies than in the changing structure of industry. The most important changes have been sharp increases in the production of engineering and chemical industries and small increases in textile industry. This shift in the output pattern has had a substantially adverse effect on the exports of primary producing countries, because the import content of engineering and chemicals production is very small, while that of textiles is relatively large.

The second operative factor has been the substitution of materials processed mainly in the industrial countries themselves for imported "raw" or "natural" materials. The main substitutions have been aluminium for copper and to a lesser extent for steel and other materials, man-made fibres for cotton and wool, synthetic for natural rubber, and plastic materials for a wide range of traditional uses of textiles, paper, wood and metals. This process of substitution has gone much further in the U.S.; but it is almost certain to spread increasingly to western Europe and Japan. These tendencies would indicate that it would be unwise to expect a faster increase in demand for industrial materials from industrially advanced countries.

Export of Manufactures

As for manufactures, the developing countries stand to gain if they are allowed to export freely to industrial countries. Textiles are by far the most important export item. The major factor restraining the growth of these exports has been that in the majority of industrial countries, domestic textile industries are protected by tariffs from the competition of "cheap" imports from developing countries. Among developed countries, Britain alone has accommodated free textile imports from Asian Commonwealth to the extent of 30 percent of her total textile consumption by voluntarily shrinking the size of the Lancashire cotton industry. Other industrially advanced countries are firmly committed to the protection of their domestic industry at any cost. They are, in fact, imposing fresh imposts and quotas on the imports of textiles under the pretext of market disruption. The bogey of market disruption is indeed irrational, especially in case of the U.S.A. and the E.E.C. countries, where textile imports hardly account 5 percent and 2 percent, respectively, of their total textile consumption.

In short, the under-developed countries are confronted with the im-

mediate danger of structural over-production for a number of tropical products and raw materials. The only remedy to this situation is a change in the structure of production through diversification of their economies. This is, of course, a long-term remedy and its effective application requires co-ordinated action by under-developed countries themselves.

But the prospects of any planned diversification of production structure will be seriously compromised by the very fall of their export earnings which is likely to result from a continuation of the current trend of prices. Price stabilisation is essential. Two kinds of arrangements are, therefore, necessary: (i) to stabilise commodity prices at a level which is in some reasonable relationship to the prices of manufactured goods; (ii) satisfactory arrangement to limit the production and exports of individual commodities to the extent needed to bring production and consumption into balance at a satisfactory level of prices. Both these objectives may be promoted by international commodity agreements. In spite of all efforts that went into the making of these agreements during the last 17 years, only five operative agreements were concluded but subsequently turned defunct.

International Commodity Agreement

The history and the working of these international commodity agreements show how difficult it is to reconcile the interests of producers and main consumers. The industrial countries virtually dictated the terms of agreement in their favour by their sheer bargaining strength. The International Wheat Agreement, for example, worked well until it operated in the interests of importing countries and when exporters insisted on some increase in the maximum price for the second four-year period (from \$1.80 to \$2.05 a bushel) the largest importer, the U.K., withdrew from the Agreement and was followed by other participating importers. It is, therefore, unsafe to rely on the willingness of high-income importing countries to guarantee to pay high prices for their imports than they need to pay in the free market.

The International Tin Agreement and International Sugar Agreement succeeded in the stabilisation of prices only on the basis of a rigorous implementation of export quotas. In the case of the former, the buffer stock arrangement was visualised, but it proved abortive, when the financial resources of buffer stock were exhausted in less than two years after the inception of the schemes.

The international commodity agreements have failed to achieve the twin objectives listed above. The short-term aspect of price stabilisation was met with partial success, but the long-term aspect of limiting the production remained fuzzy. The failure to secure the full participation of all producers in proposed agreements may be the root cause of it.

Over-extending Production

It should be stressed in this connection that primary producing countries will have to seek their own salvation through self-imposed restraint on production. This long-term objective is likely to be overlooked by developing countries, hard-pressed with foreign exchange scarcity and hence excessively obsessed with the immediate task of forced expansion of traditional exports through increased production. This policy may prolong and often accentuate the misallocation of resources by maintaining high-cost sources of production and encouraging further investment in, what in most cases, a sector with already over-extended capacity. The main solution is to salvage these countries from recurring foreign ex-

change crises. Turning to this aspect of balance of payments vulnerability, the exigencies of rapid development at home may force the under-developed countries into balance of payments deficits, with the heavy import bill unlikely to be financed by current export proceeds. The insufficiency of external resources may then constrain the rate of growth if short-term and long-term aid is not forthcoming in an adequate measure. In a world of pegged exchange rates, the first lines of defence in dealing with balance of payments deficits is for a country to draw down its available gold and foreign exchange reserves. The absolute level of these reserves was more or less constant in these countries during the 1950s. But due to the growth of imports and worsened terms of trade,

the ratio of reserves to imports and to exports fell by 20 to 25 percent during 1953-59. As for the second line of defence available in drawings from the I.M.F., the I.M.F. has not played a very significant rôle in providing assistance for shortfalls as shown below.

Low income primary producing countries: Short fall in export proceeds and drawings on the I.M.F. 1953-59.

	1953	1954
(1) Shortfalls in export proceeds from moving average of three preceding years.	2233	1937
(2) Gross drawings	106	63
(3) Repayments	53	82

(4) Net drawings	...	53	-19	
1955	1956	1957	1958	1959
469	395	675	1673	848
28	129	437	184	180
98	68	54	83	163
70	61	383	101	17

The I.M.F. has singularly failed to assist the under-developed countries to overcome the sort of liquidity problems which they face in implementing their development programmes. While agencies like the World Bank, and the I.D.A. exist for financing specific projects on a long-term basis, there is still a serious lacuna in the international financial system for financing short and medium-term needs of developing economies.

CAPITAL, 21st May, 1964.

Drawing rights of low-income primary producing countries in the I.M.F. may be enlarged to cover all short and medium-term contingencies, including those connected with export market instability. There is no reason why through greater co-operation and better understanding, a more effective *modus vivendi* could not be worked out between primary producers and the I.M.F. This could include, if deemed desirable, somewhat greater automaticity in drawing rights covering the first credit tranche, special additional quotas for the countries whose export earnings are especially unstable and may even include special arrangements by which advanced countries would make available short-term special assistance for countries afflicted by shortfalls in export proceeds.

CAPITAL, 21st May, 1964.

New Delhi

FIXING FOURTH PLAN OUTLAY AND GROWTH RATE

(FROM OUR NEW DELHI CORRESPONDENT)

THE Planning Commission, at a preliminary meeting last week, decided to send to the various working groups the model prepared by its Perspective Planning Division "as a tentative framework so as to obtain their views on (1) how far its various technical co-efficients were valid; (2) whether the outlays suggested were consistent with the fulfilment of the given physical targets; and (3) whether the targets could be realised within the stated time dimensions."

In addition to the so-called model, the Economic Division of the Planning Commission has prepared a paper called "macro-economic hypothesis for the fourth plan." Incidentally, between May 1962 and December 1963, 45 working groups with 100 sub-groups were set up in the Central Ministries to formulate proposals for the fourth plan.

The Commission is honest enough to admit that the fourth plan will start from a lower base than was either anticipated or projected. The main reason for this, according to the Commission, is the setback in agricultural production during the last three years and the lower rate of industrial growth than was originally planned.

The third plan proposed to accelerate the rate of growth from an average of 3.5 percent achieved during 1950-60 to about 6 percent over the period 1961-76. The Perspective Planning Division has, however, proposed a growth rate of 7.7 percent for the fourth plan. But the Economic Division has put forward two alternative rates of growth—6.6 percent and 7.2 percent. The other estimates are those given by the World Bank coal transport study team (4 percent) and the Reserve Bank (5 percent or 6 percent).

Annual Growth Rate in U.K.

In this context, it is worth quoting the report of the U.K. National Economic Development Council on the implications of an average annual growth rate of 4 percent for 1961-66. The Council selected 17 industries, whose views on the implication of the 4-percent growth rate are summarised as follows:

(a) The most rapid growth rates in the total output are forecast for four newer science-based industries—chemicals, electricity, electronics and petroleum; a consumer durable industry, namely, motor-cars, and two capital goods industries—heavy electrical machinery and machine tools.

(b) Intermediate growth rates in the total output are forecast for two service industries—the post office and distribution; for certain basic capital goods industries—building, civil engineering and building materials, iron and steel; and for agriculture.

(c) The slowest growth rates are forecast for coal and gas, which have to compete with alternative forms of energy, for paper and board, which is affected by the low cost of imported products; and for woollen textiles and chocolate and sugar confectionery. The domestic demand for which is not expected to expand as rapidly as the gross domestic product.

The report goes on to say that "it is necessary also to consider the implications of the faster rate of growth for the economy as a whole. Will there be enough manpower to meet the needs of all sectors of the eco-

nomy? Will there be sufficient exports to pay for the necessary imports? Will there be enough savings to finance the investment? Allowing for the needs of public expenditure and investment, will there be sufficient resources to provide a reasonable increase in consumer expenditure?"

"Broadly, employment and productivity provide the available resources, although they are interrelated; for example, investment will influence the rate at which productivity grows. The major part of the increase in national output of 4 percent a year will need to come from increased productivity. It is, therefore, important to make some assessment of the present underlying rate of growth of productivity, that is, the rate that will be achieved if the pressure of demand remains constant for some time."

"In the inter-war years, and in the 50 or 60 years before 1914, the output a worker rose at an average rate of some 1½ percent a year. From 1951 to 1961, the average annual increase in output a worker was about 2 percent. More recently, from 1955 to 1961, the average underlying rate of growth of productivity was faster, about 2½ percent a year. It seems quite probable that it has by now risen further and may be nearer 3 percent a year."

"The 17 industries employ about two-fifths of the manpower in the country. On the basis of a 4-percent growth rate in the gross domestic product, they expect to increase their total output by 26 percent between 1961 and 1966, an average of 4.8 percent a year, which is significantly faster than the growth of the gross domestic product. They expect to be able to do this with an increase over the five years of 0.8 percent a year in employment, an annual rate of increase in output a worker of 4 percent a year. This is substantially more than the rise of 3.2 percent a year required in the output a worker for the whole of the economy."

Technical Change

"Technical change plays a major part in making economic growth possible. A key factor in achieving a 4-percent growth rate will be the degree to which new investment embodies the results of up-to-date technical advance. Its effects will be seen both in improvement in the product and in a reduction in man-hours, materials, space, machine-time, and fuel and power a unit of output."

"Technical change calls for education, research, development and application. For sustained economic growth, basic research is essential. The achievements in science and technology, which will facilitate a more rapid rate of growth in the period up to 1966, however, will come, by and large, from the development and application of research results already achieved."

"For almost two decades now, it has been said that Britain is strong on the basic side but weak in applied work. There is evidence that in spite of major advances in some sectors, there is still great scope for improvement, especially in pioneering technology. Vacuum casting, synthetic rubbers, new looms, diesel electric locos are examples of technical development carried out abroad. Other

countries, some smaller than ours, have on a number of occasions taken the lead after we have established the scientific principles of a subject.

"In some directions, moreover, we have not been quick in introducing advanced techniques and processes. For example, machine tool manufacturers have tended to blame users for their reluctance to re-equip and some users blame manufacturers for lack of progress in design and failure to study their needs. Two urgent needs are, therefore, for measures to encourage a speedier application of existing knowledge in industry and commerce and a speedier introduction of new techniques, processes and materials."

The Indian planners are more concerned with finding employment than with increasing productivity a worker. The three plan documents do not make adequate reference to this aspect of the problem. The Planning Commission says that "a sharp increase in the rate of growth is also necessary for creating adequate opportunities for gainful employment and removing the constraints of foreign exchange. With this broad objective, one view is that while the existing pattern of income distribution may largely remain unchanged, it is only at higher levels of income, activity and productivity that the redistribution can take place meaningfully. Another view is that, while a minimum can be achieved only in the framework of rapid growth, this growth should not be allowed to take place in a way which perpetuates the existing pattern of income distribution."

"It is urged that once incomes are allowed to accrue at particular points, it is difficult to alter distribution later or to ensure minimum levels of income to the masses in as much as the theory of percolation of national wealth to the poorer sections has little relationship to reality. In any view, however, there is agreement that the maximum development of agriculture and the provision of an infrastructure by building basic industries, particularly metals, machine-building and fertilisers, would appear to be necessary."

Then again, the Planning Commission says: "It has been stated that one of the objectives mentioned in the third plan is to expand basic industries like steel, chemicals, fuel and power and establish machine-building capacity, so that the requirements of further industrialisation can be met within a period of ten years or so mainly from the country's own resources. The concerted development of basic metals, fuels, chemicals, heavy industries and machinery would not merely contribute towards increasing the sum total of national output but also freeing the country from dependence on external assistance by the end of the fifth plan. This would also be necessary in order to provide the inputs for agriculture and to provide equipment and raw materials for intermediate and small-scale industries."

The Twin Problems

"On the other hand, it has also been stated that the emphasis on the growth of basic and capital goods industries does not tackle the twin problems of employment and the standard of living. The gestation period in the growth of these basic industries

is long and does not provide immediate benefits to the people resulting in inflation due to the scarce supply of consumer goods. There is also some distortion in the pattern of investment towards the more profitable luxury goods industries to the neglect of what is needed by the masses. Disparities in wealth and income are also generated. It is held that in addition to the expansion of basic industries and a more far-reaching effort in agriculture, it is equally necessary to ensure specific consumption standards for the community as a whole. The incentive of mass consumption goods for greater production efforts by agriculturists and industrial workers should not be underrated.

"As for the rôle of the private sector, it has been stated that the amount of private-sector investment is expected to increase substantially in the fourth plan. Apart from the fact that agriculture and trade are in the private sector, there will be widening scope for investment in industry, large and small, road transport and construction activities, etcetera. In the third plan, it has been found that private-sector activities have not come up to expectations, particularly in the field of large industries. In order that the private sector may not act as a drag, it will be necessary to keep a close watch over its progress in the fourth plan affording such facilities as may be required. In this context, the policy in relation to big business houses, private foreign investment and joint production programmes would need to be carefully examined."

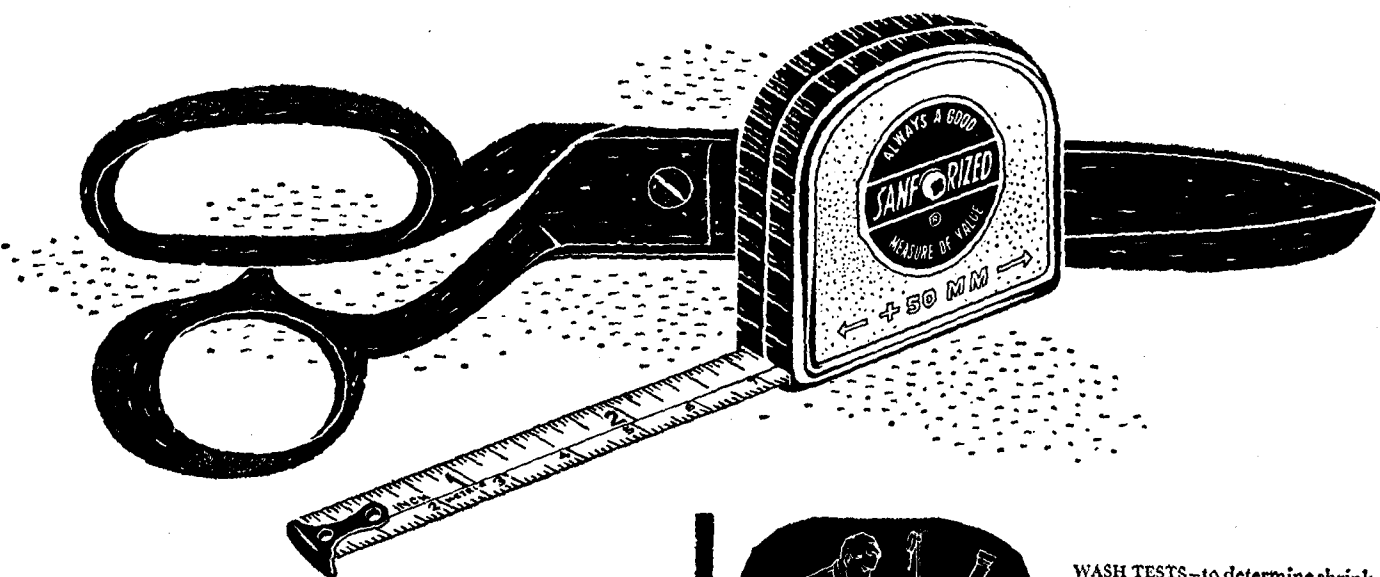
Quite Cris in India is the title of a book written by Mr. John P. Lewis. The book is based on a study which began in 1958. Referring to the formative stages of the third plan, Mr. Lewis says: "The advocates of boldness, who held the initiative in the debate almost from its beginning in late 1958, were helped no little by the fortuitous circumstance that Rs. 10,000 crores, which happened to represent quite a bold investment figure for third plan purposes, is a nice round number. Given the unfortunate Indian penchant for thinking and talking about planning in investment-focused terms, the catchphrase a Rs. 10,000-crore plan became entrenched in popular discussion early in the plan-formulation period and thereafter undoubtedly exerted an upward influence on the judgments of the more timorous."

"The political difficulty of cutting State plan requests to a figure that would be consistent with a total investment of less than Rs. 10,000 crores reinforced the big-plan advocates. Moreover, the more influential pieces of foreign advice to which the Government was exposed tended to support an ambitious third plan. This advice came from both the Russian and the American Government missions that conferred with Indian officials in 1959 and early 1960; from a World Bank mission in the spring of 1960; and, perhaps most influentially of all, from the 'Three Wise Men' team of international bankers who, at the request of the World Bank president, Mr. Eugene Black, made a survey of third plan proposals that same spring."

Big-plan Proponents

"Within the Indian Government, the key advocates of an ambitious third plan pressed their case unwaveringly: once consent had been won for a 'Rs. 10,000-crore plan', they re-examined their estimates of the needs and possibilities and raised their sights a few hundred crores higher; and once the feasibility of a somewhat larger programme had been conceded, the big-plan proponents nudged their rising figure up still another notch. The somewhat

The trademark 'Sanforized'—a reliable yardstick for measuring clothes that will not shrink out of fit



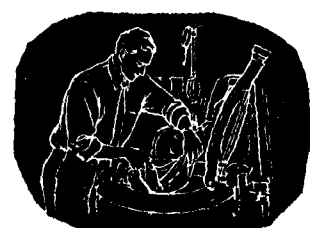
'Sanforized'—known to millions of consumers everywhere—signifies a standard of shrinkage control that is identical the world over. To maintain this uniform standard on cloth labelled 'Sanforized'...to assure that fabrics bearing this label will not shrink out of fit in washing... 'Sanforized' technical representatives are constantly on the job...visiting mills...checking fabric...helping the textile industry keep quality at a high level.



REGULAR, ALSO SURPRISE VISITS—are paid by 'Sanforized' representatives, every month throughout the year, to licensees, to examine each mill's records of wash tests and samples of fabrics to be labelled 'Sanforized'.



RANDOM SAMPLES—of fabric labelled 'Sanforized' are selected from the mills' warehouses for testing, to ensure that no out-of-tolerance material has been inadvertently marked with the trademark 'Sanforized'.



WASH TESTS—to determine shrinkage are carried out on the catalogued, measured samples of fabric, in each mill as well as in the U.S.A., in fully equipped technical laboratories.



TEST RECORDS—are made after the catalogued samples are re-examined and re-measured. Every mill keeps its own dossier of the results of the findings made by the technical experts.



REPORTS & SAMPLES SENT TO—the Standards Testing Laboratory of 'Sanforized' in the United States. This procedure ensures the world-wide uniformity of shrinkage control and recognition of cloth labelled 'Sanforized'.

Make sure YOU get the full measure of value of the cotton

you buy—look for the label **'SANFORIZED'** and your clothes will never shrink out of fit!

Issued by Cluett, Peabody & Co., Inc. (Incorporated in the U.S.A. with limited liability) proprietors of the registered trademark 'SANFORIZED'. The trademark proprietors use the trademark 'SANFORIZED', or permit its use by authorized registered users, only in respect of tested fabric which meets the trademark proprietors' strict requirements as to residual shrinkage.

For information: 'Sanforized' Service, 95 Marine Drive, Bombay 2.

bizarre result, since advocates of caution, although giving ground, also clung to their principles, is that the controversy over size has been carried forward, quasi-unresolved, all the way into the final third plan document itself. Thus in Chapter 2 of that document, which obviously is the product of the Planning Commission's Perspective Planning Division, it is stated that during the third plan period as well as during the succeeding ten years, real national income should be raised 'as nearly as possible' by an average of 6 percent a year, or about 34 percent over five years.

"Yet in Chapters 4, 5 and 6, which show the hand of somewhat more cautious analysts elsewhere in the Planning Commission and in the Ministry of Finance, the annual growth target is phrased as being 'something in excess of 5 percent a year,' or 31 percent from 1960-61 to 1965-66. Similarly, whereas the third plan's financial programme calls for a public outlay of Rs. 7,500 crores for investment and other development purposes, the price tags of all of the specific projects that the physical planners have incorporated in the programme add up to a total of more than Rs. 8,000 crores."

No further comment on the growth rate should be necessary. A similar exercise is in progress now. A Rs. 22,000-crore fourth plan and 7.7-percent growth rate a year is the current slogan, which will become louder and louder as the final stages of the plan are reached.

CZECHOSLOVAKIA

Credit Pact Signed

The Governments of India and Czechoslovakia recently signed the second economic collaboration agreement providing for a credit of about Rs. 40 crores. The new credit will finance the expansion of the boiler plant in Tiruchirappalli and the heavy electrical plant in Hyderabad, creating additional foundry and forge facilities for the existing foundries, two new machine tool plants, one tractor and power-tiller factory and two 110 MV power plants. Thirty percent of the equipment for these two units will be manufactured at the Hyderabad factory. The credit will also finance the import of components, etcetera, required for joint-ventures to the extent of Rs. 14 crores. Of this, Rs. 1.80 lakhs will be available for the Walchand Nagar cement machinery manufacturing factory to enable it to produce four cement factory units, producing 8,000 tons of cement a year. Each cement factory, according to current estimates, needs imported equipment worth Rs. 1.15 lakhs.

The credit will be repayable in rupees which will be used for the export of Indian goods to Czechoslovakia. The repayment period will be 12 years for the projects and eight years for components. The credit will carry interest at 2½ percent.

OIL

Working Group Set Up

The Government of India, it will be recalled, set up an Oil Price Enquiry Committee in 1960 under the chairmanship of Mr. K. R. Damle. The recommendations of the committee on the pricing of petroleum products were accepted by the Government and implemented with effect from 1st October, 1961. They will remain in force up to 31st March, 1965.

To evolve a suitable arrangement which will come into effect from 1st April, 1965, the Government has set

up a working group which shall examine and report on the following:

(1) the manner of determination of the ex-refinery prices of refined petroleum products, including bitumen produced by the refineries;

(2) the manner of fixing landed prices in relation to similar products which may be imported;

(3) the fixing of marketing and distribution charges of products mentioned in (1) and (2) above; and

(4) the determination of ceiling selling prices in relation to lubricating oils, greases and specialties.

The working group may also consider the possibility of linking prices with the physical supply areas for the products of individual refineries and consider the possibilities of uniform or pooled prices for the whole of the country or in different zones.

The chairman of the working group will be Mr. J. N. Talukdar. Mr. S. S. Shiralkar, Joint Secretary to the Central Ministry of Finance and Mr. N. Krishnan, Chief Cost Accounts Officer of the Ministry of Finance will be members, of the working group. Mr. N. R. Law, Under-Secretary to the Ministry of Petroleum and Chemicals, will act as the secretary of the working group. All correspondence shall be addressed to him. The working group has been asked to submit its report to the Government by 31st December, 1964.

Team to Visit Russia

The Secretary of the Central Ministry of Petroleum and Chemicals, Mr. K. R. Damle and the chairman of Indian Oil Company, Mr. N. Gopal-krishna, are leaving for Russia on 22nd May, to finalise the arrangements for the import of petroleum products which were included in the long-term trade agreement signed last year. Discussions will include the Russian demand for the change in freight rates from the Persian Gulf to Black Sea. India holds that such a change will wipe out price benefits and make the Russian products as expensive as those from non-Russian sources. Mr. Damle will also study offshore drilling operations, for which Russia has offered some aid. He will visit Rumania and Italy before returning to India next month.

Expanding Barauni Refinery

Russian specialists have completed blueprints for the expansion of the oil refinery in Barauni, Bihar. According to the project, the refinery, when reconstructed, will boost production from 2 million to 3 million tons a year. After reconstruction, the enterprise will be able to produce "two times more high-quality kerosene and five times more low quality kerosene." Besides, it will produce nearly 500,000 tons of diesel fuel. The construction of the refinery began in 1961.

FERTILISER

Progress of Schemes

Definite progress is reported towards implementing the fertiliser plan. The Government has issued a letter of intent to Birlas to set up a fertiliser factory in Goa. Out of the four projects licensed in the private sector, the Visakhapatnam project with Parry and Company as its sponsors, is well on its way. The Kothagudem project, in Andhra, is expected to move on because certain assurances relating to price have been given to U.S. collaborators, namely, Allied Chemicals. The licence granted to the sponsors of the Tuticorin project has been revoked and a show-cause notice has been issued to Shaw

Wallace and Rallis, who were sponsors of the Mangalore project. The Rajasthan project is still not out of the wood, as its licensee, Mr. B. L. Jalan, has asked for a change of the location from Hanumangarh to Kotah.

Two other developments are worth reporting, namely, the Central Ministry of Petroleum and Chemicals has been permitted to get project reports for four fertiliser plants to be located in Durgapur, Korba, Cochin and Madras, the last two being based on refinery gases. Secondly, Phillips Petroleum has shown interest in setting up fertiliser plants.

FOREIGN EXCHANGE

Aid for Producer-Exporters

Further foreign exchange facilities are proposed to be offered to manufacturer-exporters for the import of raw materials, components and spare parts required by them for the production of goods for export, according to a scheme drawn and approved by the Government of India. The scheme, which follows the recommendations of the Mudaliar and Mathrani Committees, is yet another important step in the export drive launched by the Central Ministry of International Trade. The scheme will be operated by the Export Credit and Guarantee Corporation.

Under the proposed scheme, commercial banks dealing in foreign exchange will obtain lines of credit from their principals, branches or correspondents abroad on the strength of an assurance from the Reserve Bank of India that necessary foreign exchange will be released to repay the credits by the due date. Against these lines of credit, exporters of proved export performance and recommended by the bank concerned will, on approval by a committee to be appointed for this purpose by the Central Government, be granted import licences for raw materials, components and spares. The committee will consist of the Secretary, Ministry of International Trade; Secretary, Ministry of Industry; Additional Secretary, Ministry of Finance; and the Director-General of the Department of Technical Development.

The exporter will be required to execute a bond undertaking to effect specified exports within a stipulated period. The import licences will be issued only for the value of raw materials and components permissible under the appropriate export scheme and required for the production of the goods to be exported.

In the event of any failure on the part of the exporter to fulfil his obligation to effect additional exports, the equivalent amount of foreign exchange will be debited to his entitlement as an actual user, in addition to other penalties under the scheme.

The facility will be available to manufacturer-exporters in specified industries. To start with, applications from manufacturer-exporters of only the non-traditional export items, such as covered by the Engineering and Chemicals Export Promotion Councils, etcetera, will be considered. The Export Credit and Guarantee Corporation will be the agency for the purpose.

STATE TRADING

New Ventures

The Government has decided to enter the sugar trade, the export of scrap iron and the production of cement, including cement machinery. The proposed Sugar Marketing Board is expected to function by November when the next sugar season starts.

The Board, which will have a chairman, managing director and seven or eight officials representing various Central Ministries like Food and Agriculture, Commerce, Finance will be in complete control of the distribution of sugar internally. It will also handle exports.

The main objective in constituting the Board is to ensure as uniform a price for sugar as possible all over the country. At present, prices vary from region to region and even from factory to factory, depending upon recovery from cane and the cost of production.

When the Board is set up, it will take over the entire sugar produced and distribute it, as far as possible, at a uniform rate. Instead of the State Governments nominating wholesalers, the Board will make its own arrangements. The former are believed to be agreeable to this proposal. The other important function of the Board will be to handle exports. This is now done by the Indian Sugar Manufacturers Association. The Government subsidises the exports.

The Central Government will shortly set up a special public-sector corporation to handle the export of scrap iron. The Central Ministry of International Trade is busy working out the details of the scheme.

The present policy is to allow the export of ferrous scrap to established exporters who have exported scrap during any of the three-year period ended March 1964. The exporters can choose their best year's export for the purpose of obtaining a base quota certificate. The overall quota for the entire export is determined and fixed by the Iron and Steel Controller taking into consideration the availability and requirements for indigenous consumption. Against actual earnings of foreign exchange by scrap exports, the base quota holders are permitted to import finished steel.

The Government has decided to set up a cement corporation with a view to expanding the production of cement in India. The corporation, will initially locate the areas where raw materials for cement, such as limestone, are available. It will also set up a cement machinery shop.

ZINC

The Smelter in Udaipur

The Central Government is likely to participate soon in the management of the zinc smelter plant in Udaipur. The Centre is likely to purchase shares for about Rs. 2 crores. The Rajasthan Government already holds shares for Rs. 25 lakhs. Together they will control over 51-percent of the shares.

An investment of about Rs. 38 crores will be necessary after five or ten years for increasing the plant's capacity from 18,000 tons to 50,000 tons. While the project report on the proposed Khetri copper smelter in the public sector has been received, the Centre has not yet been able to secure a loan for it from the World Bank or the International Development Association.

C.D.F.C.

Loan for Usha Martin Black

The Commonwealth Development Finance Co. Ltd is to make a sterling loan of £150,000 and a subscription of £45,000 to the equity of Usha Martin Black (Wire Ropes) Ltd. Calcutta. There is an urgent demand for the higher grades of steel wire and ropes in India for the coal and engineering industries and for port development.

London

SECURITY AND STATUS FOR BRITISH WORKERS

(FROM OUR LONDON CORRESPONDENT)

Employment Contract

BRITAIN is the first country in the world to give employees a legal right to a written statement about the main terms of their employment. This right, together with rights to minimum periods of notice for both employers and employees, is laid down in the Contracts of Employment Act, 1963, which comes into operation on 6th July. The Act is part of the Government's wider plans to give workers of all kinds improved status and greater security of employment. Examples of the possible ways in which written statements might be drawn up by employers are given in a leaflet containing guidance on the Act which has recently been published by the Ministry of Labour.

The Act applies to employees who normally work for their employers 21 hours a week or more, but employees in certain occupations are not covered by the Act—registered dock workers engaged on dock work, merchant seamen, fishermen, and Crown servants. Employees who are abroad and who ordinarily work for their employer abroad are also excluded, as are certain employees with fixed term contracts. The written statements need not be given to an employee who is the father, mother, husband, wife, son or daughter of the employer. The leaflet explains, in question and answer form, what the main provisions of the Act are, how they will operate, and how they affect both employers and workers.

The Act lays down minimum rights of notice. An employee will have a right to receive at least one week's notice after 26 weeks' continuous service, at least two weeks' notice after two years' continuous service and at least four weeks' notice after five years' continuous service. An employee will, in return, have to give his employer at least one week's notice when he wants to leave if he has been working for him for 26 weeks or more. Anyone who already has a right to longer notice will not be adversely affected. The provisions on notice apply to part-time employees if they work, or are normally expected to work, 21 hours a week or more for their employer. If a person works at least 21 hours a week for each of two different employers the provisions on notice can apply to both jobs.

The definition of an "employee" is obviously a necessity. Under the Act he or she is "an individual who has entered into or works under a contract with an employer, whether the contract be for manual labour, clerical work or otherwise, be express or implied, oral or in writing, and whether it be a contract of service or of apprenticeship. The Act, therefore, covers employees in all kinds of employment (except those mentioned earlier). However, people who work in partnership or, for example, as independent contractors or freelance agents as well as others who work under contracts for services are not covered. The Act does not prevent either employer or employee from waiving his right to notice on any occasion or from accepting a payment in lieu of notice, nor does it affect the right which either party has to terminate the contract without notice if the behaviour of the other justifies it. The question whether it

does in fact justify it depends on the circumstances of the individual case.

If it is agreed at the outset that a contract of employment is to last for a fixed period, then the rights to notice will not generally apply; both the employer and the employee will know from the start when the contract of employment is to end. There is an exception. For an employee whose contract of employment is a contract for a fixed term of four weeks or less, but who has in fact been with his employer for 26 weeks or more, the Act requires that the contract is to have effect as if it were for an indefinite period, and the minimum rights to notice will then apply. Apprentices come within the definition of employee in the Act, but a contract of apprenticeship will normally be in effect a fixed-term contract of some years' duration and no notice will need to be given under the Act before its completion. If an apprentice remains with the employer after completing his apprenticeship, his period as an apprentice counts for the purpose of qualifying for rights to notice under the Act.

The Act also contains detailed provisions about minimum pay during notice. These do not apply if an employee has a right under his contract to at least a week's notice beyond the minimum to which the Act entitles him. Nor do they affect an employee who is working his normal hours during notice. But they do apply if during notice an employee is not working for some or all of the normal hours because no work is provided for him, or because he is sick, or injured, or because he is on holiday. They also apply if an employee has no "normal hours." The broad principle underlying the minimum pay provisions is that the employee should receive during notice not less than he is entitled to under his contract for a normal week's work. Rights to notice and minimum pay during notice can be enforced in the same way as the terms of the contract. In other words, an employer or employee who considers that he has incurred loss because he has not been given the notice (or, where an employee is concerned, the minimum pay) to which he is entitled under the Act can bring an action for damages in the Courts if he cannot obtain satisfaction by other means.

From 6th July, employers will have a duty to give their employees written statements about their main terms of employment. An employer may choose whether to include in the statement particulars of the terms—pay, hours, holidays and holiday pay, sickness and sick pay arrangements, pensions and pension schemes, and notice—or to refer the employee for any or all of the particulars to documents which contain them and which he keeps reasonably accessible to the employee. The object is to give the employees a clear understanding of their rights and obligations under their contracts of employment. Examples of reference documents which an employer might find it useful to use are copies of collective agreements, works handbooks, wages regulation orders, and booklets about sick pay or pension schemes. The statements have to be given within

13 weeks of the start of the employment. Existing employees on 6th July must be given statements, but employers have until 5th October at the latest in which to do this. If the terms of employment change, for example because of a pay rise or promotion, the employer has to inform the employee in writing about the change not more than a month later; however, if the employer makes use of reference documents he need only see that these are brought up to date within a month of each change, provided that he gives an undertaking in a written statement to do this.

New Deal Needed in Industry

Mr. J. R. Edwards, managing director of Pressed Steel, is convinced that there is scope for a vast "package deal" in industrial relations in Britain on the lines of that concluded in Sweden in 1936. But he hoped British industry would not wait to be forced into making the deal by the Government, as had happened in Sweden. Mr. Edwards was speaking at a conference recently held in London at the instigation of the Minister of Labour, Mr. Godber, which was attended by about 30 leading industrialists who discussed the subject of "communications in industry." On the basis of papers prepared by Mr. Edwards, by Mr. Paul Chambers, chairman of I.C.I., and Lord Robens, chairman of the National Coal Board, there was a wide ranging review of both the principles and practice of the problem enlivened by descriptions of the work done in this field by those taking part in the conference.

Among the things which Mr. Edwards foresaw in a "package deal" were wage agreements with the force of contracts. He said that most existing industrial legislation and practice was designed in the days when it was still necessary to protect the servant from his master. But, according to Mr. Edwards, the modern employer was equally in need of security against breaches by his employees of the contract of service, not only in the interests of the business and its shareholders, but also in the interests of "the vast majority of his employees and of the industry as a whole." Mr. Edwards put in a word for the closed shop. He told the assembled industrialists that they might find it "equitable" to concede the closed shop "in order to secure that shop stewards are denied power without responsibility, a freedom which they now enjoy." He also criticised the proliferation of employers' organisation. This was a parallel in the multiplicity of trade unions recently criticised by Mr. Ray Gunter, the "Shadow" Minister of Labour. Mr. Edwards called Mr. Gunter's stand "courageous criticism indeed."

Communication of Ideas

Mr. Chambers emphasised that communication is a two-way operation and it is important for the top management to know what employees all down the line and right through the company are thinking and feeling as it is for these employees to understand the intentions of top management. This does not mean, however, that masses of detailed instructions have to be issued by or in

the name of the top management, or that everything said or suggested by every employee has to come to the notice of top management. On the contrary, the best communications are those which are achieved with the minimum of paper work. "In this matter of communication upwards, downwards, laterally and locally, the task is never done and is not solved by issuing a long directive. A good deal of patient work is needed all the time," he concluded.

Lord Robens felt it was impossible for us to contemplate with equanimity the prospect of the continued loss of millions of working days every year through labour disputes; the weakening of the U.K.'s competitive position by industrial conservatism or restrictive practices; or the danger of losing valuable repeat orders because of shoddy workmanship. All these dangers can be avoided, he felt, if the wide gulf between the boardroom and the shop floor can be closed; if there is mutual recognition of each other's policies; and if the community of interest between the boardroom and the shop floor is recognised by both sides. This means that management—for it is management's responsibility—must establish an effective bridge of communications throughout the length and breadth of British industry. What is important for any industrialist to remember is that communications within industry are so important that the task of ensuring them cannot be left to untrained junior staff. This is a job for experts and supervision at a very high level. The managing director should regard the exercise with the same importance as his production and sales.

It is impossible, anyhow at this stage, to assess the results of such a conference. Mr. Godber, the Minister of Labour, attempted the task of doing so. He summed them up under the following headings: (1) communications were an integral part of the business of management; (2) the essential need was for top management to take an active interest; (3) personal contact was essential when possible, but should be followed up by effective use of the written word and in other ways; (4) the supervisor was in a key position; he needed to be carefully selected, properly trained and given an opportunity to pass on information; (5) communications should be included in management training at all levels; (6) an important purpose of communications was to inform the workers of the policies and objectives of the firm; (7) communications was a two-way process; it was important for management to know what were their workers' attitude; (8) it was necessary to distinguish the functions of the shop stewards in this connection from those of the supervisors. The most important part of the supervisor's job is essentially to explain the management's policy. The shop stewards' function is to represent the views of their members.

Maiden from C.D.F.C.

The Commonwealth Development Finance Company, which has put cash to the tune of £28 million into 58 projects in 19 countries since it was set up in 1953, is paying its maiden dividend. Net profits have risen from £192,43 to £239,993 and the Company is paying a 3 percent dividend, which will absorb £134,670. Group reserves have increased from £992,552 to top the £1-million mark at £1,045,808. Lord Godber says in his annual report. Last year, the C.D.F.C. formed a subsidiary in Melbourne to carry out development financing in Australia and undertook 13 new commitments, involving a total investment of about £31 million in eight countries.

DROUGHT AFFECTS RUBBER PRODUCTION

(FROM OUR SOUTH INDIAN CORRESPONDENT)

RUBBER production suffered a major setback in March last, mainly due to the drought that was being experienced by the producing areas in Kerala and Madras since the beginning of this year. Kerala and Madras together contribute almost the entire natural rubber crop of India, Kerala alone accounting for about 90 percent of the total. The rubber growing areas of these two States on the western side of the Western Ghat have been experiencing an unusually severe drought from the beginning of this year, and most of the plantation crops grown in these areas are said to have been affected. Rubber appears to be the worst sufferer. According to the latest available report from the Rubber Board, natural rubber output in March 1964 was only 1,924 tonnes, 511 tonnes short of the production during the corresponding month last year. In spite of this, full production during the first quarter of 1964 was higher by 387 tonnes at 7,016 tonnes when compared with that of the same period last year. In January, the output was fairly large at 3,735 tonnes, compared with 3,142 tonnes of January 1963. Even in February which was one of the lean months as far as rubber production was concerned, the crop was 205 tonnes higher at 1,357 tonnes when compared with that of the previous corresponding month.

The rubber trees seem to have felt the impact of the drought more severely in March. Towards the end of March, there were a few scattered showers, but they were far from what was actually required for the plants to regain their normal vigour. Since then, there have been occasional rains, but the weather by and large continues to be dry and unfavourable for the rain-fed crops. Monsoon is to begin shortly, and in all probability the loss suffered so far due to drought might well be adequately covered in the coming months. The rubber growing industry in south India which has reached the take-off stage is likely to show marked progress this year also. If weather does not turn hostile in the coming months, there is every possibility of rubber production reaching the revised target laid down for it by the planners. In 1963, natural rubber production in India came to 37,000 tonnes, nearly 6,000 tonnes more than the output in the previous year. The present expectation in planting circles is that progress at this rate at least will be maintained this year, in spite of the temporary loss due to adverse weather. More and more of the newly planted high-yielding strains are reaching maturity, and are being tapped and their impact on the total production will be more pronounced than the loss already suffered on account of the drought.

Natural rubber supply was supplemented with imports from abroad which amounted to 6,130 tonnes during the first quarter of 1964. Consumption during this period was to the tune of 23,317 tonnes, including 3,201 tonnes of synthetic rubber and 2,048 tonnes of reclaimed rubber. The total stock of natural rubber in the country at the end of March 1964, was estimated by the Rubber Board at 16,092 tonnes, and that of synthetic at 3,012 tonnes. Both were larger when compared with that of the same date last year. Natural rubber stocks on 31st March, 1963, were to the tune of 13,485 tonnes, and that of synthetic were 2,589 tonnes.

CASHEW

Exports Rise

India has made Rs. 22.6 crores worth of foreign exchange through the export of cashew products during the financial year 1963-64. This was a Rs. 2.5-crore gain over the export earnings in the previous year. Exports of cashew kernels during 1963-64 amounted to 51,000 tonnes, valued at Rs. 21.5 crores. This was 2,600 tonnes more than exports during the previous year, and the value realised was higher by Rs. 2.1 crores. The United States continued to be the largest buyer of the Indian cashew kernels, followed by Russia, East Germany, United Kingdom, Canada, Australia and West Germany. The quantity imported by the major consumers with the figures for the previous year in brackets are given below: the U.S.A. 28,300 tonnes (27,000); Russia 8,000 (5,200); East Germany 3,400 (4,300); the U.K. 2,660 (2,500); Canada 1,600 (1,400); Australia 1,600 (1,600) and West Germany 1,300 (1,200). These are the figures supplied by the Cashew Export Promotion Council in Cochin.

Exports of cashew shell liquid during the financial year 1963-64 amounted to nearly 9,000 tonnes, valued at over Rs. 1.17 crores. This compares with 7,400 tonnes worth Rs. 74 lakhs exported during the previous year. The main buyers were the United States, the U.K. and Japan. With a view to popularising Indian cashew products abroad, the Indian Cashew Export Promotion Council has been taking part in almost all the international trade fairs. It had participated in the recent Homes and Industries Fair held in Perth (Australia). The Council is now participating in the New York Fair which opened on 22nd April. Apart from samples of all grades of cashew kernels, cashew shell liquid and publicly literature sent to the fair, the Council has arranged for the display of a plastic model of a cashew tree and photographs relating to various aspects of the cashew industry.

A four-member trade delegation sponsored by the Cashew Export Promotion Council has returned to India recently after a four-week visit to France and Italy. Mr. T. S. Menon (vice-chairman of the Council) who led the delegation said on his return that if the cashew exports to western Europe were to be substantially stepped up, the first thing to do was to conduct a vigorous publicity campaign to create consumer interest. He said that a representative of the Council who would be posted in Europe shortly would work in close co-operation with the Tea Promotion Officer in Europe. "Wherever the Indian tea goes, cashew should also be because it is good for both", he said. The delegation had made arrangements with a large department store for holding "Cashew Weeks", when cashew presentation packets will be freely distributed and elegant displays of folders and other publicity materials will be arranged, according to a note published in the latest issue of the *Cashew Bulletin*.

COFFEE

Higher Pool Receipts

According to the latest available report from the Coffee Board, receipts

of the 1963-64 crop into the Board's pool depots to the end of April amounted to 65,936 tonnes, compared with 52,075 tonnes of the previous season's crop. Quality-wise, the receipts were plantation 28,630 tonnes (24,147) Arabica Cherry 10,626 tonnes (8,565) and Robusta 26,680 tonnes (19,363). Figures within brackets indicate corresponding receipts into the pool last year.

The Board has sold for export a total of 13,402 tonnes, comprising 12,214 tonnes of Plantation, 340 tonnes of Arabica Cherry and 848 tonnes of Robusta, out of the 1963-64 crop until 13th May, 1964. Another 1,915 tonnes consisting of 1,277 tonnes of Plantation, 141 tonnes of Arabica Cherry and 497 tonnes of Robusta have been earmarked for the export auction on 27th May. Releases in the internal market to the end of April were to the tune of 10,292 tonnes, against 10,549 tonnes of the same period last year.

The Coffee Board chairman, Mr. Sitarama Reddy, is leading a delegation to the Middle East towards the end of this month to explore the possibilities of increasing Indian cardamom exports to these areas. He is the chairman of the Cardamom Development and Marketing Committee also.

TEA

Finding Cheaper Finance for the Gardens

A Special Correspondent writes: Tea growers have been urging an enquiry into the financial and other difficulties arising out of the Government's tax policies. It is interesting to note that a recent message from New Delhi that the Board of Trade at its latest meeting recommended the setting up of a committee to be formed of representatives of the State Bank, scheduled banks, the Indian Tea Association and others, to go into the question of finances for tea gardens. Such action should help the industry.

In Jalpaiguri, the Central Minister for International Trade, Mr. Manubhai Shah, attended a meeting of the Indian Tea Planters Association. Tea producers in both north and south India have made many representations to the Central and State Governments for relief from taxation and Mr. Shah stated that these matters as well as treating expenditure on replanting and new extensions as a charge on revenue rather as capital cost, was under the Government's consideration. The Centre, Mr. Shah said, had requested State Governments to treat such expenditure as a revenue item under the States Agricultural Income-Tax Acts so that a uniform pattern could be followed both for Central and State taxation.

The president of the Association, Mr. B. C. Ghosh, asked for better loan facilities. The Minister said that the two primary requirements of finance for development were for the cost of replanting, new planting and for machinery and equipment. The Tea Board's loan schemes, with a present fund of Rs. 10 crores, covered all these aspects. Out of this sum, nearly Rs. 5.9 crores had already been committed as loans by the Tea Board to different plantations.

With reference to financial relief, Mr. Shah said that the industry had pleaded that increasing costs and the burden of taxation left it with inadequate funds to finance its development programme and the Government was considering proposals that would give financial relief specifically for development and he hoped that the industry would gear itself much

CAPITAL, 21st May, 1964.

more in this direction. Such an approach would achieve better results than too much dependence and emphasis on loans.

Mr. Shah spoke of a rising trend in exports and said that as a result of the Tea Board's efforts, the export of special packets of tea to the E.C.M. countries from India had started. A number of firms and organisations in the E.C.M. countries had already agreed to pack and market blends of Indian tea. He thanked those countries which had helped bring about this year's E.C.M. decision to cut import tariffs on tea.

Tea exports last season totalled Rs. 133 crores. During the past year, difficulties had stood in the way of many estates producing a full crop. Wage payments to permanent labour were delayed and extra hands could not be employed to harvest more crop. This had resulted in the loss of 5 million lbs of tea last year and of at least Rs. 1 crore worth of foreign exchange. This year, the attitude of some of the banks had become stiffer. The prices of everything, except tea, were on the increase and higher expenses had to be incurred under every head. It was useless, he said, to expect the industry to set about achieving product and export targets in all earnestness unless the standing problem of finance was solved.

Mr. Ghosh said the West Bengal Financial Corporation was only interested in industries in and around Greater Calcutta. Until a cell for tea was established in the State Bank, there was not much hope of getting the required medium-term loan assistance from banks. The Agricultural Refinance Corporation was also refusing money for the construction of workers' houses. He suggested the provision of an interest-free plantation loan by the Tea Board till the time of production. After this stage, interest of about 3 percent could be charged.

Cables from London advise quality teas dearer in Mincing Lane.

Lower Quality at Cochin Auctions

There is a seasonal decline in the quality of teas that come up for sale at Cochin. The decline is more pronounced in the case of teas from higher elevations. According to the latest market report from Cochin, the high-grown Nilgiri brokens met with only restricted demand in the last sale at considerably lower rates and many were withdrawn in the absence of buying enquiry. The prices for most grades, however, were higher when compared with that of last year. The average price realised in the last auction for leaf grade showed a 56nP a kilo gain, when compared with the average for the corresponding sale last year. The Cochin sale average to the middle of this month at Rs. 5.17 a kilogram was higher by 7nP a kilogram, when compared with that of the same period last year. In the case of dust, the gain was more pronounced. The sale average of Rs. 4.60 a kilogram was 20nP more than the price realised during the corresponding period of last year.

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CAPITAL, 21st May, 1964.

Jute

HELP MILLS TO MODERNISE, SAYS EXPERT BODY

IN view of the growing competition from the Pakistani, British and European jute industries in world markets, an expert committee set up by the Indian Government has emphasised the urgent need for modernising the Indian mills. The Government has been advised to extend all assistance to the local industry in order that it may benefit from technological progress. The cost of modernisation has been estimated at Rs. 9 crores—Rs. 5 crores for improving the accessories and Rs. 4 crores for streamlining the standard looms. The committee has recommended that mills should be provided with special assistance by financial institutions. It has also suggested that the industry should be allocated foreign exchange worth Rs. 50 lakhs to help it to produce coated fabrics, non-wovens, chemical- and dye-treated fabrics, and mixed jute goods and yarn.

The annual production of jute mill machinery, spare part and accessories, it is estimated, will increase from Rs. 40 lakhs in 1966-67 to Rs. 8 crores in 1967-68 and to Rs. 10.5 crores during the subsequent years of the fourth plan. The Committee has recommended reallocating the permitted rated potential. For, with rapid changes in design, machines are being constantly improved and the industry's choice of equipment varies from time to time. As for preparatory and spinning machinery, it has recommended the formation of a consortium of the three licensed units, of which two have not yet started full production, while the third went out of production shortly after commencing work. Alternatively, it has recommended a substantial expansion of the unit whose machines have been well received by the industry.

The committee has estimated that the annual supplies of machinery during the fourth plan will amount to Rs. 13.8 crores, against a demand of Rs. 9.1 crores. In carding machines, the capacity should be expanded from 228 cards to 310 cards a year. In cop winders, the present potential should be stepped up from 72 to 160 a year, either by expanding the existing units or by setting up additional capacity for horizontal and vertical cop-winders of the auto-lifting type.

Setback in Production

The production of gunnies in mills reporting to the I.J.M.A. has declined sharply in April, compared with March. The decline in output is attributed to a number of festival holidays during the month, like the Bengali New Year's Day and Ram Navami. Besides, an increase in absenteeism caused a loss of man-hours.

Working at the maximum level or 200 hours during April (against 08 hours in the previous month) J.M.A. mills produced 103,700 tonnes against 112,600 tonnes) of jute goods. The output of hessian declined by 400 tonnes to 44,400 tonnes, of sacking by 3,100 tonnes to 39,300 tonnes of miscellaneous goods by 1,700 tonnes to 12,700 tonnes and of carpet-backing cloth by 700 tonnes to 7,300 tonnes. In April 1963, the mills worked at the same level for 208 hours, producing 105,400 tonnes—3,800 tonnes of hessian, 43,200 tonnes of sacking, 11,700 tonnes of other

goods and 6,700 tonnes of carpet-backing cloth.

U.S. Burlap Consumption

U.S. burlap consumption declined fractionally from 74.4 million yards in March to 74 million yards in April. The offtake was 77 million yards in April 1963. The average monthly consumption came to 75.80 million yards during the first four months of the current year, against 79.67 million yards for the comparable period of 1963 and 77.75 million yards for that of 1962. U.S. stocks rose during April from 272.6 million yards to 277 million yards. Of these, 155 million yards (against 150.4 million yards) were spot and 122 million yards (against 122.2 million yards) afloat. The closing inventories a year ago were 300 million yards—156 million yards spot and 144 million yards afloat. At the April level of consumption, the stocks will last 3.743 months. The corresponding stock-duration on the same basis was 3.896 months at this time a year ago.

Hessian Exports Rise

Hessian exports from India during the nine months ended March 1964 rose by 8.93 percent from 403,700 tons to 439,800 tons compared with the corresponding period of 1962-63. But sacking shipments showed a decline of 10.33 percent from 207,300 tons to 185,900 tons. The fall in the offtake of heavy goods was attributed to Pakistani competition in India's traditional markets, particularly in the U.K. and western Europe. Hessian exports to European countries rose by 12,000 tons to 100,000 tons. While shipments to the U.K. and other west European countries fell from 56,500 tons to 45,500 tons, exports to Russia and other east European countries increased from 31,500 tons to 54,500 tons and to the Americas from 269,100 tons to 290,800 tons. The offtake by the U.S.A. alone increased by 3,100 tons to 189,900 tons. Hessian exports

to African countries were up by 1,000 tons to 20,300 tons.

In sacking, supplies to Europe as a whole increased from 30,900 tons during July 1962-March 1963 to 31,600 tons during the corresponding period of 1963-64. Exports to the U.K. and west European countries fell from 22,100 tons to 14,000 tons, while those to Russia and west European countries increased by 100 percent from 3,800 tons to 7,600 tons. Shipments of heavy goods to the American zone rose from 40,600 tons to 47,000 tons and to New Zealand from 6,400 tons to 8,600 tons. Sacking despatches to all other destinations increased by 8,500 tons to 12,700 tons.

Sharp Decline in Despatches

An I.J.M.A. statement has reported a sharp fall in the despatches of jute goods during April from the mills reporting to the Association. Although port conditions were better, poor shipping instructions caused the setback in exports. They declined from 107,600 tonnes in March to 93,800 tonnes in April. Of the difference of 8,800 tonnes, exports alone accounted for 8,700 tonnes since they fell from 79,900 tonnes to 71,200 tonnes.

Hessian despatches showed the biggest fall from 46,900 tonnes to 40,600 tonnes, followed by sacking from 41,600 tonnes to 40,900 tonnes and carpet-backing cloth from 7,700 tonnes to 5,800 tonnes. The offtake of miscellaneous goods increased nominally from 11,400 tonnes to 11,500 tonnes. Exports of hessian fell by 6,200 tonnes to 35,600 tonnes, of sacking by 800 tonnes to 21,600 tonnes and of carpet-backing cloth by 1,900 tonnes to 5,800 tonnes. Internal consumption shrank by 100 tonnes to 27,600 tonnes during April. The consumption of hessian declined by 100 tonnes to 5,000 tonnes and other goods by 100 tonnes to 3,300

tonnes, while the offtake of sacking improved by 100 tonnes to 19,300 tonnes.

In April 1963, the total offtake was 104,800 tonnes—hessian 45,100 tonnes, sacking 42,100 tonnes, carpet-backing cloth 6,600 tonnes and other goods 11,000 tonnes. Exports absorbed 76,100 tonnes—hessian 41,600 tonnes, sacking 19,500 tonnes, carpet-backing cloth 6,600 tonnes and other goods 8,400 tonnes. Internal consumption totalled 28,700 tonnes—3,500 tonnes of hessian, 22,600 tonnes of sacking and 2,600 tonnes of miscellaneous goods.

THE JUTE MARKETS

Manufactured Goods: Easier conditions prevailed in the Calcutta gunny market during the past week. Sentiment was depressed by the general lack of overseas business. The Government offtake was on a hand-to-mouth basis. The issue of tenders for about 5,000 bales of B Twills for near positions failed to satisfy expectations. Market circles were still awaiting the outcome of the Iraq Government's tender for one million sand-bags and the Burma Government's tender for 31,000 bales of heavy Cees for May-August delivery. Towards mid-week, brisk covering against the West Bengal Food Directorate's tender for 400,000 bags of B Twills for mid-May delivery helped the sentiment in heavy goods. But the market received a setback on the announcement of U.S. burlap consumption figures for April. The sharp fall in the despatches of jute goods could be inferred from the I.J.M.A. gunny stock and production figures for April. As a result, mills emerged as keen sellers for all positions. But only small business was transacted in view of the hesitant attitude of overseas buyers and the slow pace of Government offtake. At the lower levels, mills became cautious and transacted only routine business. In the futures market, the trend was affected by tired long liquidation combined with aggressive short-selling. So prices fluctuated violently in both hessian and sacking for the May and August positions. At the lower prices, bears covered their open position and the market closed with a smaller loss in heavy goods than in hessian. Turnover was fair in sacking and moderate in

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Subscribed Capital	Rs. 5,78,53,600
Paid-up Capital	Rs. 3,15,51,800
Reserve Fund and other Reserves	Rs. 5,51,80,373
Deposits as at 31-12-63	Rs. 2,51,19,72,978

DIRECTORS:

Sir Homi Mody K.B.E. (Chairman).
Cooverji Hormusji Bhabha, Esq.
(Vice-Chairman).
Dharamsey Mulraj Khatau Esq.,
Nityanand Manohar Wadia, Esq.,
Chimanlal Banajal Parikh, Esq.,
Nawab Prince Mukarram Jah Bahadur,
Sir Jamsetjee Jejeebhoy, Bart.,
Jaykrishna Harivallabhdas, Esq.,
Shivay Sorabji Khamata, Esq.,
Nariman Kalkhushru Karanjia, Esq.,
Akbar Hydari, Esq.,

Mr. F. C. Cooper General Manager.

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Branches in West Bengal:—Asansol, Bankura, Burdwan, Durgapur, Jalpaiguri, Kalimpong, Purulia, Raiganj, Siliguri.

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Branches in Bihar:—Arrah, Bettiah, Bhagalpur, Chapra, Darbhanga, Deoghar, Forbesganj, Gaya, Jamshedpur, Jaynagar, Jharia, Khatihar, Khagaria, Kishanganj, Laherisagar, Lakhisarai, Mothihari, Monghyr, Muzaffarpur, Patna, Patna City, Ranchi, Rayachoti, Samastipur, Sahibganj, Sasaram, Sitamarhi and Sevan.

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B. C. SARADHIKARI,
Chief Agent, Calcutta.

hessian, and the undertone was hesitant at the close.

Tuesday's quotations were as follows:

	May	June	July-Sept.	Oct.-Dec.
40in. 7½oz.	33.15	33.35	33.60	33.85
40in. 8oz.	35.85	—	—	—
40in. 10oz.	44.75	44.95	45.50	45.65
B Twills	114.00	113.65	113.90	114.35
Cornsacks	114.50	115.00	115.25	115.75
Heavy Ceers (Plain)	115.00	114.25	113.75	113.75
A Twills	134.75	135.75	136.25	137.25
Liverpools	127.50	127.50	128.00	128.00

Raw Jute: Dull conditions prevailed in the raw jute market during the past week. Mills showed selective interest in better-grade fibre. But as the stocks of such jute were small and were in strong hands, they commanded a premium. Hence the off-take was more or less of a routine nature and was confined to small lots transacted around the previous levels. In lower grade fibre and mesta, holders were inclined to discount the rates below the minimum levels. But mills showed little interest in such fibre. Reports that the plants were thriving in the early-sown, low-lying areas of northern Bengal, lower Assam Valley, north-eastern Bihar and Tripura made them nervous and accentuated the selling pressure in off-grade stocks. Alternating showers and sunshine during the past fortnight helped in the completion of soil preparation work in Gangetic West Bengal. The seedlings were growing well. Farmers awaited a couple of heavy showers for transplantation work. In the futures market, Upper Assam White Bottoms for June fluctuated between wide limits on alternate bouts of long liquidation and bear-covering to close with a small loss on balance. Turnover was fair and the undertone hesitant at the close.

Tuesday's quotations were as follows:

Landed at Mills (Basis Bottoms)	Current Prices	T.S.D. Minimum Prices
	Rs. A Qu.	Rs. A Qu.
Assam-Agartala	85.74	80.38
Jute	32.00	30.00
Northern Jute	83.05	79.04
Western Desal	29.00	27.50
Jute	77.70	73.68

Selected				
Daissee	89.75	33.50	85.74	32.00
Assam-Agartala				
Tossa	85.74	32.00	83.05	31.00
Mesta:				
Assam-Northern	69.66	26.00	72.34	27.00
Local Daissee	69.66	26.00	72.34	27.00
Bihar Dist.	65.64	24.50	68.32	25.50

THE U.K. JUTE MARKETS RESTRICTED ACTIVITY IN FIBRE

(FROM OUR DUNDEE CORRESPONDENT)

THE raw jute market was quiet in Pakistan, and the E.P.C. values of the higher grades of both white and Tossa jute were reduced by £2 to £5 a ton last week. This made little difference to the prices quoted here as very few of the higher qualities were available. Registered sales of raw jute to the U.K. now total over 700,000 bales, which means that spinners have secured practically all their requirements from the present crop. The business taking place at present is confined to spot parcels and the prices being paid are low. There is no doubt that Dundee spinners have had a very successful season as far as raw material is concerned, but the same cannot be said about raw jute merchants as the bulk of the business has been transacted at under minimum export prices.

Offers continued to be freely made at £134 10s for Mill Firsts, at £108 for Mill Lightnings, at £94 10s for Mill Hearts and at £80 for Grade Hearts, c.i.f. U.K., for May-June shipment. Grade Tossa-2/3 was at £123 and Grade Tossa-4 at £105. Outport Tossa-2/3 ranged from £93 and Outport Tossa-4 from £83, May-June.

Although the new crop was reported to be making satisfactory progress in Pakistan, offers were still very scarce. The quantity of new crop jute bought by Dundee spinners is very small for the time of year. Offers were made at £92 15s for a group of Mill Hearts with single marks at £95. Grade Hearts were named at £81, c.i.f. U.K., for August-September shipment.

Cuttings were quiet and about unchanged at £59 for S.N.C. and at £50

10s for N.C. Some mesta prices were lower at £85 for A, at £75 for B, at £66 10s for C and at £48 10s for cuttings, c.i.f. U.K., May-June. Prices of the higher grades of Siam jute also tended easier. Offers were at £75 10s for grade A, at £69 for grade B and at £65 for grade C, delivered mill Dundee for May-June shipment.

The Calcutta goods market became easier, and hessian prices were at the lowest point touched this year. Values were at 68s 5d for 40in. 10oz. and at 50s 6d for 7½oz. a 100 yards f.o.b., Calcutta for May shipment, at 68s 10d and 50s 9d June and at 69s 7d and 51s 2d July-September. B Twills were at 173s 8d, 173s 8d and 174s 11d for the respective shipment periods. The Jute Control showed some buying interest of late.

There was little change to be seen in Dundee yarns and cloth. Spinners remain busy and have orders in hand for forward delivery. These contracts were placed some time ago, and there was less buying interest shown of late.

The cloth position was still rather mixed with some manufacturers better placed than others. Wide cloth for carpet backing was in good demand and hessian weavers in general remained busy. There was no improvement in demand for sackings, and some short time working was still in force in the heavy end of the trade.

U.S. BURLAP CONSUMPTION AND STOCKS

U. S. burlap consumption in April was 300,000 yards less than in March and 2.9 million yards less than in April a year ago. The total consumption for the first four months of 1964 is 16 million yards less than in the same period of 1963. Last month's bag cut-up was 53 million yards and piecegoods deliveries 21 million yards, compared with 57.7 million and 19.3 million yards, respectively, in 1963. U. S. spot stocks and float at the end of April increased from the end of March by 4.3 million yards. At 276.9 million yards, 154.7 million yards were spots (up 4.3 million yards) and 122.2 million yards were float (unchanged). Stocks represent about 3.6 months' supply.

U.S. burlap consumption (as reported to T.B.M.A.)	U.S. burlap consumption (estimated industry total)
(In million yards)	(In million yards)
1964 1963	1964 1963
Jan. 71 61	Jan. 82 68
Feb. 63 78	Feb. 73 89
Mar. 63 75	Mar. 74 85
Apr. 63 68	Apr. 74 77
May 65 65	May 69 69
June 60 60	June 68 68
July 60 60	July 69 69
Aug. 63 63	Aug. 70 70
Sept. 67 67	Sept. 80 80
Oct. 68 68	Oct. 79 79
Nov. 66 66	Nov. 77 77
Dec. 65 65	Dec. 75 75
Total 260 796	Total 303 913
Mo. Av. 65 66	Mo. Av. 76 76
U.S. burlap stocks (as reported to T.B.M.A.)	U.S. burlap stocks (estimated industry total)
(In million yards)	(In million yards)
1964 1963	1964 1963
Jan. 240 265	Jan. 291 306
Feb. 230 256	Feb. 284 304
Mar. 227 261	Mar. 273 304
Apr. 231 254	Apr. 277 300
May 252 252	May 296 296
June 251 251	June 297 297
July 252 252	July 279 279
Aug. 235 235	Aug. 289 289
Sept. 232 232	Sept. 278 278
Oct. 230 230	Oct. 281 281
Nov. 232 232	Nov. 281 281
Dec. 245 245	Dec. 294 294

Books

A SURVEY OF CHEMICALS

Indian Chemical and Pharmaceutical Industry—1963 Survey (Published by the Indian Chemical Manufacturers' Association. Price Rs. 10 pages 300.)

The object of this survey is to give general and statistical information about the development of the chemical industry during 1956-63. Data have been collected from published and unpublished sources to present authentic information. Industries allied to chemicals and pharmaceuticals are also discussed. While comment is generally restricted to an interpretation of statistics, notes are given on prospects under the fourth Plan having regard to achievements to date.

The chemical industry serves fundamental human needs in diverse ways. It is also of importance to the economy, being a major consumer of goods and a provider of opportunities for employment. In India it had a late start. Initial development was entirely through small private enterprise without aid from the Government. However, recent years of planned development have seen rapid strides, a better use of indigenous raw material resources, and a greater emphasis on research.

Achievements in the field of organics play a vital rôle in the chemical industry. The Government is, therefore, stressing the development of petro-chemical resources, and requirement targets have been formulated in detail. In the sphere of medicines, the Pharmaceutical Inquiry Committee has considered various aspects of this important branch of the chemical industry. Steps have been taken to expedite development, which in the initial stages was somewhat haphazard. Export of pharmaceuticals is already earning foreign exchange. Attempts are being directed towards increasing this valuable trade. The survey contains notes on local manufacturers, the availability of important drugs in India and on the current import licensing position.

Another important branch is agricultural chemicals, broadly classified as fertilisers and pesticides. To increase production of crops, it is essential that soil conditions are well maintained. The importance of different types of fertilisers, therefore, becomes apparent. Summaries are given to indicate development in the first two plan periods. Targets for the future in the private and public sectors are discussed at length. The other group is pesticides, which in its broad sense, includes insecticides, fungicides, herbicides, desiccants and plant hormones. Loss in India on account of insect pests, plant diseases, etcetera, is estimated at over Rs. 400 crores. The problem is of considerable magnitude, but it has been tackled in only a small way so far. India is still largely dependent on imports for most of these products. A separate chapter deals with a wide range of miscellaneous heavy and fine chemical products, both inorganic and organic.

Acids, alkalies and allied products are also dealt with in the survey. These have a direct bearing on the chemical industry and statistics indicate a remarkable degree of progress in production. Dyestuffs and intermediates also play an important rôle in the national economy. However, these industries have been left mainly to private manufacturers, whose enterprise in the face of many difficulties is praiseworthy. Achievements in expansion of capacity and output, and diversification of the production pattern are discussed.

COMPANY AND PUBLIC NOTICES

HOPE'S METAL WINDOWS (INDIA) LTD.

NOTICE is hereby given to the members of the above-named Company that the Sixth Annual General Meeting will be held at the Registered Office of the Company, 21, Netaji Subhas Road, Calcutta, on Thursday 11th June, 1964 at 3-30 p.m. to consider the Accounts of the Company for the year ended 31st December, 1963 and to transact other ordinary business.

NOTICE is also hereby given that the transfer Books and Register of Members of the Company will be closed from 5th June, 1964 to 11th June, 1964 both days inclusive.

By Order of the Board,

BALMER LAWRIE & CO. LTD.,
D. MANSON,
Managing Director,
Secretaries.

21, Netaji Subhas Road,
Calcutta, 1st May, 1964.

Note:—A member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote in his stead. Such proxy need not be a member of the Company.

INDIAN ALUMINIUM COMPANY, LIMITED

31, CHOWRINGHEE ROAD,
CALCUTTA-16.

NOTICE is hereby given that the Ordinary Share Transfer Register of the Company will remain closed from June 10th to June 15th 1964, both days inclusive.

The Directors of the Company at a meeting held on April 27th 1964 have decided to make the second (final) call, in respect of 801,276 ordinary shares of the Company issued on February 4th 1963, amounting to Rs. 10 per share to be applied towards the payment of the balance premium (making these shares fully paid up in respect of both the par or nominal value and the premium). The Board of Directors at the above said meeting have further decided that the amount of second call will be payable by those Members of the Company whose names appear in the Register of Members on June 15th 1964.

T. D. SINHA,
Secretary.

20th May, 1964.

Registrars' Office:

8, Clive Row,

Calcutta-1.

(Post Box No. 150)

THE CHAMPDANY JUTE CO., LIMITED

AT a Board meeting held to-day, the Directors decided to recommend to the Shareholders in General Meeting the payment of a final dividend at the rate of 25% or Rs. 2.50 per each share of Rs. 10/- for the year ended 31-3-64. The dividend will be subject to deduction of tax.

A notice calling the Annual General Meeting on 16th June, 1964, will be published shortly.

By Order of the Board,

JAMES FINLAY & CO., LIMITED,
Managing Agents.

2, Netaji Subhas Road,
Calcutta, 19th May, 1964.

THE HATTIKHIRA TEA COMPANY LIMITED

THE Annual Ordinary General Meeting of the Shareholders will be held at the Registered Office of the Company, No. 14, Old Court House Street, Calcutta, on Tuesday the 16th day of June, 1964 at 11-45 A.M. for the following purposes:—

- To receive and adopt the Directors' Report and the audited accounts for the year ended 31st December, 1963.
- To elect Directors in place of the retiring Directors.
- To elect Auditors for the ensuing year, and to fix their remuneration.

AS SPECIAL BUSINESS:

- To consider and, if thought fit, to pass the following resolution which will be proposed as a Special Resolution namely:—

"That Mr. D. J. Naismith be and is hereby appointed a Director of the Company".

The Share Transfer Book of the Company will be closed from 9th June 1964 to 16th June 1964 both days inclusive.

OCTAVIUS STEEL & CO. LTD.,

I. P. GOENKA,
Managing Director,
Managing Agents.

Calcutta, 20th May, 1964.

Notes: (i) A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and on a poll to vote instead of himself and the proxy need not be a member.

(ii) In connection with the business to be transacted under Item 4 of this Notice, an Explanatory Statement has been sent to the Shareholders.

CALCUTTA STEEL COMPANY LIMITED NOTICE

NOTICE is hereby given that the Fifth Annual General Meeting of the Members of the Company will be held at the Registered Office of the Company at 4, Old Court House Street, Calcutta-1, on Monday, the 15th June, 1964 at 4-00 p.m. to transact the following business:—

Ordinary Business:

- To receive, consider and adopt the Directors' Report and the Audited Balance Sheet as on 31st March, 1964 and Profit and Loss Account for the year ended 31st March, 1964.
- To declare a dividend.
- To appoint a Director in place of Shri B. P. Khaitan who retires by rotation but being eligible offers himself for re-appointment.
- To appoint a Director in place of Shri G. S. Nevatia, who retires by rotation but being eligible offers himself for re-appointment.
- To appoint Auditors and fix their remuneration.

Special Business:

- To consider and, if thought fit, to pass with or without modification the following resolution to be proposed as a Special Resolution.

"RESOLVED that payment to the Directors of Commission @ 1% of the net profits of the Company as provided for in article 94 (2) of the Articles of Association of the Company be and is hereby approved and authorised for a further period of five years with effect from 1st day of April, 1964.

By Order of the Board,
R. N. BHOTIKA,
Secretary.

4, Old Court House Street,
Calcutta-1, the 28th day of April, 1964.

Notes: (1) The Register of Members and Share Transfer Books of the Company will remain closed from 6th June to 15th June, 1964, both days inclusive.

(2) A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a Member.

(3) The Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 in respect of the Special Business is being sent to all the members of the Company.

(4) The Dividend when approved will be paid only to those Members whose names appear in the books of the Company as on 15th June, 1964 or to their Mandatees.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	L.S.T. Hours
Jenson & Nicholson (India) Ltd.	21-5-64	11 a.m.
Indo-Burma Petroleum Co. Ltd.	26-5-64	11 a.m.
Steel Containers Ltd.	26-5-64	3-30 p.m.
Industrial Containers Ltd.	26-5-64	3-45 p.m.
Soorah Jute Mills Co. Ltd.	27-5-64	2-30 p.m.
Philips India Ltd.	28-5-64	11 a.m.
Methoni Tea Co. Ltd.	29-5-64	11-30 a.m.
Kumardhubi Engineering Works Ltd.	29-5-64	3-40 p.m.
Dalmia Cement (Bharat) Ltd.	1-6-64	11 a.m.
Hope's Metal Windows (India) Ltd.	11-6-64	3-30 p.m.
Guest, Keen, Williams, Ltd.	12-6-64	11-30 a.m.
Calcutta Steel Co. Ltd.	15-6-64	4 p.m.
Hattikhira Tea Co. Ltd.	16-6-64	11-45 a.m.

DIVIDENDS DECLARED OR PROPOSED

ED.—Loobah Co. Ltd.—Nil; Assam Match Co. Ltd.—20 p.c., subject to tax; Dimakul Tea Co. Ltd.—30 p.c. (o), subject to tax; East India Tea Co. Ltd.—Nil; Standard Mills Co. Ltd.—20 p.c. (o), subject to tax; Sassoon Spinning & Weaving Co. Ltd.—Rs. 2 per share, subject to tax; Guest, Keen, Williams, Ltd.—6 p.c. (d), subject to tax; Bishnauth Tea Co. Ltd.—7½ p.c., subject to tax; Champdany Jute Co. Ltd.—25 p.c. (d) (o), subject to tax.



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

Exchange Associations and other sources.

Figures given after stroke (/) mean Naye paise.

Tuesday, 19th May, 1964.

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BANKS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		Rs.	Rs.	A year ago		1960	1961	1962		Rs.	Rs.	A year ago
Allahabad Bank P.	18	18	15-15*	100	250/00	250/00	267/00	Indian Overseas Bank	14	14	..	..	139/00	139/00	145/60
Bank of Baroda	17	17	16	50	92/00	91/50	86/30	National & Grindlays Bank	13½	14	16-14*	sh 15	sh. 31/-	sh. 31/-	sh. 31/-
Bank of India	20	20	20-18*	50	102/50	102/50	110/00	Punjab National Bank	20	20	20	10	19/62	19/62	19/00
Central Bank of India	20 2/5	20	20	25	45/00	46/00	56/00	Union Bank of India	11 2/5	11 2/5	11 2/5	5	5/80	5/80	5/84
Chartered Bank	15	15	15-15*	£1	sh. 51/-	sh. 51/-	sh. 61/6	United Bank of India	4.3	6	6-7½	10	7/44	7/56	7/31
Hindustan Commercial	Nil	Nil	Nil	50	13/50	13/50	13/87	United Commercial Bank	12	12	12-12*	50	67/50	67/50	72/50
Hongkong & Shanghai	£3 1/5	£3 1/5	£3 1/5	HK\$25	422½	422½	£17								
Indian Bank	15	15	15	100	151/00	152/00	165/45								

* 1962

JUTE MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		Rs.	Rs.	A year ago		1960	1961	1962		Rs.	Rs.	A year ago
Agarpara P.	10	2½	2½-12*	10	8/87	9/25	10/81	Hukumchand P.	28½	28½	26½-26½*	7½	19/50	19/50	22/00
Alexandra P.	44	15	42½	100	300/00	300/00	300/00	Imda	14	12	8-22½*	12½	15/25	15/25	18/00
Alliance P.	6	Nil	10-12½*	100	126/00	126/00	104/00	Kamarbhaty P.	6	Nil	20	100	179/00	179/00	203/00
Anglo-India P.	20	7	10-12*	100	180/00	180/00	224/00	Kanknarran P.	Nil	Nil	10	100	139/00	139/00	143/00
Auckland P.	27	12	Nil-15*	100	128/00	128/00	144/00	Kelvin P.	15	15	5-20*	100	144/50	144/50	185/00
Bally P.	25	25	25	100	237/00	237/00	265/00	Khardab P.	20	5	12½-12½*	100	17/50	17/50	16/50
Barnagore P.	30	10	10-10*	£5	220/00	217/00	190/00	Kinnison P.	20	7	Nil-10*	100	115/00	115/00	150/00
Bengal P.	5	..	..	10	6/69	6/69	19/25	Lansdowne P.	Nil	Nil	Nil-Nil*	100	94/00	94/00	84/50
Birba P.	15	15	15-15*	10	30/06	29/87	28/75	Lawrence P.	7	15	10-10*	100	99/50	99/50	100/00
Budge Budge P.	10	Nil	12	100	127/00	127/00	155/00	Magna P.	12	12½	Nil-22*	10	11/75	11/75	13/31
Calcutta P.	..	..	..	10	8/12	8/12	8/12	Nailhati P.	..	..	..	100	95/00	78/00	81/00
Caledonian P.	12	5	..	100	175/00	175/00	202/00	Naskarpara	..	..	..	10	6/00	6/00	9/06
Champdany P.	10	5	Nil-40*	100	22/06	22/06	24/00	National P.	7½	Nil	10	10	20/62	20/62	23/06
Cheviot P.	Nil	5	25	10	21/37	21/37	24/37	Nellimarla P.	3	6	15	10	8/25	8/44	11/50
Chitvalsa P.	5	Nil	5	10	7/94	8/31	10/75	New Central P.	15	15	Nil	10	10/94	10/94	12/62
Clive P.	..	..	..	10	8/00	8/00	8/00	Northbrook P.	30	30	20-35*	10	25/87	25/87	30/25
Dalhousie P.	1	1	Nil-25*	100	119/00	119/00	145/00	Nuddea	8	6	5-10*	60	57/50	57/50	55/25
Delta P.	7½	Nil	12	100	144/00	144/00	155/00	Presidency	8	6	10-10*	5	4/25	4/31	5/19
Empire P.	12½	7½	12½-15*	10	14/12	14/12	14/69	Rameshwara P.	Nil	Nil	Nil-Nil*	10	9/20	9/20	9/56
Fort Gloster P.	25	10	12½-20*	100	251/00	251/00	376/00	Reliance P.	Nil	Nil	Nil-Nil*	10	7/62	7/62	11/56
Fort William P.	22½	22½	10-20*	10	22/19	22/50	26/12	Sammugger P.	4	Nil	10	£1	10/50	10/50	10/50
Ganges P.	10	10	15-20*	10	13/37	13/19	13/37	Shree Ambica P.	6	6	25	10	20/00	20/00	25/00
General Industrial	40	10	13	10	14/00	14/00	15/44	Soorab P.	6	Nil	13	£1	22/50	22/50	22/75
Gourepore P.	30	25	20-20*	10	22/56	22/56	25/50	Titagarh P.	25	6	Nil-20*	100	10/50	10/50	10/50
Hastings P.	6	6	6-6*	100	128/00	128/00	128/00	Union P.	6	Nil	10	£1	141/00	141/00	158/00
Hooghly P.	10	20	7½-10*	10	16/00	16/00	20/00	Victoria P.	10	10	10	10	10/50	10/50	10/50
Howrah P.	12½	10	Nil-10*	10	15/44	16/00	19/50	Waverley P.	30	30	60	1	8/19	8/19	8/06

* 1963

COAL COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		Rs.	Rs.	A year ago		1960	1961	1962		Rs.	Rs.	A year ago
Amalgamated	10	12½	15	10	22/25	22/25	22/94	Mundulpur	..	..	..	10	2/69	2/69	2/69
Bengal P.	25	21	19	100	236/00	236/00	286/00	Nazira	7½	Nil	Nil	10	6/25	6/25	5/00
Bengal Bhatdee	..	..	..	10	3/48	3/48	3/48	New Beerbhoom P.	10	10	..	10	15/56	15/87	19/37
Bengal Nagpur	10	26	..	10	22/00	22/00	22/00	New Manbhoom	7½	9	..	10	11/50	11/94	16/00
Bhalgora	..	..	..	10	3/87	3/87	4/87								
Bharat Collieries P.	..	..	..	10	3/00	3/00	3/31	North West	20	20	..	10	19/75	19/75	19/75
Bhulanbarree	..	..	..	10	10/00	10/00	11/94								
Bokaro & Rampur	15	15	..	10	11/19	11/19	11/19	Ondal P.	6	7½	..	10	13/50	13/50	12/00
Borrea P.	13	13	13	10	20/25	20/25	23/87	Parasea P.	1½	1½	..	10	14/00	14/00	16/00
Burrakur P.	8	10	10	10	8/56	8/56	9/90	Pench Valley	10	10	10	10	17/44	17/44	18/00
Central India	..	..	..	10	3/44	3/44	3/87	Pure Sitapur	15	17	..	10	8/00	8/00	8/00
Churulia	5	..	..	4	3/06	3/06	3/06	Ranecunge	20	20	..	10	13/75	13/75	16/00
Dhemo Main	Nil	Nil	..	10	3/95	3/95	5/75	Rewa	10	10	..	10	28/50	28/50	28/50
East Indian	7½	15	20½	£1	29/25	29/25	31/87	Samla	10	..	..	10	8/00	8/00	10/03
Equitable P.	15	10	..	10	22/44	22/44	26/50	Searsole	Nil	Nil	Nil	2½	1/25	1/25	1/22
Ghushack & Musli	Nil	Nil	Nil	10	13/25	13/25	14/25	Seebore P.	42 6/7	42 6/7	35 5/7	7	34/77	34/77	45/00
Guzdar Kajora	..	..	..	10	2/47	2/47	2/03	Sendra	6	3½	..	10	5/00	5/00	6/25
Hurriladih	..	..	..	10	5/44	5/44	8/12	South Karanpura	2½	Nil	Nil-2½*	10	7/62	6/62	8/87
Karanpura Development	6	6	..	100	9/87	9/87	12/50	Standard	15	10	..	10	10/44	10/44	13/12
Karanpura Collieries P.	7½	10	10	10	11/75	12/44	16/75	Union	..	..	..	10	10/25	10/25	10/27
Katras Jheriah	95	40	25-30*	10	30/00	30/00	37/75	Western Bengal	6	7½	9	10	8/75	8/75	8/87
Khas Kajora P.	..	..	..	10	17/62	17/62	18/70	West Jamuria	Nil	Nil	..	10	3/60	3/60	4/12

* 1962

CAPITAL, 21st May, 1964.

COTTON MILL

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		Rs.	Rs.	A year ago		1960	1961	1962		Rs.	Rs.	A year ago
Basanti	..	..	..	10	13/50	13/50	11/56	Elgin P.	11½	17½	17½-17½*	10	18/00	17/94	18/69
Bengal Luxmi	..	..	..	40	30/00	30/00	28/00	J. K. Cotton (Rayon) P.	12½	..	..	10	10/60	11/06	13/62
Bengal Nagpur P.	Nil	..	..	10	2/44	2/44	3/00	Jaya Shree	10	10	..	10	14/81	14/81	13/62
Bharat Commerce	5	15	15	10	21/62	21/62	22/50	Muir P.	..	..	..	100	63/00	63/00	106/00
Birla Cotton	10	20	20	10	27/00	27/00	26/75	New Victoria P.	Nil	..	..	2½	1/37	1/37	1/66
Bowreah P.	10	20	15	10	23/75	23/75	23/25	Orissa Textiles P.	Nil	Nil	..	10	6/87	6/50	9/00
Cawnpore Textile	7 1/5	10	10	5	6/25	6/25	6/31	Rampooria Cotton	3	Nil	..	10	13/00	13/00	12/00
Delhi Cloth & Genl P.	12	13	13-13*	25	45/00	45/16	42/44	Swadeshi (Kanpur) P.	5.51	..	..	100	11/00	11/00	11/50
Dunbar	20	20	15	10	27/25	27/25	27/50						6/62	6/62	7/03

* 1963

BOMBAY COTTON MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until				
	1960	1961	1962		Rs.	18-5-64	12-5-64		A year ago	1960	1961		1962	Rs.	18-5-64	12-5-64	A year ago
						Rs.	Rs.		Rs.						Rs.	Rs.	Rs.
Ahmedabad Advance P.	16	12	..	100	140/00	140/00	170/00	Indian	23 1/5	25	..	250	870/00	870/00	761/25		
Apollo	Nil	Nil	..	2	1/70	1/72	1/98	Indore Malwa United	8 1/2	10	7 1/2	100	210/00	205/00	186/00		
Beharilal Ramcharan	Nil	Nil	..	100	131/50	130/00	76/00	Khatav Mankanji P.	32	16	..	100	182/50	181/25	437/50		
Bombay Dyeing, etc.	14	14	14	25	57/20	57/80	61/50	Kohinoor	15	18	..	100	333/50	333/00	317/50		
Bradbury P.	10	25	..	50	145/00	145/00	150/00	Lakshmi Vishnu P.	5.7	6	Nil	100	100/00	100/00	98/00		
Century	30	30	..	100	607/00	610/50	560/00	Morarjee Goudalas P.	21 1/2	24	24-20*	100	286/00	286/00	435/00		
Central India P.	Nil	Nil	Nil-Nil*	100	88/00	87/00	114/00	Mysore Spg. & Mfg. P.	14	14	..	50	38/50	39/25	46/00		
Coorla	11	11	..	100	170/00	167/50	140/00	New City of Bombay	Nil	Nil	..	100	188/75	188/75	142/50		
Dawn	30	30	..	50	152/00	151/00	142/00	New Great Eastern P.	Nil	12	..	100	178/00	178/00	270/00		
Edward Textiles	9	9	6	200	260/00	260/00	325/00	Phoenix	Nil	15	20	100	222/00	224/00	206/00		
Elphinstone P.	18	22	18	50	98/00	97/00	100/00	Sassoon & Alliance	Nil	Nil	..	100	114/00	114/00	124/00		
Finlay	23	23	..	100	307/00	310/00	320/00	Sassoon Spinning	17	20	10	10	36/25	36/25	48/75		
Gokak	14	18	..	100	180/00	180/00	160/00	Simplex	15	Nil	22-16*	50	122/00	122/00	128/00		
Hindustan	50	50	..	250	950/00	950/00	810/00	Shree Niwas P.	18	20	14	100	248/00	249/00	234/00		
India United	8	14	..	10	21/80	21/80	22/24	Svadeshi P.	17	19	17	100	237/50	237/00	248/00		
	13 1/2	37 1/2	..	1Dd	2/60	2/62	2/54	Swan	36	21 3/5	..	100	275/00	275/00	300/00		
								Tata	20	22	20	25	53/50	53/00	56/50		
								Western India	46 2/5	25	..	250	850/00	850/00	785/00		

MISCELLANEOUS COMPANIES—Contd.

Dividends per cent								Latest Market Quotations as available until			Dividends per cent								Latest Market Quotations as available until		
NAMES		1960	1961	1962	Paid-up per Share	19-5-64.	13-5-64	A year ago	NAMES		1960	1961	1962	Paid-up per Share	19-5-64.	13-5-64	A year ago				
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.			Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.				
ENGINEERING & METAL																					
Arthur Butler (Muzafferpore) P.	Nil	Nil	10	10	21/25	21/25	14/50	J. K. Synthetics	3	Nil-10*	10	11/44	11/56	10/81							
Bhartia Electric Steel	10	10	12½	10	14/25	14/19	14/50	James Wright P.	..	..	50	2/75	2/75	2/75							
Brathwaite India	25	25	14	10	32/50	33/12	28/00		..	..	1Dd	00/4	00/43	00/43							
Bridge & Root	30	30	30	10	52/25	52/25	52/25	Jardine Henderson Ltd P.	7	7	6-7*	100	72/00	72/00	86/00						
Britannia Building & Iron P.	Nil	Nil	Nil	10	3/20	3/20	3/65	Jay Shree Industries P.	14	12½	..	100	14/41	13/44	16/06						
Britannia Engineering P.	10	10	10	10	9/87	9/87	9/69	Kesoram Industries P.	5	12	12-13*	10	25/37	25/31	22/25						
British India Electric Cons.	45	20	15	10	29/12	29/12	33/12	Macfarlane & Co.	..	..	..	50	5/00	5/00	1/00						
Burn P. (Engineering)	28½	28½	28½-25*	100	280/00	280/00	438/00	Macneil & Barry Ltd P.	8	8	7½	100	95/00	95/00	93/50						
Calcutta Steel	15	15	15-12½*	10	14/56	14/62	13/25	Martin Burn Ltd P.	27½	27½	25-25*	10	26/25	26/50	26/37						
Dalmia Iron	10	10	10-10*	10	10/84	10/87	10/62	McLeod & Co. P.	15	15	18	100C	213/00	213/00	210/00						
Guest, Keen, Williams	16	14	14	10	23/69	24/00	33/75	Metal Box Co. of India Ltd P.	25	25	19	10	30/62	30/37	49/87						
Hooghly Docking	Nil	Nil	12½	50	89/00	89/00	108/00	National Insulated Cable P.	25	25	25-18*	10	22/31	22/44	22/62						
Indian Iron & Steel P.	15	16	16-15*	10	24/32	24/44	22/49	National Pipe & Tubes P.	20	20	20	10	26/06	26/00	27/25						
Indian Malleable Casting	Nil	..	..	50	6/00	6/00	6/00	National Rolling & Steel Ropes	13	15	15-15*	10	18/50	18/44	18/87						
Indian Standard Wagon P.	28½	28½	28½-20*	10	34/44	35/87	28/87	National Rubber P.	Nil	6½	8	10	11/31	11/31	12/25						
Indian Steel & Wire Products	23	24	23-28*	100	33/50	33/50	38/87	National Tobacco P.	16	7	7	10	11/06	11/25	11/75						
Industrial Containers	Nil	10	10	10	24/00	24/00	22/00	New India Investment Corpn.	8.7	..	..	75	54/00	54/00	65/00						
Jay Engineering	17 3/20	17 3/20	15-10*	10	18/94	18/87	21/75	Octavius Steel P.	10	7½	7½	100	..	..	25/87						
J. K. Steel P.	20	20	10	10	14/87	14/94	15/00	Philips India	12	12	13	10	28/00	27/62	25/87						
Jessop & Co. P.	8.58	8.58	8.58	10	21/56	21/56	22/37	Publicity Society	10	75	75-50*	4	22/62	22/62	22/62						
Kumardhubi Engineering P.	10	11½	15	3	5/62	5/62	8/00	Rallis India P.	20	8½	10*	100	118/00	120/00	117/50						
Marshall Sons (India)	Nil	Nil	Nil	2	3/12	3/12	2/81	Robtas Industries P.	10	10	8-9*	10	11/00	11/03	11/12						
National Iron and Steel	Nil	Nil	Nil	10	5/78	5/78	4/25	Sirslk P.	Nil	..	..	10	7/62	7/69	9/19						
Saran Engineering	8½	10	12½-10*	4	6/25	6/25	8/00	Sen-Raleigh Industries P.	8	8	8	10	14/69	13/50	13/50						
Steel Containers	30	20	20	10	28/12	28/12	19/75	Shaw Wallace P.	15	15	7½	10	15/62	14/69	14/75						
Textile Machinery	10	10	..	10	27/45	27/45	23/85	Spencer's Hotel	2½	2½	..	2	1/25	0/94	0/94						
SUGAR BREWERIES ETC.																					
Balrampur Sugar	8	8	4-Nil*	2½	1/75	1/75	2/00	Union Carbide	18	18	12½	10	30/25	31/87	38/50						
Belsund Sugar	18½	10	6 2/3	7½	7/50	7/50	7/81	Walford Transport	30	20	..	1PO	2/94	2/87	2/37						
Bharat Sugar P.	15	15	15-15*	10	12/56	12/56	13/00		20	30	..	1O	3/15	3/15	3/62						
Carew (Sugar) P.	Nil	Nil	Nil	10	12/19	12/19	12/50	INSURANCE COMPANIES													
Cannore Sugar P.	Nil	Nil	Nil	10	9/31	9/31	10/06	Concord of India	20	20	20	5	10/00	10/00	10/25						
Channarpan Sugar	15	12	Nil-Nil*	10	10/78	10/78	15/87	Hercules	22½	26½	26½	10	23/50	23/50	24/19						
Durbhanga	4	Nil	5	10	7/12	7/12	8/25	Ruby General	10	13½	15½	8	10/62	10/62	9/37						
New Saven Sugar and Gur	..	..	..	10	3/62	4/00	5/62	Standard General	45	50	50	25	134/00	134/00	132/00						
Furtabpur Sugar P.	..	..	..	10	8/00	8/00	11/50	Triton													
Rammugger Cane & Sugar P.	30	35	30-15*	10	29/31	29/31	26/12	Bengal	40	25	25	10	34/12	34/12	34/25						
Raza Buland	12½	10	10-10*	10	9/87	9/87	9/31	Delhi P	..	..	..	10	14/00	14/00	14/00						
Ryam Sugar P.	..	..	..	10	3/25	3/25	5/20	Ganesh P.	..	..	..	12½	13/00	13/00	15/75						
Samastipur Central Sugar	..	..	..	10	3/75	3/75	9/62	Hooghly	15	Nil	Nil	10	19/75	19/75	19/75						
Shree Krishna Gyanodaya Sugar P.	..	..	..	10	7/87	7/81	7/00	United	35	10	7½	10	27/81	27/81	27/81						
Shree Sitaram Sugar	..	..	..	10	8/00	8/00	7/12														
Sitalpore Sugar	4	Nil	Nil-Nil*	10	3/69	3/69	6/12														
United Provinces	15	5	Nil	10	11/25	11/25	10/62														
Upper Ganges Sugar P.	72½	72½	72½	10	60/25	60/25	65/00														

MISCELLANEOUS

MISCELLANEOUS										OIL COMPANIES									
A Firpo (Restaurateur)	7 1/2	10 1/2	5	10	5/90	5/90	5/90	13 1/2	13 1/2	13 1/2	£1	sh 34/9	sh. 34/9	sh. 24/0					
Aluminium Corporation P.	12	12	12-5*	10	11/81	11/87	12/87	9-2/5	9-2/5	9-2/5	£1	sh 66/3	sh. 66/3	sh. 51/9					
Anderson Wright Ltd. P.	11 1/2	11 1/2	6	10	11/50	11/50	11/50	30	25	22 1/2	10	21/62	21/75	23/00					
Angelo Bros	25	28 1/2	20-28*	10	23/44	23/44	21/44	30	35	35	10	33/19	33/19	25/25					
Assam Match	18	20	20	10	28/37	26/37	28/75												
Assam Saw Mills & Timber	NH	NH	3	8	2/69	2/56	2/50												
Associated Battery	25	15	15-15*	10	23/00	23/00	23/44												
Associated Hotels of India P.	NH	10	10-15*	10	10/31	10/31	10/31												
Balmer Lawrie & Co.	25	25	25	100	256/00	256/00	241/00												
Bararee Coke	NH	NH	15-15*	10	19/88	19/88	24/37												
Birds Investments P.	9 1/2	10	10	10	9/00	9/00	9/94												
Britannia Biscuit P.	25	30	25-21*	10	38/00	50/25	41/62												
British India Corporation P.	4	7	9	5	9/62	9/62	8/81												
British Paints	12 1/2	15	10	10	20/50	20/50	20/50												
Calcutta Silk Manufacturing P.	NH	NH	10	10	6/94	6/94	7/15												
Clive Row Investment	8	7 1/2	7 1/2	10	8/44	8/44	8/40												
Duncan Brothers & Co. Ltd. P.	14	14	14	100	137/00	137/00	147/00												
Dunlop Rubber Co. (India) P.	21 1/2	20	15	10	33/75	34/00	32/44												
Dyer Meakin (Breweries)	25	30	5	5	25/50	25/50	28/00												
Eastern Investments Ltd. P.	14	14	12-10*	100	107/00	107/00	128/00												
Electric Construction	10	10	10-10*	10	12/81	12/75	13/00												
French Motor Car	20	20	20	20	31/75	31/75	35/12												
Ganges Rope	17 1/2	20	20	100	236/00	236/00	236/00												
General Investments Trust P.	5	6	5-5*	75	43/00	43/00	43/00												
Gillanders Arbuthnot & Co. Ltd. P.	10	11	11-11*	10	15/12	15/12	13/50												
Gladstone Lyall & Co. Ltd. P.	4 2/5	..	..	10	28/12	28/12	33/25												
Godfrey Phillips (India) Ltd. P.	40	40	30	10	245/00	245/00	241/00												
Great Eastern Hotel	9	8	250																
Hindustan Aluminium P.	NH	12	12 1/2-11 1/2*	10	18/09	18/22	16/84												
Hindustan Motors P.	9	12	12 1/2-11 1/2*	10	13/75	13/75	14/87												
Hindustan Pilkington	..	..	..	10	12/62	12/62	13/94												
Hindustan Rywofords P.	NH	NH	NH-NH*	10	5/50	5/50	5/44												
Hoare Miller & Co. Ltd.	6	6	9	10	9/31	9/56	10/62												
Imperial Tobacco	18	15	17 1/2	10	30/06	30/06	34/44												
Indian Aluminium Co. Ltd. P.	23 1/2	22 1/2	22 1/2-21*	10	34/25	34/50	31/00												
Indian Cable P.	15	15	12-12*	10	25/06	25/06	29/12												
Indian Oxygen	30	30	30	10	21/62	21/25	19/87												
Indian Rubber Manufacturers P.	20	30	25	10	27/50	27/50	29/00												
Indian Wood Products	30	30	30-25*	10	13/00	13/00	14/50												
Isaac Holdens	..	NH	..	40	30/00	30/00	55/00												
Investments and Finance P.	7 1/2	7 1/2	7 1/2-7 1/2*	100	30/00	30/00	55/00												
Attock Oil	13 1/2	13 1/2	13 1/2	10	10/31	10/31	10/31												
Burmah Oil P.	9-2/5	9-2/5	9-2/5	10	10/31	10/31	10/31												
Indo Burmah Petroleum P.	30	25	22 1/2	10	10/31	10/31	10/31												
Tide Water Oil	30	35	35	10	10/31	10/31	10/31												
PAPER MILLS																			
Bengal P.	32	27 1/2	20	10	10/31	10/31	10/31												
India Paper Pulp	15	13	12-15*	10	10/31	10/31	10/31												
Orient Paper P.	22 1/2	22 1/2	22 1/2-20*	10	10/31	10/31	10/31												
Shree Gopal Paper P.	17-6/7	17-6/7	17-6/7	10	10/31	10/31	10/31												
Sirpur P.	6 1/2	8 1/2	8 1/2-5*	10	10/31	10/31	10/31												
Star Paper P.	NH	NH	NH	10	10/31	10/31	10/31												
Titaghur P.	10	13	13-13*	10	10/31	10/31	10/31												
West Coast P.	25	20	10-10*	10	10/31	10/31	10/31												
PRESSING COMPANY																			
Camperdown	11	11	11	100	100/00	100/00	104/00												
REAL PROPERTY STORAGE																			
Bengal Bonded Warehouse	11	8	8-9*	100	100/00	100/00	104/00												
Calcutta Safe Deposit	100	100	100	100	100/00	100/00	104/00												
Humayan Properties P.	100	100	100	100	100/00	100/00	104/00												
Midnapore Zemindary P.	100	100	100	100	100/00	100/00	104/00												
TRAMWAYS & STEAMER																			
Bengal Assam Steamship P.	7 1/2	7 1/2	7 1/2	100	128/00	128/00	132/00												
Calcutta Landing & Shipping	10	10	10	10	10/31	10/31	10/31												
Calcutta Steam Navigation	10	10	10	10	10/31	10/31	10/31												
Calcutta Tramways P.	10	10	10	10	10/31	10/31	10/31												
Fraser	10	10	10	10	10/31	10/31	10/31												
India General Nav. Railway P.	10	10	10	10	10/31	10/31	10/31												
Indie Steamship P.	10	10	10	10	10/31	10/31	10/31												
Port Shipping	10	10	10	10	10/31	10/31	10/31												

SOUTH INDIA PLANTATION COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1939	1960	1961		18-5-64	12-5-64	A year ago		1939	1960	1961		18-5-64	12-5-64	A year ago
Amalgamated P.	7½	10	..	10	10/01	10/01	10/36	Malankara	10	15	..	10	16/37	16/37	15/56
Anandam P.	15	15	..	10	14/50	14/50	15/24	Midland Rub & Prod P.	10	12½	12½	10	11/00	11/00	10/98
Athimattam	Nil	Nil	..	2	1/20	1/20	0/80	Nilgiri P.	5	..	..	10	9/10	9/10	8/90
Balanoor P.	15	15	12	10	12/37	12/37	12/09	Nonsuch	20	20	20	10	22/20	23/00	21/80
Balmadies P.	7½	7½	..	2	1/80	1/80	1/90	Ossoor	15	15	..	2	2/56	2/56	2/52
Be Be P.	5	Nil	5	5	2/30	2/30	2/15	Oucherlony	15	13	12	2	3/55	3/55	3/65
Blue Mountain	12½	12½	10-10*	2	2/37	2/40	2/25	Parkside Neilgherry	27½	27½	22½-27½*	10	25/73	25/73	24/00
Chembra Peak	15	20	20-20*	2	4/57	4/55	3/73	Peernade P.	22½	22½	25	10	21/25	21/12	21/87
Cochin Malabar P.	15	17½	20-20*	3	6/45	6/48	5/85	Peninsular	20	20	..	2	3/46	3/49	20/70
Coffee Lands P.	25	6	..	10	17/65	17/62	13/50	Periakaramalai	12½	13½	20-12½*	10	21/25	21/25	2/90
Consolidated Coffee P.	25	20	..	10	22/00	22/15	17/12	Rajagiri Rub & Prod P.	20	20	20	10	21/55	21/55	18/25
Coonor P.	20	17½	15-17½*	10	17/37	17/37	18/50	Rajendra P.	50	25	..	5	10/42	10/42	9/80
								Swinton	7½	..	..	2	2/68	2/68	2/82

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1939	1960	1961		18-5-64	12-5-64	A year ago		1939	1960	1961		18-5-64	12-5-64	A year ago
Bangalore W. C. Silk P.	10	10	18	100	252/00	257/00	250/00	Lakshmi	12	20	30-25*	50	131/00	131/00	137/00
Buckingham & Carnatic P.	10	10	18	100	270/00	272/00	265/00								
Cambodia P.	Nil	9	..	10	9/35	9/35	13/00	Madura	12½	15	15	15	33/10	33/28	32/50
Combaratore Cotton	6	12	16	100	155/00	155/00	155/00	Mettur Industries	25	30	30-22½*	100	286/00	286/00	324/00
Combaratore Spg & Wvg.	..	..	..	50	115/50	115/50	10/55	Pelani Andavar P.	..	..	..	100	202/75	202/75	215/00
Kothari Textiles P.	10	10	8	10	9/35	9/35	10/55	Vasanta P.	16	20	..	100	250/00	250/00	276/00

SOUTH INDIA SUGAR MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1939	1960	1961		18-5-64	12-5-64	A year ago		1939	1960	1961		18-5-64	12-5-64	A year ago
Andhra P.	20	..	..	10	13/79	13/78	17/36	K. C. P.	15	..	..	10	24/00	24/00	24/50
Cauvery P.	Nil	6	8	100	100/00	100/00	105/00	Kothari	..	Nil	Nil-Nil*	10	6/80	6/90	7/40
Deccan Sugar	25½	25½	12-18*	5	11/52	11/52	9/80	Mysore	10	30	30-30*	10	28/33	28/33	51/30
E.I.D.—Parry	28 4/7	21 3/7	21 3/7-28 3/7*	£1	35/50	35/45	37/75	Travancore P.	10	10	..	10	7/20	7/20	7/35
Indian Sugar P.	12½	14	10-8*	10	8/87	9/36	9/69	United Breweries	60	60	80-25*	10	33/00	33/00	95/00
Jeypore P.	10	8	..	10	16/50	16/50	15/00								

SOUTH INDIA MISCELLANEOUS COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1939	1960	1961		18-5-64	12-5-64	A year ago		1939	1960	1961		18-5-64	12-5-64	A year ago
Aluminium Industries	12½	18	..	10	20/15	20/30	17/40	Mysore Chemical Mfgs. P.	20	20	..	10	16/70	16/70	17/75
Andhra Cement P.	10	10	10	10	10/00	10/00	9/85	Mysore Lamp P.	16	20	..	10	30/00	30/00	34/10
Ashok Leyland	8	8	..	5	6/98	7/10	7/45	Mysore Paper	12½	15	15	10	12/40	12/40	13/80
Blany	10	12½	..	100	27/80	27/00	32/17	Mysore Tobacco	12½	10	..	10	12/00	12/00	9/85
Brunton & Co.	Nil	..	..	10	4/80	4/80	5/10	Parry's Conf.	20	30	..	1	3/00	3/14	3/30
Enfield P.	5	5	..	10	10/87	10/87	9/25	Spencer (Provisions)	18	18	18-18*	10	21/75	21/75	21/50
India Cement P.	9	11	9-12*	5	5/52	5/65	5/50	Standard Motors P.	9	9	..	10	10/12	10/12	11/87
Indian Steel Rolling P.	7	..	..	10	10/00	10/00	10/40	T. Stanes P.	27½	32½	..	10	26/70	26/70	28/05
Mettur Chemical Industrial P.	8½	12½	12½-13½*	10	13/30	13/25	11/35	Textool	15	15	..	100	142/50	141/00	156/00
Mysore Chem & Fert.	5	10	10	10	7/87	7/87	9/75	Tube Investments	10	10	10	100	201/00	201/00	235/00

LIGHT RAILWAY AND ROPEWAY COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1939	1960	1961		18-5-64	12-5-64	A year ago		1939	1960	1961		18-5-64	12-5-64	A year ago
Ahmedpur Katwa	1.90	1.90	1.75	100	24/87	24/87	23/00	Darjeeling Ropeway	..	..	..	10	8/50	8/50	8/00
Arrab Sasaram	5	5	5	100	31/62	31/62	27/00	Dehri Rohtas	17	20	15	10	11/75	11/75	13/75
Bankura Damoodar	1.80	1.90	1.75	100	24/87	24/87	23/00	Futwah Islampur	1.80	1.80	1.90	100	28/70	28/70	25/70
Burdwan Cutwa	1.90	1.90	1.75	100	24/87	24/87	23/00	Howrah Amta (P)	8	5	4	100	34/00	34/00	46/00
Chaparmukh Silghat	2.80	2.90	2.80	100	35/00	35/00	35/00	Howrah Sheekhala	3.50	3.10	1.90	100	39/00	39/00	45/00
Cherra Chhatrak Ropeway	9	12	12	5	4/62	4/62	5/75	Katakhal Lala Bazar	0	0	..	100	41/00	41/00	41/00
								Shahdara (Delhi)	0	0	..	100	52/00	52/00	50/00



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& COMPANY LIMITED
5, Old Court House St.,
Calcutta-1.
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CAPITAL

A Weekly Journal of Commerce, Industry and Finance

WITH WHICH IS INCORPORATED

THE INDIAN FINANCIAL REVIEW



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76th YEAR OF ISSUE

CALCUTTA, 28th MAY, 1964.

Vol. CLII 3812

CONTENTS

Editorials	
The Death of Mr. Nehru	809
More Non-project Aid	810
Soda Ash Needs Protection	810
Current News and Comment	811-12
F.I.C.I. Criticises Tax Policy	
Reactions of U.S. Investors	
Investing Life Funds	
Falling Profit Margins	
Progress of the Farakka Barrage	
Rice Scarcity in West Bengal	
A Ditcher's Diary	813
Guide for Investors	815-20
Andhra Foundry and Machine	
Anglo-French Textiles	
Ahmedabad Advance	
Arvind Board and Paper	
Binani Metal Works	
Bishnauth Tea	
Bombay Malleable Iron Castings	
Bor Pukhuri Tea	
Braithwaite (India)	
British India Corporation	
British India General Insurance	
Burmah Oil	
Calcutta Steel	
Dinakshi Tea	
East India Tea	
Hatikhira Tea	
Hope's Metal Windows	
Indian Dyestuff	
Jeewanlal (1929)	
Lakshmi Vishnu Cotton	
Loobah Tea	
Metal Distributors	
National Ekco Radio	
New India Industries	
Omega Insulated Cable	
Pesticides	
Royalaseema Mills	
Shivaji Works	
Simplex Mills	
Tata Mills	
Tensile Steel	
Travancore Electro-Chemical Industries	
Western India Tanneries	
New Capital Issues	
The Stock Markets	821
Special Articles	
Working of the Deposit Insurance Corporation	824
Inefficient Implementation Retards Plan Progress	836
Company Announcement	
Hindustan Polymer	826
Chairman's Statement	
Braithwaite (India)	827
Jewellers	
New Delhi	829
London	832
Money	825
Jute	833
Books	835
Commodity Markets	837

THE DEATH OF MR. NEHRU

IT is not possible even for the editorial "we" to be detached and objective about an event like the death of Mr. Jawaharlal Nehru, Prime Minister of India throughout the span of her independence but so much more besides. Another man will be holding the office before long; he will need all the luck in the world and more to begin to fill the mantle. All good wishes to him then. But, on Wednesday afternoon, it was possible to think only of the terrible void. Something has gone out of India without which India is less than India. Something has gone out of the world without which the world is a little less than itself. John Donne in one of his sermons spoke of every death anywhere in the world diminishing him a little. With Nehru's death, the whole world is diminished more than a little.

There have been so many occasions to criticise him on these pages and on this same typewriter, which now has the melancholy task of turning out a hurried obituary to be in time for the printer on Thursday morning. Perhaps that is as well. No time now for thoughts on the imperfections of Mr. Nehru's economic thinking which is the usual preoccupation of this journal. It is quite impossible at this juncture to launch upon a discussion on the economic consequences of Mr. Nehru. There is time only to grieve the loss of man, to savour the bitter yet enriching taste of a tragedy that is personal in a curious way. His death just gets into everybody's life.

To free India Mr. Nehru gave a breath of something that, in some reckoning, was not Indian at all. Many did not mind saying so at the time; others never stopped saying so, right to the end. At this point, when an era has ended and another not begun, it is quite impossible to say whether he has won or his critics have. Nor is the point immediately relevant. The fact that transcends every other consideration at this moment is that the flavour he brought into Indian life, be it alien or otherwise, has made a difference that will endure.

It is doubtful that the modern Indian languages have a precise equivalent of the English word "humanism". It may also be true that "secularism" has no local exact equivalent. "Socialism" and "communism" are variously translated. In the Indian languages "liberalism" can mean almost anything. That, it is suggested, is the measure of Mr. Nehru's distance from—and contribution to—political thought in India. The distance he bridged with incredible success; in the final analysis, only he could "sell" progressive ideas to the most orthodox and conservative elements in the country. If the concepts of humanism, liberalism, democracy and socialism get lost in indigenous translations, not only linguistic but conceptual, the country will have only itself to thank for it. India will not be the richer for discarding Nehruism because of its allegedly alien ancestry. It is a part of Nehruism that the "ism" is so loosely defined.

Mr. Nehru encouraged criticism of his régime; he exposed it to the hazards of general elections thrice in his lifetime. The magnitude of this achievement will not be clear to those who do not take time off to look at the world outside. Life in India acquired a lot of fat; corruption

is there for all to see. Public life is not clean; private life may be unspeakable. That there has been so much talk of all these phenomena is because there was a norm, a standard to measure others and ourselves by—and that was Mr. Nehru. The yardstick is now gone.

Not only did Mr. Nehru make it possible for the country to have a political dialogue for nearly 17 years—and "political dialogue" is a good enough definition of democracy; he also gave it a new idiom. In parts of south-east Asia they spoke of "guided" or "controlled" democracy. Some did not even bother to pay lip-service to democracy. Here in India Mr. Nehru's ultimate appeal was to the people; and the people responded to him magnificently. He remained an aristocrat in thought and feeling all his life; his love for the people, the common man, came above that.

Among certain groups one would, at a superficial level, expect few admirers of Mr. Nehru. That is what it would be if life consisted only of buying and selling things, only of making money and accumulating compound interest. But most people remember him in more ways than may be currently known to the younger generation. India had not attained freedom yet; only an interim Government had been formed in New Delhi, with Lord Wavell still as Viceroy and Governor-General. Mr. Nehru, however, had already embarked on the idea of a Cabinet Government, of which only he could be the leader. It took business and industry no time at all to recognise and welcome the significance of the changes coming over the Indian scene.

Mr. Nehru, in turn, showed always a great awareness of the importance of commerce and industry in the life of a free nation. His notions of freedom in trade and commerce were, of course, rather different from those of business men—although not in the objectives. Yet the fact remains that, under his Premiership, the economy held together and made considerable progress in the basic industries. More important than such details is the fact that Mr. Nehru's political thinking was closely tied to economic thinking, for he knew the utter hollowness of political independence unaccompanied by economic advancement.

In recent months the country had been warned more than once that it had better be prepared for an India without Nehru. We had all been asking all sorts of questions, relevant and otherwise. In New Delhi and in capitals abroad there was no end of speculation about who and what after Nehru. How distant all that talk seems in face of the cold reality of Mr. Nehru's death. The country must go on. There must be a successor. There must be a successor. The frontiers of the country must be guarded. The hospitals must continue to succour the sick. In the burning ghats dead bodies must be disposed of. Life can pause a little but never stop; and Mr. Nehru was the last man to wish it to stop. Yet, human beings as we are, we cannot help pausing for a while at this point of history which Mr. Nehru helped shape to a great extent. It is that life which shaped many of us and many outside India. Pause, then, a while, and say a prayer for a man whose greatness India alone could not contain and the world was the richer for what spilled over.

MORE NON-PROJECT AID PLEDGED

AS *Capital* goes to press this week, an announcement from Washington confirms that the Aid-India Club meeting ended on Tuesday, with members agreeing to provide India \$1,028 million—only slightly less than what she had asked for. Half of the total will be available, it is stated, as non-project aid, against only 40 percent last year. This should indeed help to give industrial production a boost by bringing more capacity into use with a larger inflow of industrial raw materials and components. While most members have maintained their pledges at the level of 1963, Canada has increased hers and Italy has cut her contribution. Belgium seems to have dropped out altogether from this year's list. This is no great loss since it has not been possible to use anything out of the \$20 million pledged by that country in the past two years. Satisfactory as this may be, one cannot miss the growing disenchantment among the aid-givers with India's economic performance. At the start of the third plan, India estimated the gap between her exchange earnings and her import requirements at Rs. 2,650 crores. Adding to this the Rs. 550 crores of repayment liabilities, the total deficit was put at Rs. 3,200 crores. Aid so far, excluding the pledges made this week, has been of the order of Rs. 2,366 crores, confirming that the expectations of external assistance implicit in the third plan are being met. But the promise of the plan is far from being fulfilled, the average growth rate being only 2½ percent a year so far, against a target of 6 percent adopted for budgeting resources, both internal and external. This wide gap between promise and performance inevitably raises doubts in the aid-givers' minds about India's ability to put their assistance to good use. From asking this to questioning the structural consistency of Indian planning is but a short step, and one that some of the donors have already taken.

It was expected that the Washington meeting would—while agreeing to extend support on the scale requested by India—also ask her to agree to an independent investigation of her achievements in some detail by the World Bank. The Bank already makes an annual report on the state of the economy, but this is a broad survey touching only upon the major policy issues. This is held to be insufficient to uncover the handicaps suffered by the economy at the "grass roots" level. India has been reluctant to allow such probing in depth, not only because this may abridge her freedom of action in domestic policy-making but also because of the embarrassment that may be caused to the ruling Party's concept of non-alignment if it should seem to give in to Western pressure in this matter. These objections, whatever their merit, are unlikely to be sustained. Had Indian performance been more satisfactory, she might have got away without submitting to an inquisition. But the chances are now fairly slim as New Delhi privately concedes.

A moral attitude based on an abstract principle like sovereignty is unlikely to help, however much one may cherish the old-fashioned notion of being master in one's own house. The truth, hard though it may be, is that India is dependent on external support for as much as a quarter of the total investment proposed in the third plan. This support cannot be claimed as a matter of right but only by an appeal to both the conscience and self-interest of the aid-giving nations. That this appeal may need reinforcing by proof of the use to which past help has been put is a common sense proposition even though it may hurt some sensitive egos. The same sort of logic requires India to establish, not only to her own satisfaction but also to that of the aid-givers, that the plans she is making for the future meet the test of prudence. This reference to the future is made the more necessary by the fact that India is seeking help not only for the needs arising out of the current plan but also for advance action on some aspects of the fourth plan. In sum, any concern shown by donor nations about the past or the future cannot be dismissed out of hand, especially after two years of very disappointing growth.

This concern, even if expressed somewhat more searchingly than in the past, need not alarm anyone unduly, not even redoubtable leftists.

The Western aid-givers and their collective agency, the World Bank, have no doubt an unmistakable preference for private enterprise. This is implicit in the Bank's lending policies which jib at supporting the public sector. The Bank's limitations are less a reflection of the general tenor of Western thinking than of its own special circumstances. Outside of the United States, State enterprise does not necessarily evoke feelings of outrage. It is, by and large, conceded that there may be many situations in which the State may need to intervene in industry, as for instance in the case of Renault in France, E.N.I. in Italy and the National Coal Board in the U.K. In developing countries where local entrepreneurs may lack resources for the large investments required in highly capital-intensive industries, their rôle may well need to be supplemented by the State—an argument which made sense outside of the extremist fringe even in the U.S.A. when advanced by Mr. J.R.D. Tata in relation to a Government-owned Bokaro. There is no reason, therefore, to assume that the Indian policy demarcating the areas of State and private enterprise will be somehow subverted if she permits the donor nations to take a closer look at the economy's working. This is not to say that the policy can remain frozen for all time to come; shifts may well be necessary—as has happened in the case of oil—to adjust to changing circumstances. In any case, the enquiry that the Aid-India Club wishes to make will have less to do with ideology as reflected in the ownership of enterprise than with the concrete results produced by it. The object will presumably be to make sure of the structural consistency of Indian planning in terms of material and other balances. The uneasiness felt abroad about the priority given to agriculture during the second plan illustrates the kind of problems about which the donors want to satisfy themselves. They have seen for themselves how imbalance between the starting and finishing ends in industry has sent India's maintenance import requirements soaring. Before committing themselves to continuing support to India over the next five-year period, they will indeed need to be reassured that every effort

is being made to co-ordinate and dovetail the development in related spheres.

The contemplated exercise need not be anything more than technical in character. Yet even a technical enquiry may well have policy side-lights as when concern over the slow rate of progress in fertilisers obliged the World Bank to take a look at pricing and distribution arrangements. Or again, a hard-headed appraisal of the steel programme may suggest that foreign exchange liabilities on account of new capacity may be reduced by allowing existing units to expand on a larger scale than now envisaged. If this short-run solution was commended to India's attention, it would not be because the two private plants would benefit but because it made sense in the immediate context of reducing the strain to which India would expose herself if a different split between expansion and new capacity was adopted. Policy implications such as this stemming from an objective enquiry into planning may not be wholly avoidable, nor for that matter the political debate this will almost certainly touch off.

Even so, India's interests need in no way be jeopardised. After all, the U.S. feasibility study on Bokaro only went to confirm the need for such a plant and to strengthen India's case for assistance in building it. Likewise, the discreet promptings of the World Bank in the matter of prices and other controls have not only done no harm but a great deal of good by persuading New Delhi's policy-makers to take a fresh look at issues on which their judgment was getting warped by the weight of old habits and prejudices. In fact, an outside verdict may even be helpful to New Delhi in getting wider agreement on matters like the rates for power or railway freights or touchy problems like industrial location. These advantages are, of course, only incidental, the main purpose remaining as before to provide evidence of India's capacity to absorb aid. The more convincing it is, the better should be the aid prospects. Not even the wildest of New Delhi's planners foresee any possibility of doing without aid for at least another ten years. It may well take longer if progress falters for lack of support in the interim period—a fact of life which should determine India's response to the Aid-India Club's wishes.

SODA ASH NEEDS PROTECTION

THE soda ash industry has made rapid progress since 1949 when it first came under the protective umbrella, and the progress has been particularly marked in recent years. From just 17,918 tonnes in 1949, the production of soda ash reached 148,216 tonnes in 1961 and rose further to 234,533 tonnes in 1963. The figure for the first quarter of this year is still better, being around 64,353 tonnes. The annual rated capacity of the four existing units—Tata Chemicals, Dhrangadhra Chemical, Saurashtra Chemicals and Sahu Chemicals—increased from 239,000 tonnes in 1961 to 279,000 tonnes in 1963 and, according to the Director General of Technical Development, their total capacity will rise to 352,000 tonnes in 1965, 402,000 tonnes in 1966 and 422,000 tonnes in 1967. In addition, E.I.D.-Parry proposes to set up a unit in Madras with a daily capacity of 200 tonnes with Japanese collaboration. Bigger indigenous production has led to a substantial saving in foreign exchange. Imports declined from 49,235 tonnes valued at Rs. 93.04 lakhs in 1961 to 14,585 tonnes valued at Rs. 25.56 lakhs in 1963. Manufacturers of soda ash do not expect the gap between demand and supply to be big in the immediate future, and they have estimated it around 21,000 tonnes in 1965 and 17,000 tonnes in 1966. The Alkali Manufacturers Association, which represents the four existing units, has suggested to the Tariff Commission, that protection may be discontinued from January 1965. This suggestion has been made on the ground that the industry is already enjoying a substantial measure of protection through the operation of import control and that there is no likelihood of a relaxation of these restrictions in the foreseeable future. Secondly, indigenous production has been increasing at a rapid rate and there is a prospect of achieving self-sufficiency in the near future. Furthermore, the State Trading Corporation, which is

importing soda ash, has been selling it at market rates which naturally acts as a protection.

The Tariff Commission is not impressed with the industry's plea for withdrawing protection, and for very weighty reasons. The purpose of protection is to regulate the supply of a commodity in relation to output and offtake and to find out its impact on domestic prices and consumers. Domestic production and imports should be equal to domestic consumption. If this is not the case and demand remains unsatisfied leading to high internal prices, then the plea for removing protection loses much of its logic. The manufacturers have themselves pointed out that even during the next three years, the industry would be unable to meet the demand and that imports would be necessary to relieve the shortage. Rejecting the demand estimates made by the manufacturers as being low, the Tariff Commission has put the demand at 401,770 tonnes in 1964, 417,500 tonnes in 1965, 494,620 tonnes in 1966 and 538,570 tonnes in 1967. These projections are said to have been based on the estimates given by the consuming industries. The chairman of the Tariff Commission, Mr. K. R. P. Aiyangar, says that there is no indication of the industry having reached a stage when it could discharge its responsibility safely to the satisfaction of consumers. While complaints about quality are few, the price of soda ash in India is about the highest in the world. Is the industry in a position to say confidently that even in the face of stiff competition in the event of de-protection, it will be able to expand steadily, increase production, reduce costs and meet the demand adequately at reasonable prices? This is the question which has been posed by the chairman of the Tariff Commission. And there seems little doubt that in the present stage of its development, the industry is not

in a position to stand on its own legs and face the challenging conditions of a free market.

The industry's request for discontinuance of protection appears rather odd when the output of soda ash is still inadequate and production costs and selling prices are very high. As for prices, it is perhaps necessary to point out that Government levies alone account for some 35 percent of the

Current News and Comment

F.I.C.C.I. Criticises Tax Policy

Stung by the criticisms heaped upon business and industry at the recent session of the All-India Congress Committee in Bombay, the Federation of Indian Chambers of Commerce and Industry has now replied in kind. It squarely puts the blame for the slow-down in the tempo of development on the Government's misconceived policies, and goes on to reiterate its disappointment with the last Budget. The Central Finance Minister, Mr. T. T. Krishnamachari, may have his own private reservations about some of these policies, but the verdict on the Budget is not going to please him at all. Reports from New Delhi suggest that the Finance Minister has been looking forward to some appreciation of his rôle as an objective arbiter between the "haves" and "have-nots". It seems to have surprised him that his Budget should have touched off vehement reactions, particularly from business men. This accounts, it is said, for his sullen refusal to take any notice of the behaviour of the stock markets or of general business sentiment. One hopes, however, that he will not let this initial disappointment cloud his judgment too long. As Mr. Krishnamachari himself said in his Budget speech, the central task is to infuse confidence among investors. If he has not succeeded at the first Sally, it only shows that the task to which he addressed himself was formidable, thanks to the legacy left by his predecessor. It might well be that he feels inhibited in making a bigger effort by the unpropitious political climate. If so, the answer now lies not in picking on business men for their failure to respond to budgetary gestures, but in educating the Party to recognise the seriousness of the economic situation.

Mr. Krishnamachari cannot tackle the Party single-handed, certainly not after the sessions in Bhubaneswar and Bombay where other members of the top leadership chose silence as the easy way out when faced with the demagoguery of the left. But unless the shrill voices are countered by a firm and clear-cut declaration of policy, there is every danger of their growing more strident and nagging. In the circumstances, there is no time to be lost by the Congress Working Committee in reaching some definite conclusions about the Party's future economic policies.

The Federation has quite rightly pinpointed the unfairness of blaming the price rises on traders alone, quite ignoring the levels of production and the increases attributable directly to the Government's own actions. Indirect taxes, F.I.C.C.I. claims, constitute 30 percent to 50 percent of the final price of several important commodities and are, therefore, a primary factor in the present inflationary situation. But if the resources gained by the Government through these levies on consumption were being more fruitfully used, one might have hoped for some relief in the long term—the relief that increased production would automatically bring by easing shortages. Unfortunately, however, investment trends hold out no such promise. More over, whatever investment is offering cannot be put to work either quickly or effectively because of official restraints. It is in this context that F.I.C.C.I. draws attention to the delays in licensing and to the "ideology" determining the distribution of responsibility between the private and public sectors on the one hand, and between small and large units on the other.

Mr. Krishnamachari has quite sensibly shown himself aware of the need for foreign investment to accelerate the economy's growth. But this investment cannot materialise unless the rupee component can be furnished by indigenous entrepreneurs. If the resources of the private sector are squeezed by high taxation, it cannot possibly

total cost of production. Expansion of the plants to the optimum capacity, efficient plant management, setting up of ancillary industrial units, utilisation of distillation wastes, economy in fuel consumption by use of dry lime, reduction in costs of transport and lowering of Government levies—all these seem necessary if the cost of production is to be reduced appreciably.

fulfil its rôle in joint ventures even if the official lending agencies help it. This is a truth which the Finance Minister fails to see because of the erroneous belief that new institutions like the Unit Trust can be relied upon to close the gap. The Trust can indeed play a valuable supplementary rôle, but cannot replace the private investor in a mixed economy. As F.I.C.C.I. says, the investor has little reason left to put his money in risk-bearing ventures because the rewards he may expect are undermined by multiple taxes. More than that, his faith in the future is being eroded by the frequent and far-reaching changes in fiscal concepts which have "almost every time gone against the tax-payers." And aggravating it all are the intemperate tirades against private enterprise in the Congress Party which the top leaders are doing little to discourage.

Reactions of U.S. Investors

It was fairly evident, even before last month's visit by a 40-man business delegation from the U.S.A. that investment opportunities in India are beginning to interest the larger American corporations. After all India is a very large market even if the bulk of her 450 million people still live at subsistence level. However halting the pace of development, the needs of plant, equipment and intermediate goods thrown up by planning are large enough to warrant giving India more than casual attention. That apart, India can perhaps provide a base for marketing to neighbours in Africa and Asia because she is better placed than most others in possessing industrial facilities like power and transport on the one hand, and skilled manpower on the other. But these attractions notwithstanding, the American investor is still inclined to temper his interest in India with serious reservations on several counts. This hard fact was somewhat obscured in the exchange of polite compliments during the U.S. business delegation's visit last month, but is brought once again to the fore by the ten-point memorandum which the visitors discreetly submitted to the Finance Ministry after their stay. The ten points do not, of course, provide anything like a full picture of the American investor's attitude, but their general tenor is unmistakable. Any doubts that remain should be cleared up by the conference which is shortly to be held in New York. On this occasion, which is to bring together the visitors to India and others interested in this market, discussion will be free and unfettered by the restraints imposed by the politeness customary among guests and hosts.

The ten-point memorandum starts off with the demand that the return earned on Indian investments should be comparable to what U.S. capital can obtain in other similarly placed countries. This is, of course, a demand common to all investors everywhere, and one which New Delhi regards as already met. In support of its view, New Delhi produces comparative figures of profitability which show India in a favourable light. For the argument to proceed any further, it is necessary to find out what the Americans think of these comparisons—an aspect on which the New York meeting should yield some information. In the meantime, one can only generalise that the level of current profitability is not always decisive, especially in the case of a country in which the tax structure is subject to frequent and violent changes. As for depreciation and dividend practices permitted by tax laws, the Americans specifically ask for "freedom" to reinvest locally for expansion and technological and quality improvements. Whereas improvements may not present a problem, freedom to expand may seem more difficult to concede be-

cause industrial capacity is something which New Delhi likes to determine in terms of plan priorities. Yet, when one considers the rate at which the Indian market is growing, expansion is almost axiomatic, more so in the key sectors for which foreign investment is being sought. Therefore, there need not be any serious hitch in meeting this demand in practice, even if theories dear to New Delhi's planners suggest otherwise.

Accommodation may prove far more difficult when the Americans ask for freedom to select raw material sources and to invest in distribution facilities alongside manufacture. In oil, where both these issues are of particular importance, Indian policy is moving in just the opposite direction. Any reversal of this would be open to serious political risks at home, quite apart from the economic considerations which oblige India to seek to retain control in both the fields. But even in these two areas an understanding may still be possible on the basis of a recognition of mutual handicaps. An example of this is provided by the Cochín refinery where the collaborator, Phillips Petroleum, has been given freedom to choose the source of crude, with marketing retained in Indian hands. An understanding should also be possible on the tricky question of foreign personnel. India, like other developing countries, wants her own citizens to benefit from the employment opportunities arising from collaboration ventures, but she should also be prepared to respect the investor's sentiment in wanting to retain a number of his own nationals to look after his interests. This is a matter on which no hard-and-fast rules can be laid down because requirements vary greatly from industry to industry. Indian policy has been fairly flexible and reasonable requests have usually been met. In the circumstances, the demand made by the Americans in this matter reflects less an irritation with the policy as such than with the tardiness in its implementation. If delays in sanctions were less than is now the case, this particular irritant could be readily eliminated.

Investing Life Funds

The chairman of the Life Insurance Corporation of India, Mr. B. K. Kaul, has been criticised by responsible opinion in the country for the L.I.C. declaring low bonus rates. The latter have obviously been the result of low interest yields on investments and the L.I.C.'s higher operating expenses. Mr. Kaul recently said that the benefits of favourable experience should be passed on to policyholders in the form of reversionary bonuses rather than in the form of a reduction in premium rates. Yet in the last valuation of the L.I.C., he did not fully implement this assurance. Analysing the root causes of the failure, he wrote to the chairman of the Planning Commission with refreshing candour and commendable forthrightness. Mr. Kaul's main complaint is that the I.F.C. and similar other institutions seek to raise medium-term loans at low rates in the hope of forcing them down the throat of the L.I.C. Many of these loans are quoted at a substantial discount even before the lists open. While these institutions charge interest rates at 7 percent or 7½ percent, they expect the L.I.C. to finance them at 4½ percent.

As long as life insurance is voluntary, the volume of business, the chairman said, could be increased only if the L.I.C. could show better working results year after year. Unless it can show that a with-profit endowment insurance policy is a good investment proposition, it cannot make a large impact on the masses. The L.I.C., the chairman added, had always been putting greater emphasis on its responsibilities to policyholders. The interests of the institution and policyholders will suffer if its working is not profitable. So its earnings from investments must be reasonable and adequate. The impression in Parliament and in the Government that the funds of the L.I.C. are to be treated as a reservoir for providing cheap credit to Government and semi-Government institutions, who in turn would earn higher interest rates on credits provided by them out of the funds obtained from the L.I.C., should be removed for the good of the L.I.C. and its policyholders.

While the I.F.C., the various State Financial Corporations and the central land mortgage banks

are charging a high rate of interest (as much as 7 percent to 7½ percent), it is odd that they should expect the L.I.C. to provide them with funds at a much lower rate of interest. A distorted view of the rôle of nationalised life insurance persists among these institutions, and they expect, as a matter of right, to draw funds from the L.I.C. at cheap rates as if the latter is merely a purveyor of cheap credit and has no obligations to the policyholders.

It has also been argued that the L.I.C. should not go about purchasing shares of private companies and thus lend support to the stock exchanges. They expect it to support new capital issues, particularly those which are not likely to get adequate public support. According to Mr. Kaul, the L.I.C. is not interested in supporting the stock exchanges. It is only interested in seeking a more satisfactory and progressive yield on its investments. Any other effect that its actions may produce are purely incidental.

Falling Profit Margins

The latest reports of some leading companies have shown bigger output and increased sales, but they have failed to restore investors' confidence. Apart from the harmful effects of the tax on dividends and the capital gains tax on bonus shares, the worry of the investors has centred on two main factors. Firstly, trading profits have not risen in proportion to increased sales since the margin of profit has been squeezed by higher production costs. Secondly, there has been growing discontent among workers due to the rising cost of living. It is, therefore, apprehended that there may be increased pressure from labour for higher emoluments.

Against this background of uncertainty, the analysis of the finances of 524 medium and large-sized public limited companies, which closed their accounts during the two quarters ended March 1963 and June 1963, made in the April issue of the *Reserve Bank of India Bulletin* is interesting. In terms of paid-up capital, these 524 companies account for about 41 percent of the non-Government and non-financial public limited companies sector. Companies belonging to sugar, cotton textiles, jute textiles, iron and steel, engineering, chemical and paper account for nearly 64 percent of the paid-up capital of the 524 companies. The analysis shows a higher growth rate in production and sales which stand at 9.3 percent and 10.1 percent, compared with 4.6 percent and 6.9 percent for the corresponding quarters of 1962. The pre-tax profits also show a higher rate of growth at 19.8 percent, compared with 4 percent. Since the tax provision has increased only fractionally, the profits-after-tax have risen by 19.3 percent. It is striking that the entire increase in the profits-after-tax has been absorbed by retained profits. In fact, the dividends have been reduced from Rs. 37.2 crores to Rs. 36.9 crores. The growth of gross fixed assets has been higher at 9.6 percent, against 8.6 percent. Internal sources have provided the bulk of the total funds for financing the assets formation, although their share has declined from 66.3 percent to 55.6 percent.

The main industrial groups, however, show divergent trends. There has been a striking increase of Rs. 12.4 crores in the profits-before-tax and of Rs. 8.7 crores in the profits-after-tax of the jute companies during 1962-63. The jute industry enjoyed prosperity partly due to a plentiful supply of fibre and partly because of the increased demand for jute goods from overseas countries. The profits-before-tax of iron and steel companies have risen by Rs. 4.5 crores, those of engineering companies by Rs. 4.2 crores and those of chemical companies by Rs. 1.9 crores. The profits-before-tax of cotton textile group have dropped from Rs. 17.8 crores to Rs. 9.9 crores largely due to increased labour emoluments.

It may be relevant to point out that of the internal sources which have largely contributed to financing the assets formation of the 524 companies, nearly 54 percent have come from depreciation provision alone. Reserves and surpluses have also risen to 35 percent of the total internal resources, compared with 26 percent. Among the external sources of finance, borrowings, mainly from banks, have provided Rs. 39.2 crores and have constituted about 49 percent of the total

external funds. Fresh issues of share capital have contributed a sum of Rs. 12.4 crores.

Progress of the Farakka Barrage

The West Bengal Government made repeated representations to the Centre for the construction of the Farakka barrage, mainly to provide a solution to the constant silting of the Hooghly which affects the navigability of the river. The decision to construct the barrage was delayed because of the Centre's apathy and Pakistan's protest that the irrigation system in parts of East Pakistan adjoining the barrage would suffer due to the inadequate flow of water. This controversial phase of the project passed into history after Parliament took a firm decision in 1961 to construct the barrage at an estimated cost of Rs. 70 crores. The decision was taken not only to improve the navigability of the Hooghly but also to improve transport facilities between West Bengal and other parts of the country. The project envisages the construction of a barrage across the Bhagirathi and a 26-mile feeder canal to divert the waters of the Ganges into the Bhagirathi. Situated 120 miles up the Hooghly, Calcutta port handles well over 40 percent of the country's exports and caters to the needs of a rapidly growing hinterland. Constant dredging to improve the drafts of the river is not a permanent solution. Silting delays the turnaround of ships which, for cargo vessels, means an increase in costs. Furthermore, due to poor drafts, ships have to go in and out of the port with less cargo necessitating the use of a large number of vessels.

Although a firm decision to construct the barrage was taken three years ago, its progress has suffered due to a number of administrative and practical difficulties. It will be recalled that after assuming office, Dr. K. L. Rao, Central Minister for Irrigation and Power, criticised the then Chief Engineer for its slow progress, and the project is now being implemented by a new Chief Engineer. The meeting of the Farakka Control Board held last week has recommended the widening of the road on the barrage to take four-lane traffic instead of two lanes as proposed earlier. The members hold the view that the change in the design of the barrage should be made in such a way that it does not upset the present construction schedule. A thermal power station capable of generating 3,000 kilowatts will be commissioned shortly to provide power for construction work. There is also a possibility of obtaining more power from the West Bengal State Electricity Board. The West Bengal Irrigation Minister, Mr. S. Bhattacharyya, said recently that the progress of the project would have been satisfactory had the project authorities been able to obtain Rs. 8 crores of free foreign exchange to import sheet piles and other equipment needed for excavation work. The equipment needed for the project have so far been imported from the U.S.A. and the U.K.

Meanwhile, because of changes in the plan, the cost of the project is likely to be higher than the earlier estimate of Rs. 70 crores. A final estimate of the cost will be prepared in the light of the changes made in the plan, and it is expected to be made public shortly. The Central Irrigation and Power Minister, Dr. K. L. Rao, who is an engineer himself, is trying to reduce the cost by effecting some changes in the design of cofferdams in order to economise on the use of special steel, which has to be imported. A final decision will be taken when the Minister's proposal is discussed at a meeting of technical experts in New Delhi shortly.

Rice Scarcity in West Bengal

A few weeks ago, rice prices in West Bengal, especially in Calcutta and its neighbourhood, began to shoot above the rates fixed by the State Government. For the better grades, the rise amounted to as much as 20 percent or 25 percent. The Government tried to bring prices down, first, by an empty threat—that it would nationalise the wholesale trade if the merchants did not behave. Secondly, it ordered the police to raid wholesalers' godowns to unearth hoarded stocks. Lastly, it asked its Food Department officials to procure

rice from the surplus districts. As information is scanty and the various reports emanating from official sources conflict with one another, there is no way of assessing the results which these measures have achieved. But rice prices in the open market have not yet fallen. What is worse, the commodity is not available in many of the city's markets. At one time, it was reported that the State Government had 150,000 tons of rice and a much larger quantity of wheat in stock, which it proposed to release in June or July. Now official sources neither deny nor confirm this. However, the Central Government's Regional Director of Food stationed in Calcutta claims that he has enough reserve stocks of wheat to meet West Bengal's requirements.

From this week, the State Government has doubled rice supplies to 1,600 ration shops in the Greater Calcutta area, to cover two million people. These shops will get 2,000 tons of rice a week. Even assuming that they are able to serve two million people efficiently, the remaining four million will be left to fend for themselves. The Government, according to Press reports, is considering a proposal to send a consumer to jail if he pays more for his rice than the rates fixed officially. The measure will make sense only if adequate supplies are available on the open market but there is no such assurance yet. In fact, retailers are complaining that they are unable to get rice from wholesalers at officially fixed rates. The Government believes that the latter have sufficient stocks to feed Calcutta's population for a few months, but are creating difficulties in order to defeat its anti-profiteering measures. It is, therefore, considering a scheme under which each wholesaler will be "tagged" to particular groups of retailers, so that he cannot evade the official measures. The wholesalers are now blaming the mills for not maintaining supplies. The mills in turn complain that *jotedars* (rice producers and stockists in villages) are not selling paddy to them at the officially fixed rates. The Government is apparently clueless as to where the root of the trouble lies. Meanwhile, more and more areas in the city are complaining that rice is disappearing from the shops.

PRINCIPLES OF INSURANCE

A SHORT discussion of the main principles underlying the theoretical side of Life Insurance may be found useful to the Indian public. At present this view of the problem would appear to have been left severely alone in the East, and whilst in England, Australia and Canada it has received recognition, it may generally be said that in India it is wrapped in the mystery of the unknown. One hears daily that a Company charges certain rates of premium—which may, or may not, compare favourably with those charged by its competitors—that it values on a particular basis; that it earns a certain rate of interest on its funds; that its "Expenses of Management" are such-and-such a percentage of its premium income; that its claims for any particular year are above, or below, the "Expected Claims" for that year, etc. etc., but how one, or all, of the matters affect its position and prospects can only be determined by a knowledge of the fundamental principles underlying actuarial science. It is, therefore, proposed to deal in an elementary way with one or two of these principles. The most important question undoubtedly is how to determine the security offered by a Company for the fulfilment of its contracts. After this we may consider the return to a Policyholder in the shape of Profits and how such Profits are earned by the Company. Finally, it is proposed to deal with the position of the contracting parties, i.e., the Company and the Policyholder in the event of the latter cancelling the contract. Dealing then with the question of Securities, it may first be mentioned that Life Insurance Companies are mainly divided into two classes termed "Proprietary" and "Mutual". In the former case the Share Capital is held by Proprietors, who receive a proportion of the Profits earned by the Company and in return guarantee the fulfilment of the contracts. In the case of "Mutual" Companies there are no shareholders, the whole of the Profits being distributed amongst the Policyholders entitled to participate.

FROM

CAPITAL
26th May, 1904

A Ditcher's Diary

LAST WEEK'S HARTAL PROVIDED BOTH AUTHORITY AND the sponsors with an opportunity of self-congratulation. The trade unionists thought the affair was a grand success; and the Government thought the *hartal* was a total failure for the Opposition and an equal success for the Calcutta Police who, for the first time in years, made some effort to keep public transport moving in selected areas. The truth of the matter, I think, is that, although the city was not exactly dead, not much work was done in most offices. Enough was, though, to impress it upon the Opposition that a strike call is no longer the sure thing it used to be. Proportionately, the Government may have gained a little confidence in itself; on future occasions it may not look quite so helpless against a general strike as it used to until the last *hartal*. Weapons like a general strike are subject to the law of diminishing returns, as the political Parties should begin to realise. But what is the Opposition to do? The Government's failure to check the rise in prices is obvious; although another *hartal* was definitely not the best way of drawing the Government's attention to widespread distress, the Opposition was right to be concerned. Rather cleverly, I thought, the Government made the question stand on its head; it was not a question of rising prices, it was argued, but whether the public would submit to intimidation, for that is what it would amount to if people stayed away from work simply because a handful of politically-motivated men had asked them to. Talking to a policeman or two, I get the impression that the Calcutta Police are beginning to find ways of meeting the challenge of strikers. The first thing, it seems to me, is massive preventive arrests of all known trouble-makers. Legality of these arrests? Doubtful, except perhaps under D.I.R. It will be a good thing if Calcutta is spared the periodic paralysis of its life through strikes. It will be less good if the Administration displays no greater respect for the law than—the alleged law-breakers under preventive detention.

EVERY TIME I READ ABOUT MR. CHAVAN AND his "shopping list" in Washington, I picture him as a matronly American housewife who has walked into a supermarket to buy some tinned, sorry, canned food, some veg, some milk and perhaps a joint for Sunday. The pleasant vision doesn't last, for I am soon made aware that the Defence Minister is in the U.S.A. to buy, beg or borrow—not steal, I hope—things the primary purpose of which is to kill people. It will be argued, I know, that India wants F-104 supersonic fighter aircraft only to defend the cities in the plains

against hostile air raids. I am all for modernising the Indian army; the deficiencies discovered since the Chinese attack must be made good. Yet one would like to see evidence of a little more balance; something more of a sense of proportion. Having once neglected modernisation during the Menon years, India may now be picking up any kind of military hardware she may lay her hands on. "Hardware"—another harmless-looking word, like "shopping list". How inhuman we've all become! The other day a friend asked me, in jest, of course: "When do you think we'll be buying hydrogen bombs at Woolworths?" No pacifist by any means, I am still not amused at the casual mention of fearful weapons of mass destruction. The worst the Chinese have done to us is that we are fast becoming somewhat insensitive about the meaning and means of war. At least one Calcutta daily deplores India's repeated proclamation that she has no intention of making atom bombs. She may be forced to one day; I don't know any more than anyone else; but to view the prospect with unconcealed glee seems to me a dangerous trend. While I wish the Chavan mission nothing but success, I think it's already time to beware of the inevitable psychological change that will come over the country through its possession of dreadful weapons. Those who are advocating acquisition of these are the very people who will soon find excuses for demanding their use. A painful necessity all too easily converts itself into a positive virtue; neither alcohol nor hashish has half the intoxicating potency of gunpowder.

THINGS GET CURIOSER AND CURIOSER IN BURMA; and the first to be kicked or pushed around seem Indians. It is often said that the Commonwealth connection means less and less. Maybe; but, negatively, not being a member can mean a lot. If I remember, Brian Crozier in his *The Morning After* showed that Burma is among the countries in which the *per capita* income has actually gone down since independence. Severance from the Commonwealth is not the only or even the main reason for the political and economic chaos that has overtaken Burma. It seems tenable still that disassociation from former friends left the country with a sense of loneliness and without any norms of political behaviour. Like Mussolini once making the Italian trains run to time, General Ne Win was once praised for cleaning up the city of Rangoon. Whatever the value of his scavenging success, which is municipal, politically he seems to have accumulated an enormous heap of rubbish. He seized power from U Nu and then set up a record by handing back the Government to elected politicians. Then he came

back again, which is closer to the pattern evolved through history by ambitious soldiers. The reason for the withdrawal from power, I then thought, was that, while cleaning up the civil administration, the army found that it was acquiring all the vices of corruption and worse from the set-up superseded. Since then all sorts of economic activities have been taken over by the State, resulting in a total standstill in most fields. Then came the fantastic demonetisation, freezing virtually half the currency in circulation. Not only have all political freedoms disappeared under the dictatorship; there is actual distress. And Burma one remembers as a country where people were genuinely happy. The population is small; there's plenty of land; there's no dearth of rice. What else does a simple people want? In ruining this happy state of affairs General Ne Win's record seems to match only Dr. Soekarno's in Indonesia. I do not like people who look back nostalgically on the bygone British days. About Burma, I am beginning to wonder.

IT WAS NOT SURPRISING THAT MR. RUSK SHOULD have found it so difficult to convince the United States' N.A.T.O. allies that trade with Cuba is the ultimate in political sin. It is characteristic of the Americans, of course, to approach all international problems with the simple-minded, black-white attitude of a revivalist preacher. But one would have thought that even they might by now have grasped the fact that substantial material inducements are much more efficacious among nations than appeals to either morals or logic. The point holds especially true in this case, because there is scarcely one among the allies concerned whose own national interests are not now, or have not recently been, embarrassed by policies which the United States is pursuing for reasons of her own. Take Britain, for instance. Both the Prime Minister and the leader of the Opposition have agreed that Aden must be retained. Yet the threat from an Egyptian puppet régime in the Yemen is being sustained not only by Russian arms, but by U.S. aid to President Nasser as well. What would be the effect on U.S. opinion, I wonder, if Britain were to offer aid to Cuba besides trade? Similar is the case of Indonesia, which is not only threatening British interests, but is also relying on American aid for maintaining pressure on Malaysia, a country also linked by treaty with the United States. France, too, could point to several instances during the past few years when American money has bought the bullets used to kill Frenchmen, while Holland and Portugal are both still simmering over recent U.S. disregard for what they consider, rightly or wrongly, to be their legitimate and inalienable national interests. Why, then, should such countries inconvenience themselves over a matter which, however much the Americans attempt to represent it as part of the international struggle against communism in which all free countries have a moral obligation to participate, nevertheless appears to everybody else as a straightfor-

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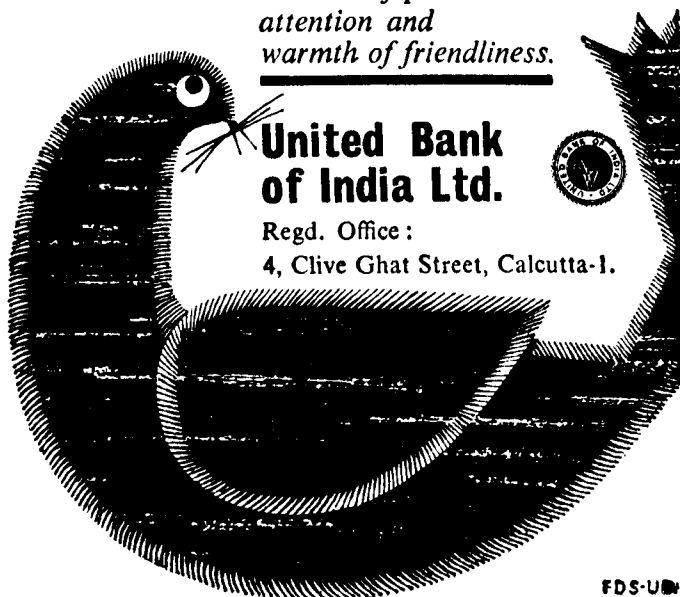
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THE DITCHER

ward national conflict, and a not very edifying one at that? I would suggest that if the Americans want to dissuade their allies from trading with Cuba they should attempt to do so as part of a comprehensive agreement on trade and aid to communist Powers generally, in which the forfeiture of national interest on their part is at least as great as that demanded of the others. They might find the response more enthusiastic than they think.

LIKE MANY READERS WHO STILL CANNOT MAKE up their minds which Party is going to win Britain's coming general election, I have been studying rather carefully the results of the recent contests at Devizes, Winchester, Rutherglen and Bury St. Edmunds. And I must confess I am every bit as undecided as I was before. Certainly the Conservatives have done better than expected. But this often happens when a Party's star has been in eclipse for some time, and if I were Mr. Wilson I would not be particularly worried about it. What would bother me is the continued evidence it appears to provide that the Liberal Party is still regarded with such profound distrust by the majority of the electorate. Personally I am sorry it should be so. Liberalism is far more representative of enlightened, left-inclined opinion than is socialism, which tends to perpetuate there, as elsewhere, an outmoded class delineation that is extremely destructive of progress in a modern society. The Liberal Party, in fact, appears to be the victim of a general determination to hold on to class line-ups long after they have become obsolete. I have been wondering why this should be so, unless it is that in an increasingly complicated and fast-moving world the idea of belonging to one class or another provides some much-needed emotional security. It could even be a sort of modern substitute for the decline of family life which has been taking place in Britain and western Europe over the past few decades. But whatever it is, the truth has to be admitted that the Liberal Party, originally sectional rather than class-based, is falling between two modern class stools. I hope it will not fall so far that it ceases to exist altogether. There must be a place for it, I feel, when class in Britain eventually succumbs to the social changes which, or so we are told, are inevitably going to be induced by automation and the application of scientific technology to industry.

Othello, like *Hamlet*, is a play where dramatic reputations are destroyed more often than they are built. Yet such is the fascination of the two Shakespearean tragedies that no theatre group, however ill-equipped, seems to find satisfaction until it has staged them, with results that are not always happy. Frankly, when the Dramatic Club of Calcutta announced the choice of *Othello* as its contribution to the Shakespeare festival, I had my misgivings. But it is a genuine pleasure to be able to say that the D.C.C. gave an excellent performance at the New Empire last week. It had obviously worked hard, and, more important, found the right talent for such difficult rôles as those of Othello and Iago. Much of the credit for the success, however, goes to Xerxes Mehta for his brilliant production. I particularly liked his effort to find an inner meaning to the drama through the "fall of man" approach, as against the commonplace explanation of Othello's personal tragedy as being the result of the vicious intrigues of a cunning slanderer. If Colin Paterson did not act like a victorious warrior in the first half of the play, it was in keeping with Xerxes Mehta's interpretation of his rôle as a noble soul who went down before the evil forces of Venetian society—a society whose values had been challenged by the rise of the Moot. Apart from Colin Paterson's moving and dignified portrayal of Othello, Pat Scott was well suited to the rôle of Desdemona, the high-born gentle beauty, the scenes as the tragedy approached its climax were particularly well done. Dick Rodger was competent as the villain and Sheila Maunde was excellent as Emilia, her performance in the final scene of the murder scene truly sparkling. Not often in Calcutta are Shakespearean plays produced with competence and imagination. The D.C.C. is to be congratulated on having made perhaps the finest of the local contributions to the celebration of the quatercentenary.

Guide for Investors

HIGHER DIVIDEND FROM BRAITHWAITE

BRAITHWAITE and Co. (India) Ltd has done well for 1963. Production reached 28,569 tons which is the highest output achieved so far by the Company. The profit has improved by Rs. 18 lakhs to Rs. 1.24 crores, after providing Rs. 14.19 lakhs for depreciation and Rs. 7.03 lakhs for development rebate reserve. Taxation has, however, absorbed 79.21 lakhs out of which surtax on profits has amounted to Rs. 17 lakhs. Taxation has thus absorbed more than 63 percent of the profit. The taxable ordinary dividend has been increased from 14 percent to 20 percent, leaving a sum of Rs. 21½ lakhs for transfer to reserve.

Commenting on the prospect for the current year in his chairman's statement at the annual general meeting of the Company recently held in Calcutta, Mr. J. V. Jardine Paterson mentioned that the works should produce more than in 1963 due to the improved supplies of raw materials. (Fuller details have been printed on a later page in this issue of *Capital*.) As for the Angus works, turnover for 1963 was double that of 1962. The works has earned a small net profit. The order-book is well filled, and in view of the competitive prices for electric overhead travelling cranes quoted by the Company, more orders are expected. The loan agreements have been completed. Import licences have been received and orders for machinery have been placed. The machinery will arrive within the next 12 months. Considering that the supply of electric power early next year has been assured, there should be no delay in bringing the new equipment into operation. The directors are now considering the next phase of the expansion programme which will follow the completion of the first phase.

The export of pressed-steel tanks to Malaya has improved, but exports to other countries have been disappointing. Although the prospect of exporting to Hongkong is better, it may be difficult to sell products to Burma and Thailand. Efforts are, nevertheless, being made to develop export business. Although the decline in output during April and May 1964 following the shortage of welding electrodes has strained the relation between labour and the management, it is hoped that normal conditions will soon be restored. The supply of raw materials has since improved, and production has been satisfactory.

More Williamson Magor Tea Results

THE results of some more tea companies under the managing agency of Williamson Magor and Co. Ltd for the year ended December 1963, have been published. The East India Tea Co. Ltd (an Assam garden) has incurred a revenue loss of Rs. 2.49 lakhs, against a profit of Rs. 2.48 lakhs for 1962, after providing Rs. 91,387 (against Rs. 88,186) for depreciation and Rs. 52,813 for expenditure during the year written off. After transferring Rs. 2.50 lakhs from general reserve and making other adjustments, a credit balance of Rs. 1,256 has been carried forward. The dividend has been passed, but the taxable ordinary dividend of 10 percent for 1962 was paid. The crop fell from 494,612 kilograms to 458,567 kilograms and the average sale price

dropped from Rs. 6.30 to Rs. 5.85 a kilogram. The 1964 crop has been estimated at 517,000 kilograms at a cost of Rs. 5.95 a kilogram. In order to place the Company on a sound basis, the directors have decided to extend cultivation to a further 300 acres. The Company has been sanctioned a loan of Rs. 8 lakhs for the purpose by the Tea Board.

The Dimakusi Tea Co. Ltd (an Assam garden) has increased the taxable ordinary dividend from 25 percent to 30 percent, which works out to a yield of 11.9 percent at the present price of Rs. 25.19 a share of Rs. 10 each. The revenue profit has risen from Rs. 2.65 lakhs to Rs. 4.62 lakhs, after transferring Rs. 60,887 (against Rs. 67,061) to depreciation, Rs. 82,000 (against Rs. 50,000) to bonus and Rs. 51,725 (against Rs. 29,792) to managing agents' commission. Taxation is allocated Rs. 2.52 lakhs (against Rs. 1.40 lakhs), general reserve Rs. 1.17 lakhs (against Rs. 1 lakh) and development rebate reserve Rs. 2,600 (against Rs. 9,500). The carry-forward is Rs. 17,404, against Rs. 79,777 brought in. The crop rose from 297,513 kilograms to 374,657 kilograms, but the average sale price fell from Rs. 6.44 to Rs. 6.13 a kilogram. The crop for 1964 has been estimated at 337,500 kilograms at a cost of Rs. 4.95 a kilogram.

The Bishnauth Tea Co. Ltd (An Assam garden) has reduced the taxable ordinary dividend from 20 percent to 7½ percent. The yield amounts to 4.4 percent at the present price of Rs. 17.06 a share of Rs. 10 each. The revenue profit has dropped from Rs. 15.21 lakhs to Rs. 3.32 lakhs, after providing Rs. 2.26 lakhs (against Rs. 2.22 lakhs) for depreciation, Rs. 73,556 (against Rs. 1.10 lakhs) for expenditure during the year written off and Rs. 70,168 (against Rs. 2.76 lakhs) for managing agents' commission and managerial staff commission. Taxation absorbs Rs. 1.10 lakhs (against Rs. 8.84 lakhs) and development rebate reserve Rs. 34,500 (against Rs. 4,500). The carry-forward amounts to Rs. 22,421, against Rs. 2 lakhs brought in. The crop dropped from 1.52 million kilograms to 1.46 million kilograms and the average sale price declined from Rs. 6.71 a kilogram to Rs. 6.20 a kilogram. The crop for 1964 has been estimated at 1.56 million kilograms at a cost of Rs. 5.74 a kilogram.

Rights from Ahmedabad Advance, Tata Mills

TWO of the textile mills belonging to the Tata group, namely, Tata Mills and Ahmedabad Advance, have reported disappointing results for 1963. Sales are higher, but the profits are down and for the second year in succession, the companies have had to reduce their dividends. Both the companies have, however, announced the issue of rights shares at par and Ahmedabad Advance has, in addition, decided to issue bonus shares. Tata Mills has reduced the dividend from 20 percent to 18 percent, that is, from Rs. 5 to Rs. 4.50 a share. And rights shares are being offered at par in the proportion of one share for every three held. Ahmedabad Advance has reduced the dividend from 11 percent to 10 percent—Rs. 11 to Rs. 10 a share—and the rights shares are being offered at par in the ratio of one share for every four held. The rights issue will be made after the

one-for-five bonus issue by capitalising the entire share premium account of Rs. 10 lakhs. The bonus issue will not attract capital gains tax.

Tata Mills' sales have gone up from Rs. 4.90 crores to Rs. 5.22 crores, but the pre-tax profits, after providing for managing agents' commission and depreciation, is down from Rs. 24.81 lakhs to Rs. 18.24 lakhs. Allocations include development rebate Rs. 4.50 lakhs (against Rs. 4 lakhs), taxation Rs. 1 lakh (against Rs. 7 lakhs), gratuity reserve Rs. 30,000 (against Rs. 60,000) and dividend reserve Rs. 12.40 lakhs (against Rs. 13.50 lakhs), leaving a balance of Rs. 5,645 to be carried forward, against Rs. 1,422 brought in. The dividend will claim Rs. 11.80 lakhs (against Rs. 13.12 lakhs), and it is to be paid out of the dividend reserve.

The turnover of the Ahmedabad Advance Mills is higher at Rs. 3.11 crores, against Rs. 2.98 crores, while the profit, after providing for managing agents' commission and depreciation, has suffered a sharp decline from Rs. 14.38 lakhs to Rs. 6.63 lakhs. The provision for development rebate reserve has been raised from Rs. 1 lakh to Rs. 3.55 lakhs. Taxation accounts for Rs. 35,000 (against nil) and the allocation to the gratuity reserve has been maintained at Rs. 10,000. The balance of Rs. 2.70 lakhs (against Rs. 5.75 lakhs) has been transferred to the dividend reserve. Preference dividend will absorb Rs. 71,400 and equity dividend Rs. 5 lakhs, making a total of Rs. 5.71 lakhs (against Rs. 5.39 lakhs). A sum of Rs. 3 lakhs is being transferred from the general reserve to the dividend reserve in order to meet the dividend liability. In 1962, the Company had added as much as Rs. 7.50 lakhs to the general reserve. After making various appropriations, there remains a balance of Rs. 14,370 to be carried forward, against Rs. 10,945 brought in.

Prospects for Burmah Oil

COMMENTING on last year's results, which showed a decline in net trading income, Mr. W. E. Eadie, chairman of Burmah Oil, says profits from recently-acquired subsidiaries in Canada and Ecuador have largely offset the loss of income from Burma. But improved results of other subsidiaries were cancelled out by a loss by Assam Oil Company, wholly owned by Burmah Oil. Assam Oil had to pay a high price last year for its crude. Its results showed a "considerable improvement" this year, but the full benefit of reduced crude oil production prices, now in prospect, is not likely to be reflected in its accounts until 1965.

In Canada, the group interests are now vested in Great Plains Development Company in which Burmah has an equity interest of about 70 percent. This Company, with its expanded production, should now be self-financing and is expected to reach soon the dividend paying stage. Through its Canadian affiliates, Burmah has an interest in the Athabasca tar sands, which could be significant in the future. It has been estimated that these sands contain recoverable oil equal to the total of all other world reserves, but serious development has only been started recently. Burmah's general policy is to continue to work towards a broader international base for its operations

and by this means, as well as through its holdings in British Petroleum and Shell, to share in the overall growth of the world petroleum industry. Mr. Eadie makes no specific forecast for 1964, but considers future prospects encouraging.

Hattikhira Tea Skips Dividend

THE Hattikhira Tea Co. Ltd (a Cachar garden) has earned a profit of Rs. 45,217 for 1963, against Rs. 3.12 lakhs for 1962, after providing Rs. 84,505 (against Rs. 78,341) for depreciation. Taxation absorbs Rs. 36,000 and general reserve Rs. 50,000, leaving a carry-forward of Rs. 20,281, against Rs. 45,495 brought in. The dividend has been passed. The crop rose from 580,232 kilograms to 663,197 kilograms, and the average sale price improved from Rs. 3.97 a kilogram to Rs. 4.45 a kilogram. The 1964 crop has been estimated at 670,000 kilograms at a cost of Rs. 28.61 lakhs.

Bor Pukhuri Tea Incurs Loss

THE Bor Pukhuri Tea Co. Ltd (an Assam garden) has incurred a loss of Rs. 61,009 for the year ended December 1963, compared with a profit of Rs. 98,961 for 1962, after providing Rs. 35,026 (against Rs. 40,992) for depreciation and Rs. 5,000 (the same) for secretaries and treasurers' commission. After making all adjustments, a debit balance of Rs. 69,812 has been carried forward. The dividend has been passed. The crop fell from 258,733 kilograms to 250,399 kilograms and the average sale price dropped from Rs. 6.32 to Rs. 5.71 a kilogram. The crop for 1964 has been estimated at 292,700 kilograms at a cost of Rs. 5 a kilogram.

Loobah Tea Earns More, but Passes Dividend

THE Loobah Co. Ltd (a Cachar tea garden) has earned a profit of Rs. 59,885 for the year ended December 1963, against Rs. 23,090 for 1962, after transferring Rs. 17,316 (against Rs. 18,349) to depreciation. The dividend has again been passed. Taxation absorbs Rs. 41,000 (against Rs. 27,000) and general reserve Rs. 1 lakh. The carry-forward is Rs. 49,018, against Rs. 1.14 lakhs brought in. The directors have pointed out that in spite of their efforts it has not been possible to transfer the liquid assets amounting to Rs. 3.79 lakhs held in Pakistan, and the chances of remittance are remote. The crop rose from 151,283 kilograms to 171,112 kilograms, and the average sale price improved from Rs. 4.26 to Rs. 4.63 a kilogram. The 1964 crop has been estimated at 165,000 kilograms at a cost of Rs. 7.27 lakhs.

Indian Dyestuff to Expand

INDIAN Dyestuff Industries Ltd, Bombay, has applied to the Government of India for permission to undertake the manufacture of caustic soda/soda potash, chlorine, potassium carbonate, hydrochloric acid, chlorosulphonic acid, sodium chlorate, aluminium chloride and sodium metal. This is proposed to be done by transferring some of the licences granted to National Organic Chemical Industries Ltd, belonging to the same management. The proposal is to manufacture annually 34,560 tonnes of caustic soda/ caustic potash, 30,024 tonnes of chlorine, 1,500 tonnes of

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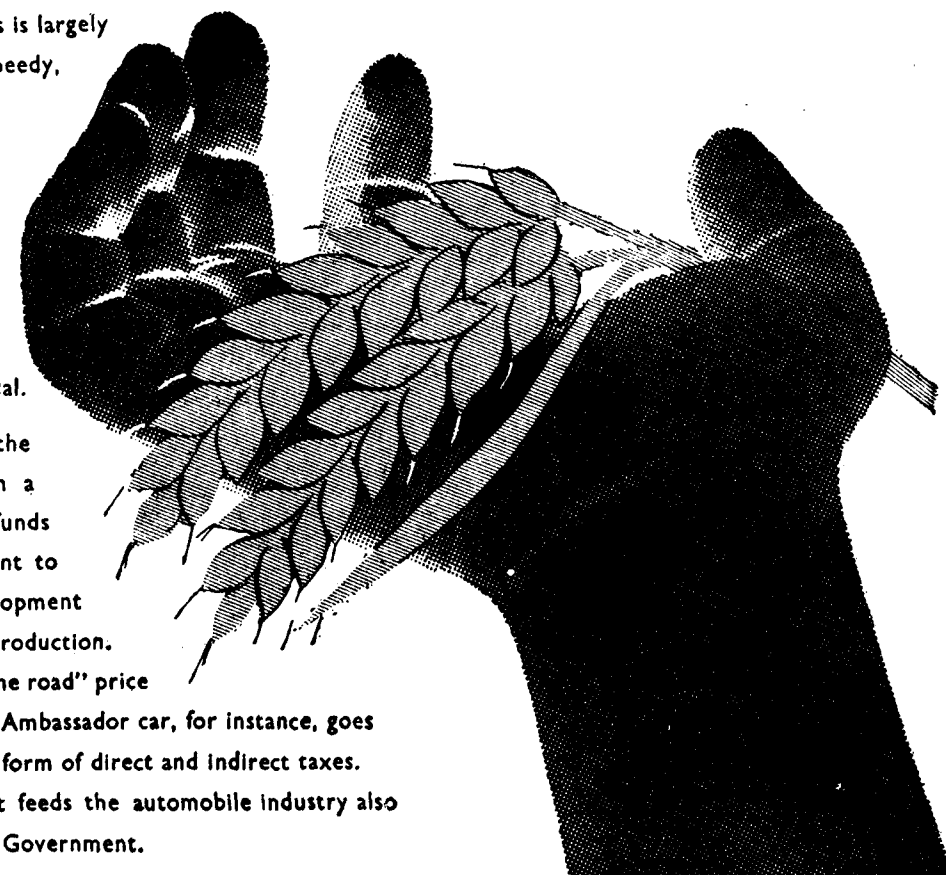
Each vehicle produced by the industry also contributes in a large measure towards the funds required by the Government to meet the cost of the development programme of agricultural production. Fully one third of the "on the road" price in Calcutta of a Hindustan Ambassador car, for instance, goes to the Government in the form of direct and indirect taxes. Every ancillary industry that feeds the automobile industry also contributes its share to the Government.

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CAPITAL, 28th May, 1964.

potassium carbonate, 10,560 tonnes of hydrochloric acid, 1,200 tonnes of chlorosulphonic acid, 3,000 tonnes of sodium chlorate, 4,000 tonnes of aluminium chloride and 300 tonnes of sodium metal. The capacity for caustic soda/caustic potash, chlorine and sodium chlorate is higher than the capacity licensed originally to National Organic Chemical Industries.

The requirements of capital equipment for the project are estimated at Rs. 4 crores, of which Rs. 2.50 crores will be spent on imported equipment. Negotiations are in progress for securing necessary foreign collaboration for the project. Reliable reports indicate that the Government is agreeable to the proposal submitted by Indian Dyestuff Industries and that the requisite licences will be issued soon.

British India Corporation Raises Dividend

THE profit of the British India Corporation Ltd has improved from Rs. 1.36 crores for 1962 to Rs. 2.20 crores for the year ended December 1963, after providing Rs. 9.37 lakhs (against Rs. 8.62 lakhs) for depreciation and Rs. 1.75 lakhs (against Rs. 87,527) for development rebate reserve. The taxable ordinary dividend has been increased from 9 percent to 15 percent. The yield amounts to Rs. 9.62 a share of Rs. 5 each. The directors have pointed out that the maintenance of this dividend will depend on the high level of production which was achieved for 1963. Sales rose from Rs. 9.28 crores to Rs. 12.88 crores. Taxation is allocated Rs. 1.33 crores (against Rs. 77.54 lakhs) and general reserve Rs. 36.74 lakhs (against Rs. 20 lakhs). The carry-forward amounts to Rs. 23,545, against Rs. 253,254, brought in. The rehabilitation and modernisation of the woollen branches have made good progress and many consignments of machinery have already been received. These branches have produced improved results.

Simplex Mills Results Impress

THE preliminary report on the working of the Simplex Mills Co. Ltd shows that the Company has done exceedingly well during the year ended 31st March, 1964. The sales and gross profit are the highest for the post-war period and the dividend has been stepped up from 16 percent to 18 percent, that is, from Rs. 8 to Rs. 9 a share of Rs. 50. Compared with the previous year, the sales are higher by 14.2 percent at Rs. 3.44 crores and the gross profit is up by as much as 34.4 percent at Rs. 55.81 lakhs (against Rs. 41.53 lakhs). The increase in the profit looks all the more impressive since it has been achieved in spite of the rise in the cost of production, especially in items like cotton, dyes, chemicals, electricity, etcetera.

The provision for bonus for earlier years—1957 and 1959 to 1962—amounts to Rs. 10.90 lakhs (against Rs. 17.04 lakhs). The provision for depreciation has been raised from Rs. 18.74 lakhs to Rs. 22.94 lakhs, while development rebate reserve gets only Rs. 90,000, against Rs. 6.40 lakhs. Taxation accounts for Rs. 10.45 lakhs, against nil in the preceding year. The debenture issue expenses written off amounts to Rs. 16,000. After writing back excess provisions amounting to Rs. 28,000, the directors have transferred Rs. 10.89 lakhs to dividend reserve, leaving a surplus of Rs. 9,856 to be carried forward, against Rs. 24,547 brought in. The proposed dividend is to be paid out of the dividend reserve. Additions to the fixed assets during 1963-64 amounted to Rs. 7.61

lakhs, and orders for machinery totalling Rs. 17 lakhs were outstanding at the close of the year. The Rs. 50-paid share of Simplex Mills is currently quoted around Rs. 122, offering a gross return of about 7.8 percent.

Arvind Board Disappoints

THE Arvind Board and Paper Products Ltd has fared very badly during 1963. Sales have fallen from Rs. 65.75 lakhs to Rs. 53.38 lakhs and the gross profit has come down sharply from Rs. 15.81 lakhs to Rs. 8.19 lakhs. The dividend has been reduced from Rs. 15 to Rs. 11 a share. Appropriations include depreciation Rs. 4.31 lakhs (against Rs. 4.24 lakhs), development and rehabilitation reserve Rs. 12,353 (against Rs. 10,908), statutory development rebate reserve Rs. 37,057 (against Rs. 32,724), donation Rs. 3,800 (against Rs. 3,608), taxation Rs. 2.24 lakhs (against Rs. 6.94 lakhs) and other reserves Rs. 1.19 lakhs (against Rs. 1.75 lakhs). The proposed dividend will absorb Rs. 1.10 lakhs (against Rs. 1.50 lakhs) and this is being paid by transferring Rs. 1.10 lakhs from general reserve. After making various allocations, there remains a nominal balance of Rs. 654 to be carried forward, against Rs. 5,071 brought in.

British India General Insurance Pays More

THE British India General Insurance Company has raised the dividend for 1963 from 15 percent to 17½ percent, which seems well justified by the Company's improved performance during the year. The net profit is shown at Rs. 4.99 lakhs, against Rs. 4.69 lakhs. The total premium income has gone up from Rs. 1.24 crores to Rs. 1.457 crores; total claims are higher at Rs. 72.40 lakhs, against Rs. 68.09 lakhs and expenses have risen from Rs. 45.06 lakhs to Rs. 48.54 lakhs. The provision for reserves is higher at Rs. 78.46 lakhs, against Rs. 66.44 lakhs. Department-wise, the net premium income of the fire section increased from Rs. 49.34 lakhs to Rs. 58.24 lakhs, and claims registered an increase of Rs. 5 lakhs from Rs. 18.70 lakhs to Rs. 23.71 lakhs. The marine section also fared well. Its net premium income rose from Rs. 8.67 lakhs to Rs. 11.22 lakhs, and claims amounted to Rs. 9.11 lakhs, against Rs. 7.15 lakhs. The miscellaneous net premium income increased from Rs. 66.15 lakhs to Rs. 76.24 lakhs, while miscellaneous claims were lower at Rs. 39.58 lakhs, against Rs. 42.23 lakhs. The Rs. 10-paid share of B.I.G. is quoted around Rs. 12.48.

Lakshmi Vishnu Cotton Fares Well

THE working results of the Lakshmi Vishnu Cotton Mills for 1963 show a satisfactory improvement over the previous year's performance. While the turnover is only slightly higher at Rs. 5.57 crores, against Rs. 5.41 crores, the gross profit has gone up very substantially from Rs. 19.41 lakhs to Rs. 36.44 lakhs. However, due to the heavy increase in the provision for depreciation from Rs. 13.94 lakhs to Rs. 27.53 lakhs and with the statutory development rebate up from Rs. 8 lakhs to Rs. 9.63 lakhs, the year's working shows a net loss of Rs. 72,073 (against Rs. 2,53 lakhs). After charging Rs. 7.39 lakhs as bonus for the earlier years—1960 and 1961—and bringing in the previous year's loss of Rs. 10.61 lakhs, the total debit balance of Rs. 18.72 lakhs is being carried forward. In spite of all this,

the directors have thought it desirable to declare a token dividend of 3 percent, absorbing Rs. 2.69 lakhs. Preference dividend will take up Rs. 1.75 lakhs. The dividends, it is proposed, will be paid out of general reserve which was formed before the commencement of the Companies (Amendment) Act, 1960.

The directors state that a major portion of interchange of machinery has been completed. During 1963, the Company installed new machinery worth Rs. 64.20 lakhs, against Rs. 53.11 lakhs in the previous year. Further machinery of the value of about Rs. 25 lakhs is expected to be received during the current year, and the first stage of renovation is expected to be completed by the end of this year. The renovation programme will naturally help improve production and the Company expects a saving in coal consumption with the completion of electrification in all the departments. The directors have, however, cautioned against the rise in the cost of production, mainly as a result of the enhanced wage bill and other labour benefits.

Anglo-French Textiles Pays More

THE Anglo-French Textiles Ltd has reported improved profits for the year ended December 1963. So the dividend on ordinary shares has been raised to 15 percent from the previous year's 12 percent. According to preliminary figures, the gross profit before depreciation and taxation amounted to Rs. 33,85,488 (against Rs. 27,28,740). With Rs. 6,172 brought forward, the total comes to Rs. 33,91,660. Out of this, depreciation accounts for Rs. 8,23,285 (against Rs. 6,80,434). Provision for taxation comes to Rs. 3,95,000 (against Rs. 2,22,484). The preference dividend amounts to Rs. 1,08,000. Development rebate reserve accounts for Rs. 91,736 (against nil). A sum of Rs. 4,00,000 is transferred to modernisation loan redemption reserve. General reserve gets Rs. 3,00,000 (against Rs. 3,00,000). The ordinary dividend proposed at 15 percent will absorb Rs. 4,50,000 (against Rs. 3,60,000). The balance of Rs. 6,034 is carried forward.

Metal Distributors Earns More

THE profit of Metal Distributors Ltd has risen from Rs. 16.90 lakhs for 1962 to Rs. 18.22 lakhs for 1963. The dividend of 10 percent has been repeated. It amounts to a yield of 12.8 percent at the price of Rs. 3.94 a share of Rs. 10 each, on which a sum of only Rs. 5 had been called up during the year. Taxation is allocated Rs. 11.03 lakhs (against Rs. 12.20 lakhs), general reserve Rs. 1.88 lakhs (against Rs. 36,000) and depreciation Rs. 48,000 (against Rs. 57,000). Total reserves of the Company amount to Rs. 9.51 lakhs (against Rs. 7.66 lakhs).

Binani Metal Pays More

THE Binani Metal Works Ltd has increased the taxable ordinary dividend from 10 percent for 1962 to 12 percent for 1963. The yield works out to 9.5 percent at the present price of Rs. 12.62 a share of Rs. 10 each. Sales rose from Rs. 1.92 crores to Rs. 2.63 crores. The profit has improved from Rs. 15.32 lakhs to Rs. 23.46 lakhs, after providing Rs. 2.60 lakhs (against Rs. 3.64 lakhs) for depreciation. General reserve is allocated Rs. 2.50 lakhs (against Rs. 1.50 lakhs), and development rebate re-

Calcutta Steel Raises Dividend

CALCUTTA Steel Co. Ltd has increased the taxable ordinary dividend from 12½ percent for 1962-63 to 15 percent for the year ended March 1964. The yield works out to 10.3 percent at the present price of Rs. 14.56 a share of Rs. 10 each. The profit has improved from Rs. 14.47 lakhs to Rs. 20.92 lakhs, after transferring Rs. 6.44 lakhs (against Rs. 6.22 lakhs) to depreciation, Rs. 5,328 (against Rs. 35,768) to development rebate reserve and Rs. 32 lakhs (against Rs. 24 lakhs) to taxation. General reserve is allocated Rs. 5 lakhs (the same), leaving a carry-forward of Rs. 1.58 lakhs, against Rs. 65,077 brought in. Sales amounted to Rs. 3.57 crores, against Rs. 3.79 crores. The Company has concentrated on the production of wire rods, but its working has been interrupted by the shortage of raw materials and power. It is hoped that the supplies of raw materials will improve by the end of 1966. Although it has not yet been possible to assess the effects of de-control of many items of steel, the directors look forward to the future with confidence. A letter of intent for the manufacture of billets has been issued to the Company by the Government of India, and steps have been taken to prepare the project report.

Shivaji Works Pays More

SHIVAJI Works Ltd—a subsidiary of Kirloskar Oil Engines—reports encouraging results for 1963. The sales amounted to Rs. 34.60 lakhs, against Rs. 21.38 lakhs, in the preceding nine-month period ended December 1962. The gross profit increased from Rs. 2.28 lakhs to Rs. 4.73 lakhs. The dividend has been raised from 6 percent to 9 percent and the dividend for 1963 is on the increased capital.

After providing Rs. 1.62 lakhs (against Rs. 1.01 lakhs) for depreciation and Rs. 1.48 lakhs (against Rs. 49,000) for taxation, the net profit amounts to Rs. 1.32 lakhs (against Rs. 63,000) in the preceding nine-month period. With Rs. 2,939 brought forward and adding Rs. 1,612, being refund of income tax for 1960-61, and Rs. 480, being the excess provision for dividend for last year, the disposable surplus amounts to Rs. 1.37 lakhs. From this, the directors have provided Rs. 40,000 for general reserve, Rs. 4,945 for development rebate and Rs. 90,000 for dividend reserve, leaving a balance of Rs. 2,056 to be carried forward. The proposed dividend is to be paid out of dividend reserve.

Bombay Malleable Iron Castings

BOMBAY Malleable Iron Castings and Allied Industries Ltd is a new Company which proposes to set up a factory near Thana (Bombay) for the manufacture of malleable iron castings—fittings for high tension insulators, pipe fittings and motor-vehicle and railway components. The Company has been licensed to manufacture 2,400 tons of malleable iron castings a year on a two-shift basis. The project is estimated to involve a capital outlay of Rs. 1 crore and this

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is proposed to be met by the issued capital of Rs. 50 lakhs, a loan of Rs. 40 lakhs from the Industrial Finance Corporation and Rs. 10 lakhs by bank borrowings. The cost of machinery and equipment is placed around Rs. 45 lakhs of which Rs. 10 lakhs to Rs. 12 lakhs will be spent on imported machinery to be obtained from Poland and East Germany.

The Company has secured the technical collaboration of Centrozap of Poland. The authorised capital of the Company will be Rs. 1 crore—all in equity shares of Rs. 100 each. Of this, Rs. 50 lakhs is proposed to be issued in the beginning. Shares of the value of Rs. 20 lakhs are being taken up by the promoters, directors and their friends and the balance of Rs. 30 lakhs will be offered for public subscription. The factory is expected to go into production by the end of 1965. The board of directors includes Mr. H. M. Patel (chairman), Mr. Sultan A. Nathani, Mr. Tulsidas K. Vernekar, Mr. Gopaladas P. Parikh, Mr. Navnitlal M. Shah, Mr. V. Nimbhkar, Dr. C. S. Patel and Maharaja Virendra Singh Chauhan.

Pesticides Makes Profit

PESTICIDES Ltd commenced production early last year, and according to the preliminary report for 1963, the Company's sales amounted to Rs. 22 lakhs (against nil) and it earned a gross profit of Rs. 1.49 lakhs, against a loss of Rs. 13,983 in the preceding nine-month period ended December 1962. After providing Rs. 3.15 lakhs (against nil) for depreciation, Rs. 6,847 (against nil) as research expenses and Rs. 23,298 (against nil) as technical training expenses, the Company has incurred a loss of Rs. 1.95 lakhs, against Rs. 2,983. In the preceding period, a sum of Rs. 8,000 had been set aside for taxation while no such provision has been made for 1963. After adding the previous year's deficit of Rs. 9,680, a total deficit of Rs. 2.05 lakhs is being carried forward. Development rebate amounting to Rs. 4.65 lakhs has not been taken into account. Arrears of depreciation are placed at Rs. 3.04 lakhs. Estimated contracts to be executed on capital account not provided for amount to Rs. 1.40 lakhs. The B.H.C. malathion, zinc phosphide and copper plants worked satisfactorily during the year. The Company hopes to bring down the costs and consumption of raw materials by employing an improved method of manufacture. The parathion plant is expected to be commissioned by the end of the current year or the beginning of 1965. The Company is awaiting the capital goods import licence for the phenyl mercury acetate plant. It has plans to cover the entire agrochemical field in course of time. The implementation of some of these projects is estimated to cost about Rs. 50 lakhs. The Rs. 10-paid share of Pesticides is available around Rs. 7.60.

Western India Tanneries Fares Well

WESTERN India Tanneries reports improved results for 1963. Sales have increased from Rs. 59.17 lakhs to Rs. 64.19 lakhs, the gross profit has improved from Rs. 3.83 lakhs to Rs. 4.36 lakhs and the dividend has been stepped up from 12 percent to 13 percent, that is, from Rs. 1.20 to Rs. 1.30 a share (fully paid). Allocations include depreciation Rs. 31,144 (against Rs. 33,070), development rebate reserve Rs. 6,000 (against Rs. 1,600), taxation Rs. 1.82 lakhs (against Rs. 1.60 lakhs), general reserve Rs. 95,566 (against Rs. 54,000) and dividend Rs. 91,000 (against Rs.

84,000). After making these provisions and making certain other adjustments, there remains a balance of Rs. 9,987 to be carried forward.

Prospects for Tensile Steel

AFTER providing Rs. 13.41 lakhs for development rebate and Rs. 4.41 lakhs as full depreciation, Tensile Steel's working results for 1963 show a net loss of Rs. 20.93 lakhs. In view of the loss carried forward, the dividend has naturally been skipped. Shareholders can, however, look forward to better results for the current year. For the directors state that the two major handicaps—raw material scarcity and power shortage—which had been hampering production are expected to be overcome during the second half of the current year. The factory could not start operations earlier because of initial raw material paucity which, in fact, had compelled suspension of production operations for over two months. Moreover, the Company was confronted with power shortage and this difficulty still continues.

It is sanctioned full power only for one shift, and this position is expected to continue till the Dhuvran power station is commissioned. The directors add that after initial difficulties in the procurement of imported raw materials, the Company has succeeded in getting sizable allocations under (a) own import licence, (b) international credits and (c) barter entitlements. The allotment of high carbon wire rods till date almost covers the Company's requirements for a year. It has already received from the Gujarat State Financial Corporation Rs. 8.9 lakhs out of the loan of Rs. 10 lakhs granted to it. The first instalment of deferred payment of Rs. 2.99 lakhs due to one of the Company's collaborators and plant and machinery suppliers—C. Itoh and Co. Ltd., Japan, was paid off on its due date of 30th November, 1963. The Rs. 100-paid share of Tensile Steel is available at around Rs. 97.

Royalaseema Mills Cuts Dividend

A FALL in the profit of the Royalaseema Mills Ltd for the year ended December 1963, has led to a reduction in the dividend to 10 percent from the previous year's 15 percent. The net profit for the year amounts to Rs. 8,99,742, after providing Rs. 3,02,388 for depreciation. This compares with the previous year's net profit of Rs. 9,83,108, after providing Rs. 2,61,924 for depreciation. Adding to the year's profit a sum of Rs. 1,048 brought forward and also Rs. 55,000 transferred from dividend equalisation reserve, the total available for appropriation comes to Rs. 9,55,788.

Out of this, Rs. 5,103 has been transferred to development rebate reserve. Provision for the super profits tax for 1962 amounts to Rs. 92,475 and provision for taxation to Rs. 5,07,000 (against Rs. 5,34,000). The proposed dividend of 10 percent will absorb Rs. 2,97,840 (against Rs. 4,46,760). The balance of Rs. 2,570 is carried forward. The directors state in their report that production was maintained at a satisfactory level throughout the year. Sales set a new record during the year.

Travancore Electro-Chemical Shows Loss

THE working of the Travancore Electro-Chemical Industries Ltd for the year ended December 1963, shows a net loss of Rs. 63,617, against

one of Rs. 64,642 in the previous year. The directors' report says that the machinery for the calcium carbide plant has already arrived from Berlin. A major portion of the factory building has been erected at the site. The directors approached the Kerala State Industrial Development Corporation Ltd for a loan of Rs. 15 lakhs to complete the erection programme and the loan has now been received.

The report adds that the House of Somanis has now joined the Company by acquiring controlling interest in the managing agency Company. They have subscribed for the shares which the Company had issued but not allotted so far. The erection of the machinery has already been started. The directors hope that with the new management and the keen interest shown by the Government of Kerala and the Kerala State Industrial Development Corporation, the Company will go into production shortly and show good results.

Share Offer by Andhra Foundry

THE Andhra Foundry and Machine Co. Ltd which proposes to set up a factory near Hyderabad for the manufacture of cast iron spun pipes is entering the market to raise Rs. 45 lakhs through public subscription to meet a part of the cost of the project. The Company has secured the technical collaboration of Rhein Stahl Industrie-Planung GmbH, Essen, West Germany, which will also supply the equipment which will be required to be imported. The plant that is proposed to be set up will have an annual capacity of 24,000 tons of cast-iron spun pipes on a two-shift basis and it is expected to go into production by about the middle of 1965. The project is estimated to cost Rs. 1.02 crores, which is proposed to be met by the issued capital of Rs. 65 lakhs and a foreign exchange loan of Rs. 37 lakhs from the I.C.I.C.I.

The promoters expect a ready market for the Company's products. Whereas the country's requirements of spun pipes at the end of the third plan period are estimated around 800,000 tonnes, the present installed capacity is only around 300,000 tonnes. The Company has an authorised capital of Rs. 1 crore and the issued capital will be Rs. 65 lakhs, comprising Rs. 50 lakhs in equity shares of Rs. 10 each and Rs. 15 lakhs in 9.3 percent cumulative redeemable preference shares of Rs. 100 each. The subscribed capital is Rs. 10 lakhs in equity shares. The present issue consists of Rs. 40 lakhs in equity shares and Rs. 15 lakhs in preference shares. Of this, the directors and their friends and associates have taken up equity shares of the value of Rs. 10 lakhs. The remaining capital—Rs. 30 lakhs in equity shares and Rs. 15 lakhs in preference shares—which is now being offered for public subscription has been underwritten. The subscription list will open on 4th June and will close on 15th June or earlier, but not before 8th June.

National Ekco Pays the Same

THE National Ekco Radio and Engineering Co. Ltd has maintained the dividend for 1963 at 15 percent. According to the brief preliminary report, the Company's turnover is slightly higher at Rs. 1.28 crores, against Rs. 1.23 crores, and the profit after meeting all expenses and providing for development rebate reserve is a little lower at Rs. 22.39 lakhs, against Rs. 22.70 lakhs. The income tax liability is considerably lower at

Rs. 14.65 lakhs, against Rs. 16.77 lakhs and this is due mainly to the replacement of super profits tax by sur-tax. The provision for general reserve has been increased from Rs. 1.75 lakhs to Rs. 2.75 lakhs. After setting aside Rs. 4.60 lakhs (the same) for dividend reserve, there remains a balance of Rs. 43,782 to be carried forward, against Rs. 4,371 brought in. The proposed dividend absorbing Rs. 4.50 lakhs is to be paid out of the dividend reserve. The Rs. 100-paid share of National Ekco is currently quoted around Rs. 180, offering a gross return of a little over 9 percent.

New India Industries Does Well

THE full accounts of New India Industries Ltd for 1963 show a marked improvement over the previous year's performance and the directors' report holds out the promise of a still better performance in the current year. The Company's turnover in 1963 at Rs. 1.495 crores showed an increase of about 30 percent over the previous year's figure of Rs. 1.147 crores. The gross profit shot up by about 65 percent from Rs. 23.55 lakhs to Rs. 39 lakhs. In the preceding two years, 1961 and 1962, instead of dividend, the Company had only offered bonus shares in the proportion of one share for every ten held. For 1963, however, the directors have recommended a dividend of 15 percent. Appropriations include depreciation Rs. 14.98 lakhs (against Rs. 4.33 lakhs), development rebate Rs. 9.26 lakhs (against Rs. 1.29 lakhs) and taxation Rs. 6.85 lakhs (against Rs. 9.25 lakhs). After bringing in the previous year's surplus of Rs. 14,368 and writing back excess provisions amounting to Rs. 3,326, the directors have transferred Rs. 5.81 lakhs to the general reserve, leaving a surplus of Rs. 5,255 to be carried forward. The preference dividend absorbs Rs. 1.28 lakhs and equity dividend Rs. 6.60 lakhs; these are to be paid out of the general reserve account.

The directors state that the working of the camera factory remained satisfactory throughout the year. As for the photographic paper factory, after commencing trial production in March 1963, the factory reached rated production for one shift in September 1963. The working of the second shift is expected to be started very soon. The full production for the second shift will be reached within three or four months of its starting. The additions made to the fixed block during the year amounted to Rs. 1.03 crores, raising the total value of the gross block to Rs. 2 crores which has been written down to Rs. 1.31 crores. The Company has a paid-up capital of Rs. 58.98 lakhs, which is supported by reserves and surplus amounting to Rs. 63.57 lakhs. The Rs. 100-paid share of New India Industries is quoted around Rs. 370.

Outlook for Hope's Metal Windows

IN their report for the year ended December 1963, the directors of Hope's Metal Windows (India) Ltd pointed out that although production rose steadily, sales had to be made at uneconomic prices in order to reestablish the Company's products in a highly competitive market. But current working has become more profitable. The Company has incurred a loss of Rs. 3.50 lakhs, against a loss of Rs. 2.70 lakhs for 1962, after providing Rs. 1.45 lakhs (against Rs. 65,978) for depreciation. The dividend has again been passed. Sales amounted to Rs. 12.14 lakhs, against Rs. 1.36 lakhs. In June 1963, 120,107 shares of Rs. 10 each were issued for cash subscription at

par by the shareholders of the Company.

Progress of Omega Insulated Cable

THE fourth annual report of the directors of the Omega Insulated Cable Company (India) Ltd for the year ended December 1963, highlights the progress made by the Company during the year. The report says that the Company has made rapid progress in the execution of the civil works and the installation of plant and machinery. About 80 percent of the work is already completed and only one more consignment of imported machinery has to arrive and the same is expected before the end of May 1964. The factory is expected to start trial operations by the first week of July this year. The Company has already received import licences for some of the raw materials.

Omega Insulated Cable has already approached the Government for getting power, and for the immediately required raw materials, the directors are trying to procure them from some of the suppliers or from other cable factories on a loan basis. As for the market conditions, the directors state that there is a keen competition for the sale of V.I.R. and P.V.C. cables and a programme is being drawn up to establish a good sales organisation. Referring to the work done during the year, the report says that the

management has been successful in getting a licence for the import of machinery valued at Rs. 33 lakhs. After a scientific study of the location of the factory, the directors came to the conclusion that the original site was not suitable and they were able to obtain from the Government of Madras 16.28 acres in the industrial estate in Ambattur. The present programme of production will require only 1,200 kVA of power, whereas the Company has already a capacity for 2,250 kVA which will also be sufficient to meet the power requirements for 3,000 tons of A.C.S.R. and 280 miles of P.I.L.C. cables a year. The Company has been successful in getting a licence for manufacturing A.C.S.R. cables. The management has drawn the project report for P.I.L.C. project and the technical collaboration agreement with Sumitomo Electric Industries Ltd of Japan has been signed. The Capital Goods Committee has cleared the Company's import application for Rs. 51 lakhs for the P.I.L.C. project. The directors have also been able to persuade Sumitomo to consider supplying Rs. 51 lakhs worth of machinery under deferred payment terms.

Jeewanlal Repeats

JEewanlal (1929) Ltd has repeated the taxable ordinary dividend of 10½ percent for the year ended December 1963. The ordinary

share of Rs. 10 each has been quoted at par. The profit has risen from Rs. 7.32 lakhs for 1962 to Rs. 8.57 lakhs for 1963, after providing Rs. 2.54 lakhs (against Rs. 1.91 lakhs) for depreciation, Rs. 40,887 (against Rs. 38,475) for development rebate reserve, Rs. 17.58 lakhs (against Rs. 8.03 lakhs) for taxation and Rs. 97,500 for surtax on profits (against Rs. 30,500 for S.P.T.). General reserve is allocated Rs. 1 lakh, leaving a carry-forward of Rs. 10,083, against Rs. 8,747 brought in. Sales rose from Rs. 2.19 crores to Rs. 2.60 crores. The directors pointed out that taxation, including surtax on profits, has absorbed 69.7 percent of the profit. The Company is installing rolling mills in Madras. The necessary foreign exchange for importing equipment has been obtained. The rolling mills are expected to begin production early in 1966. The Company's funds for Rs. 1.81 lakhs has been blocked in Burma, but the Burmese Government has guaranteed safety of all foreign funds.

New Capital Issues

NINE companies, including a new one in Calcutta and a Central Government undertaking in Delhi, have been authorised to raise fresh capital totalling Rs. 19.71 crores. The following are the details:

Volta Ltd, Bombay, is to issue further capital of Rs. 1.02 crores. This

CAPITAL, 28th May, 1964.

is divided into 102,000 equity shares of Rs. 100 each for cash at a premium of Rs. 25 a share. The shares will be offered to existing shareholders of the Company in the proportion of two for every five shares held. The proceeds of the issue will be used for the Company's expansion schemes.

Gujarat State Fertilisers Company Ltd, Ahmedabad, is raising further capital of Rs. 12,99,54,700 divided into 999,547 equity shares of Rs. 100 each and 300,000, 9.3 percent redeemable cumulative preference shares of Rs. 100 each to be issued for cash at par. Out of this, equity shares of the value of Rs. 5,11,54,700 and preference shares of the value of Rs. 1,53,00,000 would be offered to the public by prospectus and shares of the value of Rs. 5.35 crores (Rs. 3.88 crores in equity and the balance in preference shares) would be subscribed by the Government of Gujarat. The proceeds will be used for the manufacture of chemical fertilisers and allied chemicals.

Kerala Spinners Ltd, Alleppey, incorporated in Kerala, has been accorded consent to issue capital of Rs. 40 lakhs (including Rs. 10 lakhs raised already) divided into 40,000 equity shares of Rs. 100 each, for cash at par. The proceeds of the issue will be used for setting up a spinning mill with a capacity of 12,000 spindles.

The Hindustan Electric Company Ltd, Maharashtra, has been authorised to issue further capital of Rs. 1.40 crores divided into 120,000 equity shares of Rs. 100 each to existing shareholders on rights basis in the ratio of 1:1 and 20,000 irredeemable cumulative preference shares of Rs. 100 each carrying dividend of 8.75 percent (gross) to Messrs Brown Boveri and Company Ltd, Baden, Switzerland, for cash at par. The proceeds of the issue will be used for financing expansion schemes of the Company.

Wheels India Ltd, Madras, will issue further capital of Rs. 13 lakhs, in equity shares of Rs. 100 each, to be issued privately at par, partly for cash and partly other than cash. Of these shares of a value not exceeding Rs. 5.85 lakhs will be issued to Dunlop Rubber Company Ltd, (U.K.) at par against supply of plant and equipment. The proceeds will be used on the manufacture of wheels and top rollers for tanks.

Mayurakshi Cotton Mills Ltd, Calcutta, will issue capital of Rs. 60 lakhs for cash at par consisting of Rs. 45 lakhs divided into 450,000 equity shares of Rs. 10 each and Rs. 15,00,000 divided into 15,000 cumulative redeemable preference shares of Rs. 100 each carrying a dividend of 9.5 percent. The proceeds of the issue will be used for setting up a spinning mill in the district of Birbhum with 12,000 spindles.

Hada Textile Industries Ltd, Calcutta, a new company, has been granted consent to issue capital of Rs. 36 lakhs for cash at par consisting of Rs. 24 lakhs divided into 240,000 equity shares of Rs. 10 each and Rs. 12 lakhs divided into 12,000 9.5 percent cumulative redeemable preference shares of Rs. 100 each. The proceeds of the issue will be used for setting up a cotton spinning mill.

Indian Drugs and Pharmaceuticals Ltd, Delhi, a Central Government undertaking, will issue further capital of Rs. 2 crores divided into 20,000 equity shares of Rs. 1,000 each for cash at par. The proceeds will be used for financing the drugs and surgical instruments plants.

The Plantation Corporation of Kerala Ltd, a Government company, will raise capital of Rs. 80 lakhs, divided into 8,000 equity shares of Rs. 1,000 each, for cash at par. The proceeds will be used for rubber plantation.

CAPITAL, 28th May, 1964.

The Stock Markets

POOR TURNOVER DESPITE GOOD CORPORATE NEWS

Wednesday Evening.

THE Calcutta stock market has been shocked by the passing of Mr. Jawaharlal Nehru. Trading has been sluggish during the past week. Despite good corporate news, turnover has been small. Attention centres on clearing shares, which have fluctuated narrowly. Bulls are tired of waiting for a rise, so they are taking their profits at the earliest opportunity. Bears are not particularly aggressive due to various uncertainties. Since the market is almost without any buyer, share prices have tended to decline on even small offerings. Business in cash scrip has been negligible, although a few selected scrip have improved temporarily on good corporate news.

India Paper Pulp have gained because of the Company's decision to issue bonus shares in the proportion of two new shares for every five held by capitalising the share premiums. An application to the Controller of Capital Issues has been made by the Company for this purpose. The lack of support for shares is largely due to the growing shortage of funds. The supply of bank credit is restrained because of the squeeze imposed by the Reserve Bank. Institutional support is conspicuous by its absence.

The near-term trend is likely to be uncertain. The Aid-India Club has pledged foreign aid more or less on the scale desired by India. The proportion of non-project aid is also larger. However, investors are inclined to take a cautious view of the outlook for industries since profit margins have been squeezed by rising production costs. The Central Cabinet is likely to discuss the Bonus Commission's Report shortly. Unless the recommendations are substantially modified the working of industries will be seriously affected.

Indian Iron have fluctuated narrowly. Operators anxiously await the forthcoming dividend from the steel companies. Interest in engineering shares has been negligible. Stray business in Guest, Keen, Williams, Texmaco and Jessop has been transacted. Indian Standard Wagon have been barely steady due to the repetition of the ordinary dividend. Braithwaite have not responded to the payment of a higher dividend. Jay Engineering have lost due to the continuation of the strike. Binani Metal have been neglected despite the payment of a larger dividend.

In the miscellaneous section, attention centres on clearing scrip, but they have declined on balance. Indian Copper are, nevertheless, steady on producing good results, although the total amount of dividend paid on the increased capital is the same as was paid for 1962. Good-year India, Indian Oxygen and Associated Battery have dropped on pressure. Managing agency shares like Martin Burn, Balmer Lawrie and Jardine Henderson have been neglected. There is little interest in electric company shares.

New shares have declined on a predominance of sellers. Phillips Carbon have declined sharply on showing substantial losses. India Steamship have been freely offered. British India Corporation are steady on declaring a higher dividend. Among paper shares, Orient have fluctuated both ways. Seshasayee

and Bengal have declined. Sugar shares are difficult to transact due to the absence of buyers. The decision of the Government to increase the price of sugar produced in certain areas has been overlooked.

Turnover in jute shares has shrunk and their prices have declined. The growing accumulation of jute goods with mills has disturbed investors. Birla, Champdany, Barnagore and New Central are quoted at lower prices. Chitavalahave lost on a predominance of sellers. The move to decontrol soft coke and non-coking coal has had virtually no effect. Coal shares are being freely offered without attracting support. Central India, Western Bengal and East India have dropped. Cotton mill shares lack interest, although Dunbar and Bharat Commerce have met with scattered support due to good reports. J. K. Rayon have reacted on profit-taking.

Business in tea shares has been small, and the trend is generally downward. The disappointing dividends announced by the Gillanders group of tea companies have disturbed sentiment. Business is largely confined to good Assam and Dooars gardens. Scattered business in Teliapara and Dauracherra has been transacted.

Government securities are steady due to institutional support, particularly from the Reserve Bank. Prices of short-dated stocks are fully steady and those of medium-dated ones have been maintained. The 3 percent Conversion Loan 1986 has been quoted around Rs. 63.85.

Bombay

PASSING OF NEHRU STUNS MARKET

DECISION ON RELAXING MARGIN AWAITED

Wednesday Evening.

THE Bombay stock market has been stunned by the death of Mr. Nehru. Turnover in clearing and cash scrip has declined appreciably during the past week due to the reluctance of operators to extend commitments either way. For the time being, Dalal Street awaits the Government's decision on relaxing the margin on trading. Many in stock market circles think that even if the Government were to relax the margin, there would be little improvement in activity.

At present, brokers' books continue to be almost blank, and the trading ring has been thinly attended. Interest in cash shares has dropped due to the growing shortage of money. Whatever little funds were available have been mopped up by the recent issues. Dalal Street has not been impressed by the decision of the Government to readjust the ex-factory price of sugar. It is generally thought that unless a remunerative price is fixed for sugar during the coming (1964-65) season, production will not be stimulated.

Tata Steel ordinary have closed around Rs. 146.50 following tired bull liquidation. There is a general inclination to wait until the Company declares the dividend for the year ended March 1964. Engineering

shares have generally dropped. Tata Engineering, Premier Construction, Alcock Ashdown and Mukand Iron are quoted at lower prices. Among motor-vehicle shares, Hindustan Motors and Premier Automobiles have dropped.

Cotton mill shares too show losses. Century and Bombay Dyeing have declined due to profit-taking. Stand-alone have been subdued on a predominance of sellers. Svadeshi are, nevertheless, steady on corporate rumours. Morarjee, Gokak and India United ordinary have shed their earlier gains.

Trading in miscellaneous shares is listless. Stray business has passed in Belapur, Walchandnagar Industries and Phaltan in the sugar section. Among cement shares, Associated Cement have been neglected, while Digvijay have attracted scattered buying because of expansion prospects. Among mining shares, Be Be Petrol have gained on the possibility that the Company might receive compensation for war damages in the near future. Among steamship company shares, Scindia Steam have dropped on pressure.

Rayon shares are quiet, and National Rayon have reacted. Chemical shares have been offered freely without attracting buyers. Tata Chemical have declined, but Polychem have been a steady feature on producing excellent results. The latter Company has also increased the taxable ordinary dividend from 12 per-

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cent to 16 percent. Voltas and Tata Oil have been quoted at lower prices. Stray business has been transacted in Central Bank and Bank of Baroda. Among electric companies, Ahmedabad and Tata Hydro have changed hands.

Madras

SMALL BUSINESS IN CLEARING SHARES INVESTORS WORRIED BY SHORTAGE OF FUNDS

Tuesday Evening.

THE Madras stock market has shown mixed trends during the

past week, although turnover has declined considerably. Business even in clearing shares has been negligible due to the absence of interest from outside centres. In cash shares, the trend is generally downward except in the case of some selected scrip. Investors are worried about the growing shortage of funds. The fear of a cut in power supply is also a restraining factor.

Scattered business has been transacted in Government securities, but attention has centred mainly on high-yielding State Government loans. Despite interest in good preference shares, business is restrained due to the shortage of declared sellers. Except for some interest in West Coast, Karaikkal and Vellore, electric company shares have been ignored. In banks, Indian Overseas have changed hands at Rs. 137.50 and

Canara at Rs. 76.25. Sugar shares are subdued and prices have declined. Deccan are available at Rs. 11.52, Andhra at Rs. 13.79 and Jeypore at Rs. 16.50. E.I.D. have been sold down to Rs. 35, but Mysore have been about steady at Rs. 28.33.

Planting shares show mixed trends. Only tea and coffee companies, which have produced good crops so far, have met with scattered buying. Blue Mountain have been quoted at Rs. 2.37, and Cochin Malabar at Rs. 6.45 Consolidated Coffee have lost at Rs. 21.97, and Ouchterlony at Rs. 3.45. Business in Periakaramalai has passed around Rs. 3.48. Tropical have been taken at Rs. 21.25 on declaring a taxable ordinary dividend of 8 percent. Anandam have been quoted at Rs. 14.50 on paying a taxable ordinary dividend of 15 percent. Neelamalai have been done at

CAPITAL, 28th May, 1964.

Rs. 4.75 on the decision of the Company to sell the Woolgooly estate at not less than Rs. 12 lakhs. Among coffee shares, Lingapur have changed hands at Rs. 5.25 on declaring an interim taxable ordinary dividend of 5 percent and Ossoor have been transacted at Rs. 2.45 on paying an interim taxable ordinary dividend of 5 percent.

Textile shares have, on the whole, dropped. South India Viscose have lost at Rs. 118 and Travancore Rayon at Rs. 21.12. Lakshmi have been easier at Rs. 131 and Madura at Rs. 32.75. Anglo-French have been available at Rs. 153 on declaring a taxable ordinary dividend of 15 percent. Gnanambikai have been done at Rs. 120.75 on paying a taxable ordinary dividend of 9 percent. Bangalore Woollen have been sold at Rs. 250 and Buckingham at Rs. 93.

Among miscellaneous shares, Aluminium Industries have been available at Rs. 19.72 and Ashok Leyland at Rs. 6.90. In cement shares, Dalmia have lost at Rs. 13.15, and Travancore have been transacted at Rs. 7.20 on declaring a taxable ordinary dividend of 6 percent. F.A.C.T. have been easier at Rs. 5.10, and Seshasayee Paper at Rs. 7.25. Enfield have come to hand at Rs. 10.87 on paying a taxable ordinary dividend of 7½ percent. Parry's Confectionery have reacted to Rs. 2.98 on a predominance of sellers and Spencer have weakened to Rs. 21.65. T. Stanes have, nevertheless, been steady at Rs. 30.50, but Textool have been freely offered down to Rs. 142.50.

THE WEEK'S TRANSACTIONS

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

CLEARED SECURITIES

Birla Jute—Rs. 29/81—30/31—28/62—28/62—(28/87).
Burrakur—Rs. 15/50—15/56—15/50—15/50—(16/56).
Dunlop Rubber—Rs. 33/69—34/12—32/75—32/75—(33/37).
Guest, Keen, Williams—Rs. 23/75—23/94—22/50—22/62—(33/69).
Hindustan Motors—Rs. 17/87—18/19—17/06—17/12—(16/62).
Indian Cable—Rs. 33/25—33/25—33/00—33/00—(31/00).
Indian Aluminium—Rs. 29/81—30/37—28/87—28/87—(33/87).
Indian Copper—Rs. 3/18—3/26—3/08—3/08—(4/26).
Indian Iron—Rs. 24/26—24/56—23/54—23/54—(22/30).
J. K. Cotton—Rs. 10/69—10/94—10/25—10/25—(13/06).
Jaipur Udyog—Rs. 11/06—11/12—10/50—10/50—(11/00).
Kesoram Industries—Rs. 25/12—25/44—23/75—23/75—(22/00).
Orient Paper—Rs. 35/40—35/50—34/10—34/10—(33/60).
Orissa Cement—Rs. 13/00—13/12—12/87—12/87—(14/00).
Rohas Industries—Rs. 11/00—11/19—10/69—10/75—(11/37).
Shree Gopal Paper—Rs. 25/00—25/06—24/87—24/87—(23/37).
Textile Machinery—Rs. 27/35—27/63—26/55—26/55—(23/75).

GILT-EDGED

3 % Loan (1988)—Rs. 63/90—63/90—63/60—63/87
(1970-75)—Rs. 90/53—90/53—90/53—90/53
3½ % " (1968)—Rs. 99/70—99/70—99/70—99/70
4 % West Bengal (1971)—Rs. 97/35—97/50—97/35—97/50
4 % Loan (1972)—Rs. 98/90—98/90—98/90—98/90
4 % " (1970)—Rs. 99/00—99/05—99/00—99/05.

CAPITAL, 28th May, 1964.

4 % Madras (1969)—Rs. 98/30—98/30—98/30—98/30
4½ % Loan (1972)—Rs. 100/10—100/10—100/10—100/10
4 % " (1973)—Rs. 99/85—99/90—99/85—99/90
4½ % " (1989)—Rs. 100/05—100/05—100/05—100/05
4½ % " (1985)—Rs. 99/95—99/95—99/90—99/95
4½ % West Bengal (1974)—Rs. 99/50—99/50—99/50—99/50
4½ % Gujarat (1972)—Rs. 98/80—98/80—98/80—98/80.

BANKS

Allahabad—Rs. 250/00—250/00—250/00—250/00—(267/00).
Hindustan Commercial—Rs. 11/50—11/50—11/50—11/50—(13/94).
Punjab National—Rs. 18/62—18/69—18/50—18/50—(19/06).
United Bank of India (Rs. 10 paid)—Rs. 7/44—7/56—7/44—7/50—(7/16).
Do. (Conty Rs. 20/-) (Rs. 10/- paid)—Rs. 7/19—7/19—7/09—7/09
United Commercial—Rs. 67/50—67/50—67/50—67/50—(68/00).

TEXTILES

Basanti—Rs. 12/50—12/50—12/50—12/50—(11/50).
Elgin—Rs. 17/94—18/00—17/87—17/87—(18/12).
Jaya Shree—Rs. 14/06—14/12—14/06—14/12—(14/37).
New Victoria—Rs. 1/31—1/31—1/25—1/28—(1/75).
Orissa—Rs. 7/12—7/25—7/06—7/06—(9/00).
Shree Madhusudan—Rs. 12/50 x.r.—12/50—12/50—12/50.

COALS

Central India—Rs. 8/44—8/50—8/44—8/50—(10/12).
East Indian—Rs. 28/37—28/50—28/37—28/50—(31/87).
Ghuseck & Muslia—Rs. 13/00—13/00—13/00—13/00—(14/25).
New Manbhoom—Rs. 10/94—11/37—10/94—11/25—(16/00).
Western Bengal—Rs. 8/62—8/62—8/62—8/62—(9/06).

JUTES

Agarpara—Rs. 9/00—9/00—8/81—8/81—(10/75).
Anglo-India—Rs. 159/00—159/00—159/00—159/00—(224/00).
Auckland—Rs. 124/00—124/00—124/00—124/00—(144/00).
Birla (1st Pref.)—Rs. 79/50—79/50—79/50—79/50—(79/50).
Barnagore—Rs. 219/00—219/00—219/00—219/00—(192/00).
Chandany—Rs. 22/19—22/37—22/19—22/37—(24/50).
Chitavalasah—Rs. 7/94 s.t.—7/94—7/69—7/69—(10/75).
Dalhousie (Pref.)—Rs. 90/00—90/00—90/00—90/00—(90/00).
Fort William—Rs. 22/12—22/12—22/12—22/12—(26/12).
Ganges—Rs. 13/19—13/19—13/19—13/19—(13/81).
Hooghly (Pref.)—Rs. 12/25—12/25—12/25—12/25—(12/25).
Hukumchand (Pref.)—Rs. 93/00—93/00—93/00—93/00—(93/00).
Lansdowne—Rs. 91/50—93/50—91/50—93/50—(84/50).
New Central—Rs. 10/87—10/91—10/75—10/81—(12/81).
Nalhati—Rs. 95/00—95/00—95/00—95/00—(95/00).
Presidency—Rs. 4/25 s.t.—4/31 s.t.—4/19—4/19—(5/19).
Reliance—Rs. 7/56—7/56—7/50—7/50—(11/50).

MININGS

Chrestien Mica—Rs. 10/12—10/12—10/00—10/00—(10/12).
Karaputra Development—Rs. 9/75—9/75—9/69—9/69—(12/50).
Metal Corp.—Rs. 6/50—6/50—6/44—6/44—(7/84).

CEMENTS

Ashoka—Rs. 6/81—6/81—6/81—6/81—(7/19).
Assam Bengal—Rs. 4/56—4/62—4/50—4/50—(3/03).
Bengal Potteries—Rs. 4/50—4/50—4/50—4/50—(5/06).
Dalmia (Bharat)—Rs. 13/37—13/44—13/31—13/37—(13/06).
Sone Valley—Rs. 4/12—4/16—4/06—4/06—(4/62).

CHEMICALS

Alkali & Chemical—Rs. 27/00—27/00—26/87—26/87—(33/19).
Do. (Pref.)—Rs. 84/00—85/00—84/00—85/00.

Bengal—Rs. 96/75—97/00—96/75—97/00—(97/00).
Chemicals & Fibres—Rs. 11/81—11/87—11/44—11/75.
Smith Stanistreet—Rs. 13/31—13/31—13/31—13/31—(12/25).

PUBLIC UTILITIES

Calcutta—Rs. 14/19—14/25—14/06—14/12—(14/25).
Do. (Pref.)—Rs. 7/81—7/87—7/75—7/75.
Jubbulpore—Rs. 12/00—12/12—12/00—12/12—(11/00).
U.P.—Rs. 149/00—149/00—149/00—149/00—(115/00).

ENGINEERINGS

Binani Metal—Rs. 12/60—12/60—12/60—12/60—(10/50).
Britannia Eng.—Rs. 9/87—9/94—9/75—9/84—(9/87).
Burn & Co.—Rs. 265/00—265/00—265/00—265/00—(463/00).
Braithwaite & Co.—Rs. 33/00—33/00—33/00—33/00—(29/50).
Calcutta Steel—Rs. 14/31—14/31—14/31—14/31—(13/06).
Dalmia Iron—Rs. 10/87—10/87—10/87—10/87—(10/62).
Escorts—Rs. 18/00—18/00—17/25—17/25—(12/12).
Hindustan Wires—Rs. 9/12 s.t.—9/12—9/00—9/00.
Indian Iron & Steel (Pref.)—Rs. 80/50—81/00—80/50—81/00.
Indian St. Wagon—Rs. 31/94—31/94—31/94—31/94.
Jay Eng.—Rs. 17/87—17/87—17/87—17/87—(21/75).
Jessop & Co.—Rs. 20/87—21/00—20/44—20/44—(22/00).
J. K. Steel—Rs. 14/94—14/94—14/94—14/94—(14/06).
Kumardhubi—Rs. 5/59—5/59—5/44—5/53—(7/81).
Marshalls—Rs. 3/00—3/12—3/00—3/12—(2/84).
National Iron & Steel—Rs. 5/81—5/87—5/69—5/87—(4/25).
Raymon—Rs. 3/75—3/75—3/75—3/75—(3/69).
Sen-Raleigh—Rs. 13/44—13/62—13/19—13/62—(13/50).

FLOUR MILL

Bengal—Rs. 32/50 x.d. c.t.—32/50—32/50—(34/25).

INSURANCES

Ruby General—Rs. 10/69—10/87—10/69—10/87—(9/31).
Standard General—Rs. 8/00—8/00—7/75—7/75—(6/00).

MISCELLANEOUS

Aluminium Corp.—Rs. 11/62—11/62—11/44—11/50—(12/87).
Albion Plywood—Rs. 6/75—6/81—6/69—6/69—(7/15).
American Refrigerators—Rs. 7/15—7/15—7/15—7/15—(9/44).
Asiatic Oxygen—Rs. 9/75—10/62—9/72—10/62—(9/44).
Associated Battery—Rs. 22/12—22/37—21/75—22/00—(23/31).
B. I. Corp.—Rs. 9/62—9/69—9/50—9/50—(8/75).
Calcutta Tramways—Rs. 10/12—10/25—10/12—10/25—(10/81).
Clive Row Investment—Rs. 8/44—8/44—8/31—8/37—(8/50).
East-India Plastics—Rs. 6/62—6/62—6/37—6/44—(9/25).
Electric Construction (Pref.)—Rs. 102/00—102/00—102/00—102/00—(21/75).
Goodyear India—Rs. 21/44—21/75—21/44—21/59—(7/12).
General Tyres—Rs. 7/31—7/50—7/12—7/12—(6/85).
Hindustan Ice—Rs. 3/56—3/75—3/56—3/75—(3/75).
Hindustan Aluminium—Rs. 12/44—12/62—12/06—12/12—(12/12).
Hindustan Lever—Rs. 33/87—34/00—33/87—34/00.
Hindustan Twyford—Rs. 12/12—12/12—12/00—12/00—(13/94).
Hindustan Development—Rs. 3/87—3/94—3/81—3/81—(9/69).
Imperial Tobacco—Rs. 9/37—9/69—9/37—9/69—(10/44).
Indian Oxygen—Rs. 23/19—23/25—23/00—23/25—(29/12).
Indian Rubber Mfg.—Rs. 22/00—22/00—22/00—22/00—(19/87).
Isaac Holdens—Rs. 12/75—12/75—12/75—12/75—(14/19).
Indian Forge & Drop Stamping—Rs. 6/87—6/87—6/87—6/87—(11/47).
J. K. Synthetics—Rs. 11/47—11/47—11/25—11/37—(10/56).

Jayshree Tea Industries—Rs. 14/31—14/31—14/31—14/31—(16/06).
Jardine (Pref.)—Rs. 55/00 x.d.—55/00—55/00—55/00.
Martin Burn—Rs. 26/25—26/37—26/25—26/37—(25/62).
Do. (Pref.)—Rs. 79/00—79/75—78/50—79/75.
Metal Box—Rs. 30/62—30/62—30/62—30/62—(49/87).
National Rubber Mfg.—Rs. 10/94—11/62—10/94—11/25—(12/12).
Do. (Renunciation)—Rs. 0/09—0/09—0/09—0/09.

Nav Bharat Vanijya (Pref.)—Rs. 65/00—65/00—65/00—65/00.
National Pipes & Tubes—Rs. 25/75—26/00—25/75—25/81—(27/25).
National St. Duncan—Rs. 72/50—73/50—72/50—73/50.
National Insulated Cable—Rs. 22/37—22/50—22/37—22/50—(24/25).
National Tobacco (1st Pref.)—Rs. 69/00—69/00—69/00—69/00.
Phillips Carbon—Rs. 10/87—11/12—10/75—10/75.
Phillips India—Rs. 27/62—27/75—27/62—27/75—(26/12).
Rallis India—Rs. 117/00—118/00—117/00—117/50—(117/00).
Sirsluk—Rs. 7/66—7/69—7/66—7/69—(9/06).

Universal Electrics—Rs. 7/12—7/19—7/12—7/19—(10/00).
Universa Cables—Rs. 10/56—10/56—10/25—10/25—(9/81).
Walford Transport—Rs. 3/16—3/19—3/00—3/19—(3/69).
Do. (P.O.)—Rs. 2/91—2/97—2/91—2/97—(2/37).

PAPERS

East End—Rs. 7/12—7/12—7/12—7/12—(19/44).
India Paper Pulp—Rs. 19/44—21/12—19/44—21/12—(17/44).
Orient (1st Pref.)—Rs. 90/75—91/50—90/75—91/50—(91/00).
Sirpur—Rs. 11/19—11/37—11/00—11/37—(11/87).
Straw Products—Rs. 9/12—9/19—9/00—9/00—(9/12).
Seshasayee—Rs. 7/12—7/12—7/12—7/12—(7/69).
Star (3rd Pref.)—Rs. 90/00—90/00—90/00—90/00.
Titaghar—Rs. 14/09—14/12—13/75—13/97—(16/25).

SHIPPING

India Steamship—Rs. 6/25—6/31—6/00—6/00—(6/56).

SUGARS

Balrampur—Rs. 1/75—1/75—1/75—1/75—(2/12).
Belsund—Rs. 7/37—7/37—7/19—7/19—(7/81).
Carew & Co.—Rs. 12/12—12/19—12/12—12/19—(12/50).
Raza Buland—Rs. 9/90—9/94—9/87 s.t.—9/94—(9/31).
Tulsipur—Rs. 4/37—4/50—4/31—4/50.

TEAS

Dauracherra—Rs. 12/50—12/69—12/50—12/69—(7/56).
Hanuman—Rs. 10/12—10/12—10/12—10/12—(10/12).
Hoolunoorie—Rs. 185/00—185/00—185/00—185/00—(195/00).
Kilcott—Rs. 15/50—15/56—15/50—15/56—(16/25).

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Cawnpore Woollen Mills Branch Cooper Allen Branch
New Egerton Woollen Mills Branch North West Tannery Branch

London Office:

BEGG SUTHERLAND DIVISION:

Secretaries & Treasurers

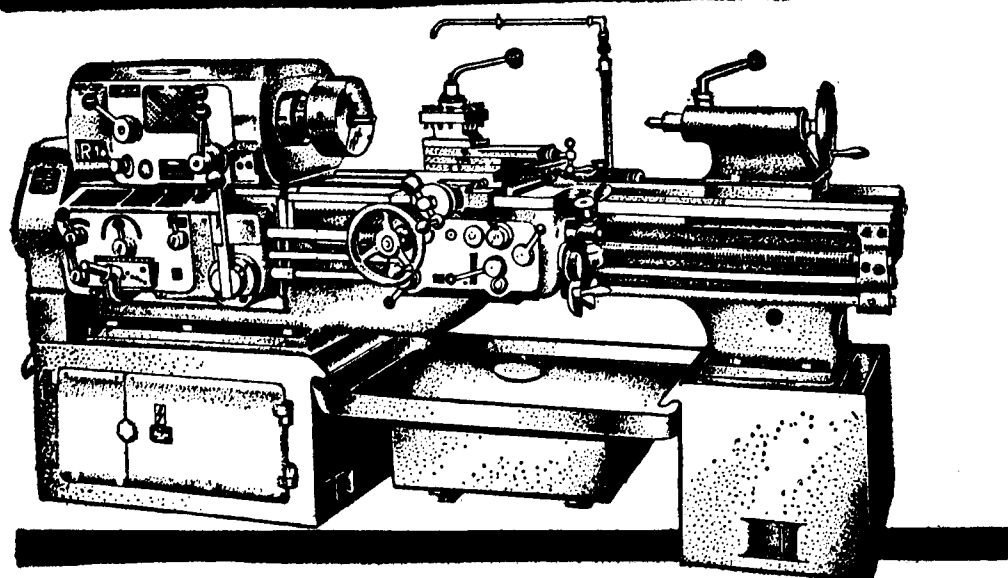
The Elgin Mills Co. Limited Cawnpore Sugar Works Ltd.
Cawnpore Textiles Ltd. Champaran Sugar Co. Ltd.
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WORKING OF DEPOSIT INSURANCE CORPORATION

(BY A SPECIAL CORRESPONDENT)

The Deposit Insurance Corporation has to depend on the Reserve Bank for supervising the working of insured banks. So it cannot have first-hand knowledge of their working. It requires more powers if the deposit insurance scheme is to be extended to co-operative banks.

ALTHOUGH the deposit insurance scheme was recommended by the Shroff Committee, the Reserve Bank introduced it only when the Palai Central and Laxmi Bank crashes revealed the necessity for it. The Cor-

poration started functioning from the beginning of 1962 and it recently released the report of its working during the second year. Since a suggestion has been made that the deposit insurance scheme should be extended

to co-operative banks also, it is interesting to examine the Corporation's working.

The amount of insurance cover provided by the Corporation is fixed for the present at Rs. 1,500 for each de-

CAPITAL, 28th May, 1964.

positor in a bank. The latest report shows that 78 percent of all deposit accounts and 24 percent of the aggregate amount of deposits were covered by the scheme. No doubt the total number of accounts with insured banks increased by 1.5 million between December 1961 and September 1963, but the percentage of those with balances not exceeding Rs. 1,500 an account—in spite of an absolute increase between the two dates—went down from 78.5 percent to 77.5 percent. The total deposits assessable to premium rose from Rs. 1,694 crores to Rs. 2,107 crores since the inception of the Corporation. The total number of functioning banks registered with the Corporation, however, came down from 285 to 280 due to voluntary amalgamation and winding up.

A further analysis of the data shows that the maximum benefit from deposit insurance has been accruing to small banks. In the case of 191 small banks operating at the end of September 1963, the coverage extended to 87 percent of accounts and 47 percent of total deposits. The coverage among the big banks (first five) was 72 percent of deposit accounts and 21 percent of deposits. When the scheme was formulated, the intention was to provide the maximum insurance cover to depositors in small banks. It is evident that the original aim of the authors of the scheme has been more than fulfilled by actual performance.

During 1963, the net accretion to the deposit insurance fund was higher at Rs. 109.9 lakhs, against Rs. 92.8 lakhs in 1962. The total claims for insured deposits already paid by the Corporation amounted to Rs. 6.5 lakhs. Excluding Rs. 80,000 recovered by way of reimbursements from the State Bank in relation to *pro rata* payments made to depositors of the Unity Bank, the net claims paid so far amount to Rs. 5.7 lakhs. Against this, a provision of Rs. 1.8 lakhs has been shown by way of insurance losses.

Although 94 percent of the fund was invested in Government securities, the income from investments was shown as Rs. 30,000 lower than in the previous year. It is difficult to explain the fall because the amount invested in Government securities, that is, Rs. 196.6 lakhs was larger than in the preceding year. Again, the rate of interest was higher on Government securities. There was an increase in the establishment expenses and, therefore, transfers to investment reserves were cut down to Rs. 30,000 or half of the previous year's level. The general fund comprising capital and reserves of the Corporation also stood higher at the end of 1963 than in the preceding year.

Various Difficulties

The Corporation appears to be handicapped in various ways. Firstly, it depends on the Reserve Bank for the supervision of the working of insured banks. It, therefore, does not have first-hand knowledge of the actual improvement of the standards of operation of insured banks. Again, it has no power to regulate the interest rates offered by member-banks. Although the Shroff Committee suggested that the Corporation should be given power to control the rates of interest paid by banks on various categories of deposits, it was not empowered to do so when it was established in view of the inter-bank agreement on interest rates.

In spite of an informal suggestion made by the Governor of the Reserve Bank some time ago that an upward revision of interest rates on deposits was necessary, the banks seem to be adopting a policy of "deliberate delay." Some of the banks have been threatening the Association that they would go out of the agreement while certain south Indian banks seem to be quoting rates higher than those permissible in view of the difference of opinion among bankers. It is high

CAPITAL, 28th May, 1964.

time the Deposit Insurance Corporation was empowered to regulate the rates of interest paid on different categories of deposits, since the bankers are unwilling to take quick action in this matter.

Procedural Delays

Secondly, procedural delays in meeting claims require urgent attention. The liability for the payment of the insured amount arose in the case of three banks during 1962 and 1963. There was another case in 1964. The Unity Bank Ltd was amalgamated with the State Bank on 20th August, 1962, but the payment was made only on 1st January, 1963. Although Section 18 of the Deposit Insurance Act has laid down that a list of depositors has to be given by the transferee bank to the Corporation within three months of the date of amalgamation, the list in the case of Unity Bank was received after about a year. Varying delays occurred in the case of other instances also. The Corporation can plead that it can take action only when the lists of depositors are actually received.

But the main point is that the Corporation should investigate the reasons for such delays and see to it that the time taken is not more than that stipulated in the Act. To enable such an investigation, the managers of the Deposit Insurance Corporation have to be men of stature. Furthermore, unless the Corporation is adequately strengthened, it will not be able to equip itself for the larger responsibilities it will have to shoulder if the coverage is extended to co-operative banks.

THE CALCUTTA MONEY MARKET FRACTIONAL FALL IN ADVANCES

Wednesday, 27th May.

THE general level of advances has declined fractionally in the Calcutta money market during the past week. The requirements of the iron, steel and engineering units have decreased, and so have those of the foodgrains and seeds trade. The credit given to the cotton, jute and sugar mills is unchanged. In the interbank market, conditions have eased after initial tightness and the call rate has dropped from 5½ percent to 4½ percent.

The exchange market has been active, with an excellent supply of gunny bills and a moderate supply of tea bills. The demand for remittances has been moderate. In the London market, sterling has suffered nominal losses against a number of major currencies.

SILVER WAS STEADY IN CALCUTTA during the past week due to good seasonal purchases. The price rose from the previous week's level of Rs. 261.25 to Rs. 261.75, quoted today. The London and New York prices stood at 1113d and 129.3 cents.

In sympathy with the rise in silver gold was also steady and the price of 14-carat increased from Rs. 69.50 to Rs. 71.25.

DURING THE WEEK ENDED 22ND MAY, Government of India Treasury bills for Rs. 28,63,50,000 were sold in favour of the Reserve Bank.

TENDERS FOR RS. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 26th May. The total amount offered was Rs. 2 crores. Tenders at Rs. 99.250 percent were accepted in full. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 3,000 percent a year. Tenders for Rs. 2 crores

of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 1st June.

IT IS STATED THAT 91-DAY INTERMEDIATE Treasury bills will be sold from 27th May to 30th May at Rs. 99.266 percent. Sales can be stopped at any time without notice if the Government thinks it necessary. These bills sold from 20th May to 22nd May amounted to Rs. 20 lakhs.

DECLINES OF RS. 29.83 CRORES TO RS. 2,564.73 crores in the total note issue and of Rs. 27.69 crores to Rs. 2,542.76 crores in active notes were notable features of the return of the Reserve Bank of India during the week ended 22nd May, 1964. The currency contraction was adjusted by reducing rupee securities of the paper currency reserve by Rs. 30 crores to Rs. 2,242.27 crores. The securities were transferred to the Banking Department in which investments rose by Rs. 33.10 crores to Rs. 232.18 crores. Deposits of the Government of India increased by Rs. 3.25 crores to Rs. 54.94 crores and those of State Governments by Rs. 3.29 crores to Rs. 18.62 crores. Balances of commercial banks at Rs. 85.33 crores showed a small drop of Rs. 11 lakhs. Their loans from the Bank declined from Rs. 68.57 crores to Rs. 43.28 crores, of which advances against usance bills amounted to Rs. 7.39 crores (Rs. 13.85 crores). Ways and means advances stood at Rs. 54.32 crores, against Rs. 55.65 crores.

THE RETURN OF THE STATE BANK OF India for the week ended 15th May, 1964, shows a rise of Rs. 1.19 crores to Rs. 614.98 crores in total deposits. Investments in Government securities are down by Rs. 4.01 crores to Rs. 230.59 crores, while other authorised investments remain unchanged at Rs. 9.44 crores. Advances, including loans, cash credits, overdrafts and bills discounted and purchased have declined by Rs. 1.08 crores to Rs. 379.81 crores. Cash and balances are, in consequence, shown at Rs. 24.46 crores, or Rs. 4.09 crores higher.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 15th May, 1964, shows Demand and Time liabilities at Rs. 1,238.93 crores (Rs. 37.58 crores on account of bor-

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 26-5-64.

Issue Date	Maturity Date	Amount (000's Rs.)	Average Acceptance Rate
29-5-64	5-9-64	2,00.00	Rs. 3,000%
22-5-64	25-8-64	2,00.00	Rs. 3,000%
15-5-64	18-8-64	2,00.00	Rs. 3,000%
8-5-64	11-8-64	2,00.00	Rs. 3,000%
1-5-64	4-8-64	2,00.00	Rs. 3,000%
24-4-64	27-7-64	2,00.00	Rs. 3,000%
17-4-64	20-7-64	2,00.00	Rs. 3,000%
10-4-64	13-7-64	2,00.00	Rs. 3,000%
3-4-64	6-7-64	2,00.00	Rs. 3,000%
26-3-64	29-6-64	2,00.00	Rs. 2,750%
20-3-64	23-6-64	2,00.00	Rs. 2,500%
13-3-64	16-6-64	2,00.00	Rs. 2,360%
6-3-64	9-6-64	2,00.00	Rs. 2,260%

(Monthly Maturities (000's omitted))

June 1964	8,00.00
July 1964	8,00.00
August 1964	8,00.00
September 1964	2,00.00
Total	26,00.00

CLEARING HOUSE RETURNS

Week	Calcutta	Bombay
22-5-64	83.84	1,19.98
15-5-64	86.75	1,15.79
8-5-64	94.46	1,36.44
1-5-64	1,06.44	1,14.68

rowings from banks) and Rs. 1,302.83 crores (Rs. 12.07 crores), compared with Rs. 1,240.39 crores (Rs. 38.25 crores) and Rs. 1,296.57 crores (Rs. 12.20 crores) in the previous week. Cash and balances with the Reserve Bank have increased by Rs. 2.39 crores and Rs. 2.60 crores to Rs. 63.24 crores and Rs. 82.90 crores, respectively. There is a drop of Rs. 3.78 crores to Rs. 617.71 crores in investments. Advances and bills discounted at Rs. 1,863.01 crores show a fall of Rs. 10.80 crores. The ratios to total

liabilities of cash and balances, and of advances and discounts, are in consequence shown at 5.7 percent and 73.3 percent, against 5.6 percent and 73.8 percent.

THE FIRST BRANCH OF THE BANK OF America in India was opened in Bombay on 20th May. The bank will provide a full range of banking services and will specially help local importers and exporters by giving advice, information and business contacts in the U.S.A. and other countries.

RESERVE BANK

Liabilities—	ISSUE DEPARTMENT (In 000's of Rupees)	Week Ended	
		22-5-64	15-5-64
Notes & Banking Dept. ...	...	21,96.90	24,05.27
Notes in Circulation ...	...	25,42,75.83	25,70,45.01
Total Notes Issued ...	...	25,64,72.73	25,94,50.28
Assets—	...	...	...
A. Gold Coin and Bullion ...	...	1,17,76.16	1,17,76.16
Foreign Securities ...	...	1,03,45.69	1,03,45.69
Total of A ...	...	2,21,21.79	2,21,21.79
B. Rupee Coin ...	...	1,01,23.97	1,01,01.52
Rupee Securities ...	...	22,42,26.97	22,72,26.97
Total ...	...	25,64,72.73	25,94,50.28

BANKING DEPARTMENT

Liabilities—	Capital Paid-up ...	5,00.00	5,00.00	5,00.00
	Reserve Fund ...	80,00.00	80,00.00	80,00.00
	National Agricultural Credit (Long Term Operations) Fund ...	73,00.00	73,00.00	61,00.00
	National Agricultural Credit (Stabilisation) Fund ...	8,00.00	8,00.00	7,00.00
Deposits—	(a) Central Govt. ...	54,95.28	51,68.98	57,17.61
	State Govts. ...	18,61.87	15,33.31	10,05.56
(b) Banks—	(i) Scheduled Banks ...	85,33.39	85,43.70	82,59.64
	(ii) State Co-operative Banks ...	2,11.23	2,22.53	1,87.54
	(iii) Other Banks ...	62.93	3.99	6.33
(c) Others ...	1,57,83.86	1,59,44.33	1,69,45.23	23,38.78
Bills Payable ...	35,90.64	35,97.93	35,97.93	80,42.82
Other Liabilities ...	81,57.39	82,78.20	82,78.20	...
Total ...	...	6,02,96.39	5,98,92.97	5,84,03.51
Assets—	Notes ...	21,96.90	24,05.27	22,45.33
	Rupee Coin ...	4.12	3.64	2.25
	Small Coin ...	5.39	5.22	2.63
National Agricultural Credit (Long Term Operations) Fund ...	...	...	...	...
(a) Loans and Advances to—	(i) State Govts. ...	28,30.57	28,30.58	27,17.01
	(ii) State Co-operative Banks ...	8,19.04	8,15.24	8,91.87
	(iii) Central Land Mortgage Banks ...	...	...	...
(b) Investment in Central Land Mortgage Bank Debentures ...	...	3,59.36	3,59.36	2,84.87
National Agricultural Credit (Stabilisation) Fund ...	...	...	...	...
Loans and Advances to State Co-operative Banks ...	...	...	...	...
Bills Purchased and Discounted—	(a) Internal ...	...	...	...
	(b) External ...	48,68.94	54,27.59	43,91.61
(c) Govt. Treasury Bills ...	...	13,13.14	8,30.93	9,39.41
Balance Held abroad ...	...	13,13.14	8,30.93	9,39.41
Loans and Advances to Govt. ...	...	54,32.48	55,65.37	50,69.65
Loans and Advances to—	(i) Scheduled Banks ...	43,28.38	68,57.23	8,75.82
	(ii) State Co-operative Banks ...	1,14,79.00	1,15,56.51	1,11,71.11
	(iii) Others ...	1,90.45	1,82.20	3,45.02
Investments ...	...	2,32,17.93	1,99,08.95	2,56,73.37
Other Assets ...	...	31,50.69	31,45.78	37,87.47
Total ...	...	6,02,96.39	5,98,92.97	5,84,03.51

SCHEDULED BANKS

Liabilities—	(In 000's of Rupees)	Week Ended	
		15-5-64	8-5-64
(I) Demand Liabilities—	...	...	...
(a) Demand Deposits ...	...	...	...
(i) From Banks ...	...	63,86.48	67,25.10
(ii) From others ...	...	10,71,09.30	10,65,24.18
(b) Borrowing from Banks ...	...	37,57.98	36,24.67
(c) Other ...	...	66,38.88	69,65.27
(II) Time Liabilities—	...	...	...
(a) Time Deposits ...	...	...	...
(i) From Banks ...	...	24,93.53	25,78.40
(ii) From others ...	...	12,54,22.16	12,46,98.61
(b) Borrowing from Banks ...	...	12,06.95	12,18.86
(c) Other ...	...	11,59.91	11,59.00
(III) Borrowing from State Bank ...	...	...	...
(a) Demand Liabilities ...	...	12,30.51	12,14.06
(b) Time Liabilities ...	...	10,55.00	10,65.50
(IV) Borrowing from Reserve Bank ...	...	68,55.73	76,01.88
(V) Cash ...	...	63,24.33	60,65.02
(VI) Balances with the Reserve Bank ...	...	82,90.64	80,29.71
(VII) Balances with other Banks in current account ...	...	21,62.44	21,61.33
(VIII) Money at call and short notice ...	...	49,16.80	45,02.25
(a) Loans, Cash Credits and Overdrafts ...	...	6,17,70.83	6,21,48.97
(b) Due from Banks ...	...	15,80,72.99	15,63,52.69
(IX) Loans, Cash Credits and Overdrafts ...	...	15,26.13	15,61.79
(X) Interest Bills purchased and discounted ...	...	2,21,30.55	2,25,45.06
(XI) Foreign Bills purchased and discounted ...	...	65,70.94	67,21.25
(XII) Total of X, XI and XII ...	...	18,63,00.61	18,71,80.79

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ANNOUNCEMENT OF PUBLIC ISSUE

(This is not a Prospectus but only an announcement of the proposed issue of Equity Capital, interested persons may obtain copies of the Prospectus from the Company's Registered Office, Underwriters, Brokers and Bankers.)



HINDUSTAN POLYMERS LIMITED

(Incorporated under the Companies Act I of 1956 on 29th November, 1962 as a public company limited by shares)
(Registered Office: C/o. Shree Ram Mills Limited, Fergusson Road, Lower Parel, Bombay-13)

EXISTING AND PROPOSED ACTIVITIES

The Company proposes to establish at Visakhapatnam in the State of Andhra Pradesh, a plant (i) for the manufacture of 1.5 million gallons per annum of Power Alcohol, (ii) with the technical collaboration of Universal Oil Products Company Inc., Des Plaines, Illinois, U.S.A. for the manufacture of 10,000 tons of Styrene Monomer per annum, and (iii) with the technical collaboration of B. X. Plastics Limited, Highams Park, London, E. 4, England, for the manufacture of 7,500 tons per annum of Polystyrene and its Co-polymers including high impact by a continuous mass polymerisation process.

LOCATION OF INDUSTRY

The location of the proposed plant, well-served by National Highways, Railway Transport and other essential facilities, will be on a site of about 250 acres at Visakhapatnam (Andhra Pradesh).

SHARE CAPITAL

AUTHORISED CAPITAL:

3,00,000 Equity Shares of Rs. 100/- each	Rs. 3,00,00,000
2,00,000 Unclassified Shares of Rs. 100/- each	Rs. 2,00,00,000
Total	Rs. 5,00,00,000

ISSUED CAPITAL:

3,00,000 Equity Shares of Rs. 100/- each	Rs. 3,00,00,000
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SUBSCRIBED CAPITAL:

(i) 610 Equity Shares of Rs. 100/- each subscribed by Subscribers to the Memorandum of Association, Director, their relatives, friends and associates on which Rs. 50/- per share have been paid up	Rs. 61,000
(ii) 30,000 Equity Shares of Rs. 100/- each subscribed by Shree Ram Mills Limited, Bombay, a promoter of the company on which Rs. 50/- per share have been paid up	Rs. 30,00,000
Total Subscribed Capital	Rs. 30,61,000

PAID-UP CAPITAL:

(i) 610 Equity Shares of Rs. 100/- each subscribed by and allotted to the Subscribers to the Memorandum of Association, Directors, their relatives, friends and associates which Rs. 50/- per share have been paid up	Rs. 30,500
(ii) 30,000 Equity Shares of Rs. 100/- each subscribed by and allotted to Shree Ram Mills Limited, Bombay, a promoter of the company on which Rs. 50/- per share have been paid up	Rs. 15,00,000
Total Paid-up Capital	Rs. 15,30,500

OUT OF THE ISSUED CAPITAL:

(i) 30,000 Equity Shares of Rs. 100/- each have been subscribed by Shree Ram Mills Limited, a promoter of the company (on which they have paid up Rs. 25/- per share) and the same will be allotted to them	Rs. 30,00,000
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BOARD OF DIRECTORS:

- Shri Kasturbhai Lalbhai, (Chairman), Business & Industry, S/o. Lalbhai Dalmatibhai, Shahibang, Ahmedabad.
Director of: The Atul Products Ltd. (Chairman), The National Rayon Corp. Ltd. (Chairman), The Hindustan Motors Ltd., The Industrial Credit & Investment Corporation of India Ltd., The New India Assurance Co. Ltd., The Ahmedabad Electricity Co. Ltd., The Arvind Mills Ltd., etc., etc.
- Shri Pratap Bhogilal, (Vice Chairman), Business & Industry, S/o. Shri Bhogilal Leherchand, 26, Ridge Road Bombay-6.
Director of: Rockwell India Ltd. (Chairman), Shree Ram Mills Ltd., The Bank of India Ltd., National Machinery Manufacturers Ltd., South India Insurance Company Ltd., Scindia Steam Navigation Co. Ltd., etc., etc.
- Shri Bhogilal Leherchand, Business, S/o. Leherchand Uttamchand, 134-36, Zaveri Bazar, Bombay-2.
Director of: Shree Ram Mills Ltd. (Chairman), Batliboi & Co. Pvt. Ltd. (Chairman) etc., etc.
- Shri Kamalanil G. Saraiya, Business, S/o. Gokuldas Vithaldas Saraiya, 85, Napean Sea Road, Bombay-6.
Director of: New Standard Engg. Co. Ltd., Narandas Rajaram & Co. Private Ltd., (Chairman), Reserve Bank of India, Tata Chemicals Ltd., Tata Hydro-Electric Agencies Ltd., Life Insurance Corporation of India, etc., etc.
- Shri K. V. G. K. Ranga Rao, Business, S/o. Shri R. S. R. K. Ranga Rao, The Palace, Bobbili, Srikakulam Dist. (A.P.).
Director of: Sri Rama Sugars & Industries Ltd., Rayala Corp. Pvt. Ltd., Telangana Spg. & Wvg. Mills Ltd., India Radiators Limited, etc., etc.
- Shri Jehangir Pestonji Patel, Business, S/o. Pestonji D. Patel, Volkart Building, 19, Graham Road, Ballard Estate, Bombay-1.
Director of: The Khatau Makani Spg. & Wvg. Co. Ltd., The Scindia Steam Navigation Co. Ltd., The Ahmedabad Electricity Co. Ltd., The State Bank of India, Hindustan Shipyard Ltd., Volkart (Bombay) Pvt. Ltd., etc., etc.
- Shri Noshirwan Kavasji Petigara, Solicitor, S/o. Kavasji J. Petigara, 21, Pali Hill, Bombay-50.
Director of: The India United Mills Ltd. (Chairman), The Bank of India Ltd., The Bombay Dyeing & Mfg. Co. Ltd., The New India Assurance Co. Ltd., Oriental Fire & Gen. Insurance Co. Ltd., etc., etc.
- Shri Ramnik K. Parikh, Business Executive, S/o. Keshavlal M. Parikh, "Mazda Manor", Alexandra Road, Gamdevi, Bombay-7.
Director of: The Vidarbha Mills Berar Ltd., etc., etc.

EXECUTIVE DIRECTOR:

Shri Ramnik K. Parikh, (Subject to Government Approval under the provision of the Companies Act, 1956).

UNDERWRITERS:

- Andhra Pradesh Industrial Development Corporation Ltd., B-1-174, Fatch Mahal Road, Post Box No. 13, Hyderabad-4 (Dn.).
- Life Insurance Corporation of India, "Jeevan Kendra", Jamshedji Tata Road, Bombay-1.
- Industrial Finance Corporation of India, Reserve Bank Building, Parliament Street, New Delhi.
- The Industrial Credit & Investment Corporation of India Limited, 163, Backbay Reclamation, Bombay-1.
- The Bank of India Limited, 70-80, Mahatma Gandhi Road, Fort, Bombay-1.
- The Bank of Baroda Limited, 12-A, Apollo Street, Bombay-1.
- The United Commercial Bank Limited, Petit Building, Dr. Dadabhai Naoroji Road, Fort, Bombay-1.

- 51,990 Equity Shares of Rs. 100/- each have been subscribed by the Promoters. Subscribers to the Memorandum of Association, Directors their relatives, friends and associates (on which they have paid up Rs. 25/- per share) and the same will be allotted to them Rs. 51,99,000 || **AND 60,000 Equity Shares are RESERVED FOR SUBSCRIPTION as follows:** | |
| (iii) 20,000 Equity Shares of Rs. 100/- each are reserved for subscription in cash at par by The Industrial Credit & Investment Corporation of India, Limited, Bombay (hereinafter referred to as ICICI) | Rs. 20,00,000 |
| (iv) 20,000 Equity Shares of Rs. 100/- each are reserved for subscription in cash at par by Commonwealth Development Finance Company Limited, London, England (hereinafter referred to as "CDFC") subject for the conditions of the Head of Terms (contract No. 3 below) | Rs. 20,00,000 |
| (v) 20,000 Equity Shares of Rs. 100/- each are reserved for subscription in cash at par by Bakelite Xylonite Limited, London, England | Rs. 20,00,000 |
| **Total** | **Rs. 1,41,99,000** |

It is a condition of the Consent of the Controller of Capital Promoters, their friends, etc. shall be retained as a long-term investment and shall not be disposed of within a period of one year from the date of allotment.

NOW OFFERED AT PAR FOR CASH FOR PUBLIC SUBSCRIPTION:

1,27,400 Equity Shares of Rs. 100/- each.	
NOTE: The total Issued Capital of 3,00,000 Equity Shares of Rs. 100/- each is made up as follows:-	
Subscribed Capital	Rs. 30,61,000
Reserved for Subscription	Rs. 1,41,99,000
Offer for Public Subscription	Rs. 1,27,40,000
Total	Rs. 3,00,00,000

- Canara Bank Limited, Warden House, Sir Phirozshah Mehta Road, Fort, Bombay-1.
- The New India Assurance Co. Ltd., New India Assurance Building, 87, Mahatma Gandhi Road, Fort, Bombay-1.
- South India Insurance Co. Ltd., "Moti Mahal", Jamshedji Tata Road, Bombay-1.
- The New Great Insurance Co. of India Ltd., 45-47, Apollo Street, Fort, Bombay-1.
- Rajnikant Chinubhai Sheth, 45, Stock Exchange New Building, Apollo Street, Fort, Bombay-1.
- Narottam B. Javeri, 35, Stock Exchange New Building, Apollo Street, Fort, Bombay-1.
- M/s. Lallubhai Ranchhodhas, Agakhan Building, 9, Dalal Street, Fort, Bombay-1.
- M. Nanjappaiah Jahngirdar, 131, Cavalry Road, Post Box No. 71, Bangalore-1.
- Dhirajlal Maganlal Puroshotamdas, Stock Exchange Building, Apollo Street, Bombay-1.
- Harkisondass Lakhmidass, Stock Exchange Building, Apollo Street Bombay-1.
- M/s. Kantilal Purlapeshi, 97, Stock Exchange Building, Bombay-1.
- R. R. Nabar & Co., 31, Dalal Street, Fort, Bombay-1.

HYDERABAD:

- Kapurchand Shrimall, Sultan Bazar, Hyderabad (Dn.).

AHMEDABAD:

- M/s. Chinubhai Chimanlal Dalal, Fatehkhani's Haveli, Ranpolce, Ahmedabad.
- Kantilal Chandulal & Co., Shahib nagar Bombay Garage, Ahmedabad.
- Trilokanil Dabhyabhai, Opp. Share Bazar, Maneckchowk, Ahmedabad.

DELHI:

- Harbans Singh Mehta & Company, 33, Regal Building, Parliament Street, New Delhi-1.
- Raj Paul Chadha & Co., Delite Cinema Building, Asaf Ali Road, New Delhi.

CALCUTTA:

- G. M. Pyne, Allahabad Bank Building, 14, India Exchange Place, Calcutta-1.
- Place, Siddons & Gough (Pvt.) Ltd., 6, Lyons Range, Calcutta-1.

MADRAS:

- Chitra & Co., 322-323, Linghi Chetty Street, Madras-1.
- Kothari & Sons, Post Box No. 267, "Oriental Buildings", Armenian Street, Madras-1.
- Patterson & Co., 32/33, Linghi Chetty Street, Madras-1.

BANGALORE:

- M. Nanjappaiah Jahngirdar, 181, Cavalry Road, Post Box No. 71, Bangalore-1.

BRAITHWAITE & CO. (INDIA) LIMITED

STATEMENT BY MR. J. V. JARDINE PATERSON

Statement by Mr. J. V. Jardine Paterson, Chairman, Braithwaite & Co. (India) Ltd., at the Thirty-fourth Annual General Meeting of Members to be held in Calcutta on 18th June, 1964.

Production and Development
Clive Works

But for the slowing down of production at three periods during the year as mentioned in the Directors' Report, the target for the year of 30,000 tonnes would have been achieved. As it was, production reached 28,569 tonnes which is the highest so far achieved and 4% more than the previous year. It was unfortunate that production was again interrupted in January this year as a result of riots in the city and the associated curfews but it is confidently expected that, with the improved raw materials position, the Works will exceed their previous best during the current year.

Angus Works

Very satisfactory progress has been made and, as stated in the Directors' Report, the turnover for the year was nearly double that of 1962. In the fourth year of our operations in these Works, we have, in fact, shown a small net profit which, in view of the development charges to be incurred, must be considered a notable success. The order book is well filled and a number of outstanding quotations for Electric Overhead Travelling cranes are known to be competitive and are likely, therefore, to become orders. After many delays the loan agreements have been completed, import licences received and orders placed for the machinery which will enable the present phase of expansion to be completed. It is hoped that these machines will be received within the next twelve months. We have not yet received the electric power supply required for this expansion but we are advised that this will be available early next year and there should therefore be no delay in bringing these machines into operation.

Consideration is being given by the Directors to the next phase of the expansion scheme and details will be worked out so that this can follow on closely the completion of the first phase.

Work has continued on the housing scheme and three blocks comprising 18 flats for junior officers have been com-

pleted and occupied. Flats for senior officers are also well advanced.

Profit, Taxation and Dividend

The profit for the year, after providing Rs. 14,19,333 for depreciation and transferring Rs. 7,03,186 to Development Reserve, amounted to Rs. 1,24,47,705 which shows an increase of approximately Rs. 18 lakhs over the previous year. This result is most encouraging but once again very large sums are required for payment of taxes as, in addition to Income and Super Taxes amounting to Rs. 62,20,706, Rs. 17 lakhs has been provided for payment of Sur-Tax, making a total of Rs. 79,20,706 or more than 63% of the profit. It is interesting to note that this provision for payment of Sur-Tax is very nearly the same as that for Super-Tax in the previous year but is, of course, calculated on the increased profit referred to above.

The annual dividend on the Preference Shares has been paid in two instalments, absorbing Rs. 3,60,000 as against a single quarter's dividend of only Rs. 90,000/- required in the accounts for 1962. The Directors are now recommending an increased dividend on the Ordinary Shares at the rate of 20%, thereby leaving available for transfer to Reserve slightly more than Rs. 21½ lakhs.

Exports

There was further improvement in the export to Malaya of Pressed Steel Tanks in collaboration with the Technical Consultants, Braithwaite & Co. Engineers Limited. Results elsewhere were, however, disappointing and a second sales tour was undertaken towards the end of the year. Whereas there are possibilities of improving sales in Hong Kong, it is clear that conditions in Burma particularly, and to a less extent in Thailand, are not encouraging, though every effort will be made to develop business.

Labour

The severe drop in production in April/May, due to inadequate supply of welding electrodes, with the consequent fall in earnings from Production Bonus, resulted in labour agitation which took some time to settle. This, combined with the recent general demand throughout the industry for the setting up of a Wage Board, has unfortunately affected relations with our labour, but with the present healthy

position of the Company's order book and the vast improvement in availability of raw materials, it is expected that Workers will now be able to earn high rates of pay through Production Bonus, and the normal satisfactory co-operation between Labour and Management will be restored. The quantum of annual bonus to be paid was amicably settled under a bipartite agreement.

Management and Personnel

We are again grateful to our Managing Director, Mr. J. E. Bingham, for his successful conduct of the Company's affairs during the past year. His term of office as Managing Director of the Company expires on 30th June, 1964 but it has been agreed that application should be made to the Government of India for his re-appointment for a further period of one year. The Board also proposes to appoint Mr. J. E. Sawtell as a Managing Director and the necessary application in regard to his appointment and remuneration has been made to the Government of India. Mr. Sawtell has served the Company in various capacities and, since April, 1963, has been General Manager of Clive Works. He will take over from Mr. J. E. Bingham at the expiry of the latter's Agreement in 1965. On receipt of Government approval to the applications in connection with these appoint-

ments, the necessary General Meeting of Shareholders will be convened.

Mr. Y. S. Tayal, Secretary of the Company and Mr. A. D. Morley, General Manager of Angus Works left the services of the Company during the year. Mr. B. L. Mathur has been appointed Secretary of the Company, Mr. A. P. Sarkar the Financial Controller, and Mr. M. Dhar, Chief Engineer. Mr. K. R. Sundaram was transferred from Clive to assume responsibilities of the Works Manager, Angus. All these senior Executives have worked extremely hard during the past year and we are indebted to them and all other members of the Staff for all that has been achieved.

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

HINDUSTAN MERCANTILE
BANK LIMITED.

Registered Office:
10, Clive Row, Calcutta-1.

Authorised Capital ... Rs. 2 Crores.

Subscribed Capital ... Rs. 1 Crore.

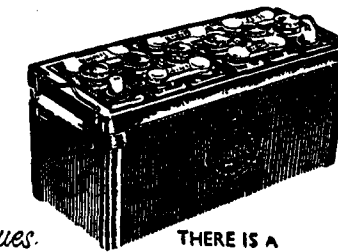
Paid-up Capital ... Rs. 50 Lakhs.

BOARD OF DIRECTORS:
Sri Mohan Lal Jain (Chairman),
Sri Bhagrat Kanoria,
Sri Manmull Bhuwalka,
Sri Kamal Singh Rampuria,
Sri Premnath Narayan Sarkar,
Sri Hari Lal Mehta,
Sri Chhotelal Kanoria.

Branches and Agencies throughout India.

B. S. MAZUMDAR,
Manager, Head Office.

MICROPOROUS
RUBBER SEPARATORS
GENUINE HARD-RUBBER
CONTAINERS
PURE OXIDE PLATES
plus



the progressive production techniques.

...make **BHARAT Battery**

THERE IS A
BHARAT BATTERY
FOR ALL PURPOSES

a better store-house for Power

QUICKER STARTING, LONGER LASTING

BHARAT BATTERY MANUFACTURING CO. PRIVATE LIMITED

P.O. RASHBEHARI AVENUE, CALCUTTA-19
PHONE: 46-2384 & 44-2136, GRAM: "BIMEMCO"

HINDUSTAN POLYMERS LIMITED—Cont'd.

BANKERS

- State Bank of India, Apollo Street, Fort, Bombay-1.
Madrass, Aurangabad, Bangalore, Hubli, Hyderabad (Dn.), Secunderabad, Tiruchirappalli, Tirupathi, Trivandrum, Tuticorin, Vellore, Vijayawada, Visakhapatnam, Cochin, Coimbatore, Cuddalore, Bombay, Calcutta, New Delhi, Ahmedabad, Amritsar, Akola, Allahabad, Ambala, Amritsar, Bareilly, Baroda, Belgaum, Bijapur, Calicut, Chandigarh, Cuttack, Dehra Dun, Firozpur, Jammu, Jaipur, Kanpur, Lucknow, Ludhiana, Madurai, Miraj, Nadiad, Nagpur, Nasik, Patna, Poona, Quilon, Rajkot, Salem, Ratlam, Sangli, Shillong, Sholapur, Simla and Srirangar.
- The Bank of India Limited, 70-80, Mahatma Gandhi Road, Fort, Bombay-1.
Bombay, Ahmedabad, Calcutta, Delhi, New Delhi, Hyderabad (Dn.), Secunderabad, Bombay and Madras.

derabad, Indore, Madras, Visakhapatnam, Baroda, Bangalore, Surat, Amritsar, Coimbatore, Jamnagar, Jamshedpur, Kanpur, Poona and Nagpur.

3. The Mercantile Bank Limited, Mahatma Gandhi Road, Fort, Bombay-1.
Bombay, Calcutta, Delhi, New Delhi and Madras.

4. The Bank of Baroda Limited, Apollo Street, Fort, Bombay-1.
Bombay, Ahmedabad, Baroda, Hyderabad (Dn.), Secunderabad, Vijayawada, Delhi, New Delhi, Indore, Madras, Bangalore, Calcutta, Amritsar, Lucknow, Kanpur, Coimbatore, Jaipur, Jamnagar, Poona and Nagpur.

5. State Bank of Hyderabad, New India Assurance Building, Mahatma Gandhi Road, Fort, Bombay-1.
Hyderabad (Dn.), Secunderabad, Bombay and Madras.

6. The Central Bank of India Limited, Mahatma Gandhi Road, Fort, Bombay-1.
Bombay, Ahmedabad, Baroda, Hyderabad (Dn.), Secunderabad, Vijayawada, Calcutta, Delhi, New Delhi, Madras, Indore, Bangalore, Jamnagar, Coimbatore, Agra, Nagpur and Amritsar.

7. The United Commercial Bank Limited, Petit Building, Dr. Dadabhai Naoroji Road, Bombay-1.

Bombay, Calcutta, Delhi, New Delhi, Madras, Ahmedabad, Coimbatore, Hyderabad (Dn.), Bangalore, Jaipur, Jamnagar, Nagpur, Poona, Rajkot, Surat and Visakhapatnam.

8. Canara Bank Limited, Warden House, Sir Phirozshah Mehta Road, Fort, Bombay-1.

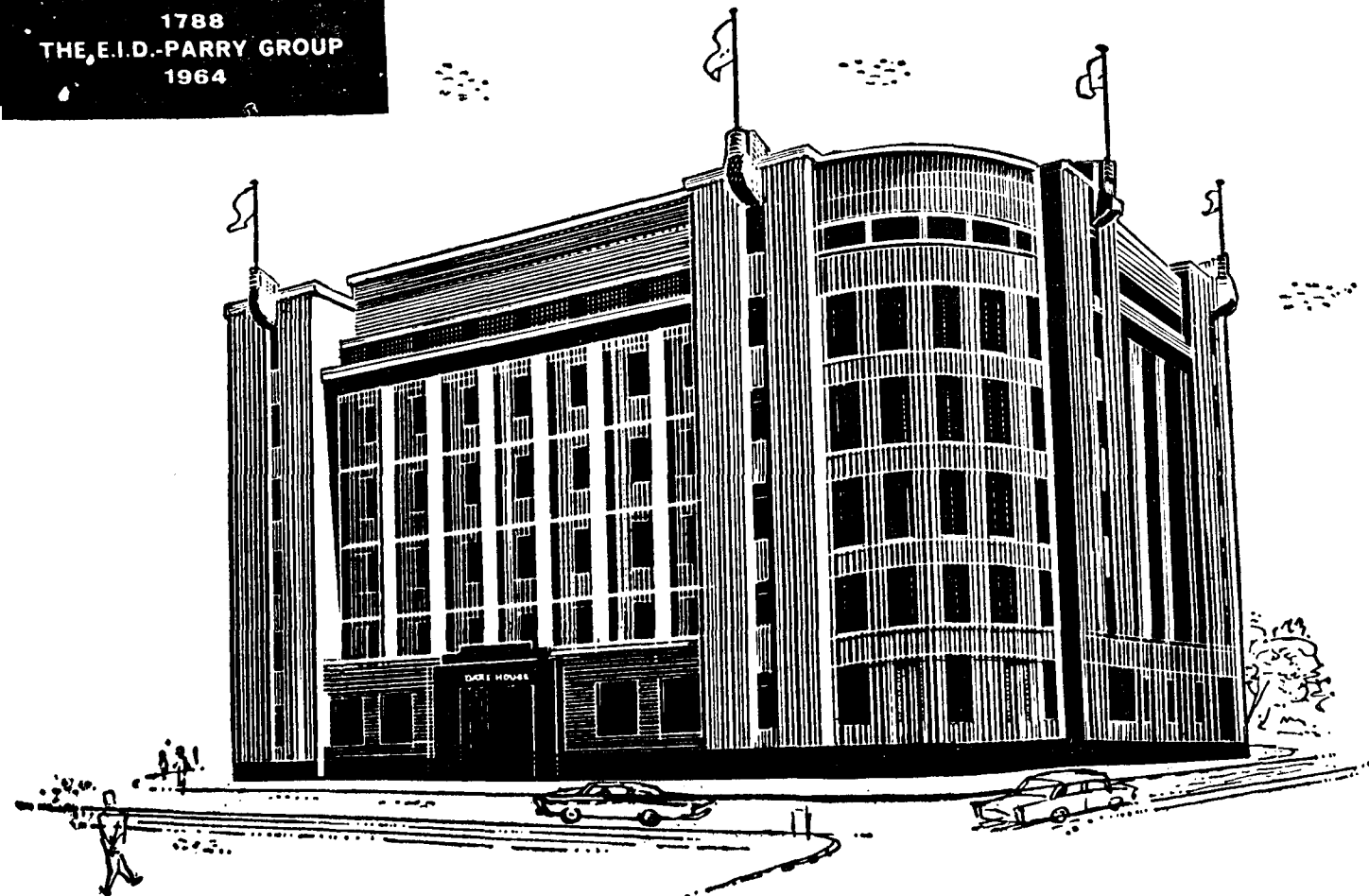
Bombay, Calcutta, Delhi, New Delhi, Madras, Ahmedabad, Bangalore, Cochin, Coimbatore, (Panaji), Goa (Vasco-da-Gama), Goa, Hyderabad (Dn.), Secunderabad, Kolhapur, Mangalore, Mysore, Nagpur, Poona, Sholapur, Trichur and Visakhapatnam.

APPLICATION FORMS for application for shares along with copies of the Prospectus can be had from the Registered Office of the Company or from the Underwriters, Bankers and Brokers whose names and addresses are given above.

DATES OF THE OPENING AND CLOSING OF THE SUBSCRIPTION LIST

The Subscription List will open at the commencement of banking hours on 26th May, 1964 and will close at the close of the banking hours on 4th June, 1964 or earlier at the discretion of the directors but not before the close of banking hours on 28th May, 1964.

1788
THE E.I.D.-PARRY GROUP
1964



DARE HOUSE at PARRY'S CORNER

Soon after he had founded his business in 1788, THOMAS PARRY acquired a site for his office and godowns at the corner of Esplanade and First Line Beach, strategically situated, as close as it was then possible to approach Fort St. George. It was not long before this corner became known as Parry's Corner which name it bears to this day.

On January 1, 1819 PARRY took into partnership JOHN WILLIAM DARE—"not only a fine businessman but also a great character".

DARE HOUSE, the Head Office of the E.I.D.-PARRY GROUP is named after him.

One-hundred and twenty-six years have passed since JOHN DARE'S death in 1838. Eventful years of steady progress for PARRY'S!

The E.I.D.-PARRY GROUP of today consists of E.I.D.-PARRY LTD., PARRY & CO., LTD., and a number of subsidiary and associated concerns, in all nine companies of substance, contributing to the country's economy through the manufacture of sugar, confectionery, fertilisers, industrial and potable alcohol, acids, chemicals, carbonic acid gas, sanitaryware, etc.

The GROUP provides employment to more than 10,000 people. The strong position it has achieved today gives it courage and confidence further to increase and broaden its activities to keep pace with the country's Five-Year Plans.



JOHN DARE

THE E.I.D.-PARRY GROUP, MADRAS
PLAY YOUR PART IN THE NATIONAL DEFENCE EFFORT

PP-367 M

INDIA TO BID FOR TWO IRANIAN OFFSHORE CONCESSIONS

(FROM OUR NEW DELHI CORRESPONDENT)

THE Government of India has agreed to the proposal of the E.N.I. of Italy and Phillips Petroleum to join them in the final bidding for two offshore concessions in Iran. When the areas were opened for bidding last year, the National Iranian Oil Company announced that "as the first step, any potentially interested party must apply for a questionnaire to be filled in and returned not later than 30th June, 1963, after which the applicants were to be notified whether they were qualified and if so, were to be informed of relevant procedures and given detailed information." In July 1963, some 20 companies, including Pauley Petroleum, Phillips Petroleum and the E.N.I. of Italy were declared as "potential" bidders for the offshore concessions. They were to share financially in an offshore seismic survey of the area.

Only those companies which are participating financially in the seismic survey, will be eligible to bid. If the seismic survey locates promising areas, the bidding for them will be stiff. It could include offers of joint participation with the National Iranian Oil Company, as provided in Iran's Oil Act. Those which do not want partnership may offer huge bonuses. The foreign partner may be expected to place N.I.O.C.'s share of production in the world market, along with its own share. Then again, financial participation in the seismic survey does not qualify a potential bidder to bid unless it can, in the interim period, fulfil the technical and financial qualifications which are regarded essential by the N.I.O.C. It was because of their search for an assured market that Pauley Petroleum, Phillips Petroleum and E.N.I. offered India a share in their holdings.

Package Deal

Pauley Petroleum had offered a package deal to the Government, which included 50 percent partnership to India in the Iranian concessions, the building of the Madras refinery on a minority participation basis but equal participation in a joint-venture to purchase and bring to India crude from the cheapest sources till Iranian concessions yielded oil and the search for oil in India on an all-risk basis with the proviso that the Company will join the Government on a 50:50 basis if oil is discovered. Meanwhile, three offers were to the Government. The State-owned E.N.I. of Italy and Phillips Petroleum made an offer to take India in their Iranian bidding, India contributing one-third of the cost of the Iranian venture. It was stipulated every decision of the tripartite combine will require 60-percent voting right. India, E.N.I. and Phillips will be 50 percent owners of the concession in case oil is discovered; the other 50 percent will be allocated to the National Iranian Oil Company. In other words, the joint venture will include the National Iranian Oil Company owning 50 percent and India, E.N.I. and Phillips owning the remaining 50 percent. India's contribution in foreign exchange over the five-year period is placed at \$7 million.

The second offer came from a combine of the American Oil Company, Gulf Petroleum and a French company C.A.F. to supply crude at comparatively cheap rates for a period of

five to seven years. On the basis of the contract, the combine also offered a loan to the Government of India, say, \$40 million at 5-percent interest to construct public-sector refineries in Madras or Haldia.

The third offer again came from Phillips Petroleum to explore oil in offshore areas at its own risk, with a provision to go into 50:50 partnership with the Government in case oil was found.

It should be obvious that the last two offers were not in conflict with the one made in Pauley Petroleum. The latter, for example, could have explored for oil in one area and Phillips Petroleum in another. Then again, the short-term contract for the supply of crude was not an integral part of Pauley's package deal offer.

Basis of Participation

The Government of India, as reported earlier, has decided to join the E.N.I. and the Phillips combine on a one-third participation basis. The project is estimated to cost about \$20 million. India's maximum risk, therefore, could be about \$7 million.

No specific reasons for preferring the offer of the E.N.I. and the Phillips combine are yet available. It may be that the Government of India did not like to put all its eggs in one basket. In view of the sharp criticism against the Cochin refinery deal with Phillips Petroleum, the Government should explain why it entered into another deal with a Phillips combine as a one-third partner. Will this deal be followed by a revision of the Cochin refinery agreement, taking away all its objectionable features? Meanwhile, with the Government going into the oil business outside India, the definition of "indigenous" crude has undergone a change as far as the existing refineries are concerned. The definition will include "all crude owned by the Government through exploration inside or outside India."

PATENT RIGHTS

Decision Taken

A long standing inter-Ministerial dispute over patent rights has been settled since the Central Cabinet has decided to retain in tact all existing patent rights which in future will be called "licences of right". Patents in relation to food, drugs, medicines, and pharmaceuticals will in future be only for process and not for products and will be valid for seven years, against 16 years as at present. They will be subject to a ceiling of 2 percent of royalty. In other cases, the validity of patent rights will be 14 years, against 16 years as at present. The Central Ministry of Health had urged the abolition of all existing patent rights and a ban on the grant of future rights, particularly in relation to medicines, drugs, food and pharmaceuticals. This was resisted by patent-holders, who made representations to the Government through their embassies in New Delhi.

This was followed by the appointment of a Cabinet sub-committee whose report had recommended necessary legislation to be brought before Parliament during its session

commencing next week. The amending Act will empower the Government to make rules which, among other things, will lay down procedures for acquiring rights during the validity of a patent. Anyone will be allowed to make use of a patent if it has not been issued provided he reaches satisfactory arrangements with the patent-holder in relation to royalty, etcetera. The patent-holder will have two remedies in case of a dispute. Firstly, the Controller of Patents will give him ample opportunity to explain his case. In the event of a patent-holder remaining unsatisfied, he could appeal to an Administrative Tribunal, to be set up to decide such cases and its decision will be final. The use of patent will not be held up during the proceedings of the Tribunal or by the Controller of Patents.

FOREIGN INVESTMENT

Prospects Discussed

Pointing to the recent I.T.T. contract as a significant and basic step in India's new programme to stimulate her economy, the U.S. Under-Secretary of Commerce, Mr. Franklin Delano Roosevelt, Jr., said that "the industrial development of any country is dependent on its means to communicate within its own borders and beyond with the rest of the world, and this applies especially to a country as vast, as populous, and as forward-looking as India." Mr. Roosevelt added that the formalisation of the agreement between India and the I.T.T. at this time served to emphasise India's policy of seeking foreign investment and gave an added impetus to additional U.S. private investment.

The agreement follows the visit by a special mission of 40 leading American businessmen in April as guests of the Indian Investment Centre. The purpose of the visit was to familiarise the U.S. investors with India's policy on private foreign investment and give them an understanding of the country's economic needs and problems. Both Mr. Roosevelt and the U.S. Assistant Secretary of Commerce, Mr. Jack N. Behrman, accompanied the mission.

The magnitude and seriousness of the problem confronting the people of India; the skill and determination which the Government and business leaders alike are exercising to solve these problems; the degree to which foreign investment capital is welcomed; the political stability of the country in spite of current possible changes in leadership and especially the desire of all to maintain an active and vigorous relationship to Canada in both trade and financial matters—were among the subjects of enquiry by 40 members of the trade and goodwill mission of the Vancouver Board of Trade during its brief stay in New Delhi recently. Mr. W. M. Anderson, leader of the delegation, expressed great appreciation for the extensive discussion arranged for the Government in which the fullest and freest opportunity for the exchange of views was provided. India's trading position; her fiscal policies; the degree to which foreign investment capital and technical skills are welcomed; the desire to retain for India substantial control of her resources and their development were all reviewed in some detail to the interest

and appreciation of the members of the Vancouver delegation.

F.I.C.C.I. Press Note

Meanwhile, the Federation of Indian Chambers of Commerce and Industry says in a Press note: "For a variety of reasons which mainly stem from Governmental policy, it is next to impossible to increase production. The delays in the issue of licences, in the utilisation of foreign exchange, in the ideology governing distribution of fields between the private and public sectors, as between small-scale and large-scale units, are not a little responsible for decreasing the tempo of production. On the agricultural front again, administrative failure has to be recognised."

"Investment is also a matter of sentiment and confidence. There have been far too many and frequent changes in fiscal concepts and measures, and almost every time they have gone against the taxpayer. He is apprehensive of what will be deemed income, capital losses and what rates he may be called upon to pay when he earns, spends, gifts away or bequeaths. If the individual Indian investor is frightened and crippled, foreign capital cannot replace him or work in combination with him. Indeed foreign capital which is so necessary for us may be discouraged, and it will be injurious to our plans and progress."

TELEPHONE

New Pact Signed

The Government of India signed last week a long-term contract with the International Telephone and Telegraph Corporation's Belgian subsidiary, namely, the Bell Telephone Manufacturing Company for the supply and local manufacture of automatic telephone switching equipment known as "Pentaconta". The project will be in two parts; initially, it calls for the supply of automatic telephone switching equipment including six local exchanges totalling 48,000 lines and four trunk exchanges totalling 670 junctions. The second part covers the establishment, jointly with the State-owned Indian Telephone Industries Ltd., of a unit to manufacture pentaconta equipment in India. The finance for the purchase of equipment will be supplied by the International Development Association, an affiliate of the World Bank. About 15 percent of the finance for the manufacturing unit will be supplied by I.T.T.'s finance associate and the balance from Belgian credit to India. When in full production, the unit will have an output of 100,000 lines of pentaconta equipment worth at least \$10 million.

At present, India's telephone network totals 518,000 lines, of which 357,000 are automatic. Of 48,000 lines of pentaconta to be imported under the I.D.A. credit, 30,000 will be placed in service at three exchanges in Bombay and the remainder in the Delhi and Madras areas. Trunk exchanges will be installed in Bombay, Delhi, Kanpur and Madras. Under an earlier agreement, I.T.T. collaborated with the Government in the manufacture of telephone cables.

COAL

Soft Coke Decontrolled

Taking into consideration the trends in coal production vis-à-vis the demand and the easy transport conditions prevailing in the country, the Government of India announced its decision to decontrol the distribution of soft coke for domestic consumption and Grades II and III non-coking coal with effect from 1st July, 1964. Simultaneously, with the removal of the distribution controls on these

grades of coal and soft coke, no distinction shall be observed between Grade II and Grade III non-coking coal for the purpose of supply to the consumer. This relaxation shall be applicable to the entire coal production in Singareni fields as also to the Grades II and III non-coking coal produced in all the coalfields in India, excluding Assam.

With the removal of distribution controls, the entitlement of any consumer to draw his supplies of coal of the grades mentioned above from the various coalfields, shall be determined by the zonal scheme applicable to each field and the principles of transport rationalisation already in force. Consumers would be free to enter into agreements with the producers of their choice in their respective authorised coalfield, either direct or through middlemen, for their supplies of coal or soft coke. They will not be required to route their applications for supplies of soft coke and coal of the grades mentioned above, through the Coal Controller or any other Central or State Government agency. They shall also be free to secure such supplies of coal without any limits concerning quantity.

Monthly Statement

Each working colliery shall be required to submit to the Divisional Superintendent of the Railways in whose jurisdiction the colliery lies with a copy to the Coal Controller, a monthly statement showing the destinations, quantity and the details of the consumers with whom they have entered into an agreement for the supply of soft coke and these grades of coal in that particular month. This statement should reach the office of the Divisional Superintendent concerned at least 15 days in advance of the month to which it relates. The Railway Administration will check the monthly requirements to ensure compliance with the rationalisation principles already in force and on the basis of acceptable movement demands of colliery, and frame the loading programme for each colliery every month. These programmes would be sent to the collieries concerned. The allotment of wagons for loading would be made after the indent have been actually placed by the collieries as at present. For each

consumer requiring 1,500 tonnes or more of coal a month, the collieries will be required to place the indents in the form of a block rake only; for this purpose, where necessary, collieries can also group themselves together to form a block rake, subject to the operational convenience of the railways. The details of actual coal loadings shall continue to be supplied by each colliery to the Coal Controller after the expiry of each month.

In view of the fact that these orders shall come into effect from 1st July, 1964, consumers and producers of coal on which distribution controls are being lifted, are advised to finalise their agreements well in time so that the collieries are in a position to submit their statements pertaining to the month of July 1964 to the Railway Administration concerned by 15th June, 1964.

Any consumer or producer of coal wishing to know whether the movement of coal from a particular colliery to a specific destination will be permitted, is advised to contact the Coal Controller or the Divisional Superintendent of Railways in whose jurisdiction the colliery lies.

SUGAR

Revision of Prices

The ex-factory prices of sugar for 1963-64 were fixed at the beginning of the season in November 1963 on the basis of the estimates of recovery of sugar from sugarcane and the duration of the season. It was decided to review these prices in the light of actual duration and recovery by the close of the crushing operations.

The Government of India has accordingly reviewed these prices and has notified the revised rates. It is explained that in some areas, namely, in the south where the season was nearly normal or better, the actual working results have been quite close to the estimates. However, in some areas in the north, on account of the diversion of sugarcane to gur manufacture and on account of frost and drought conditions, particularly in some districts of western Uttar Pradesh, Punjab, Rajasthan, Madhya Pradesh, south Bihar and Assam, both duration and recovery were adversely

affected. Some adjustments in cane prices have also been made in some areas.

The combined effect of these factors has been to disturb a comparative uniformity in costs which used to prevail over certain areas into considerable diversity and consequently it has become necessary to isolate high cost areas from others. It has, therefore, been considered necessary to sub-divide the west U.P. areas into (i) Meerut, Muzaffarnagar and Bulandshahr districts, (ii) Saharanpur and Dehradun districts, (iii) Rohilkhand and Agra Divisions and (iv) Lucknow Division.

The effect of the revision in prices is broadly as follows: (a) sugar price has been increased by Re. 1 a quintal in the case of factories in Maharashtra, Andhra Pradesh, Madras, Mysore, Pondicherry and Kerala.

(b) The prices have been revised downwards in the case of factories in Lucknow Division of U.P. and in Gujarat by Rs. 2 a quintal and in Orissa by Rs. 2.50 a quintal.

(c) In other areas generally the increase varies between Rs. 2 and Rs. 14.50 a quintal.

The revised prices come into effect immediately. Why the prices have been revised when the crushing season is over and sugar has passed on to the middlemen, is not disclosed. The increase in sugar prices will raise the cost of living index, leading to a demand for an increased dearness allowance. According to knowledgeable circles, similar increases in the prices of textiles and paper are regarded inevitable.

CEMENT

New Corporation

The Government of India has decided to set up a State-owned public limited company called the Cement Corporation of India, designed to further the development of the country's cement industry. The fourth plan estimates of demand for cement would call for a substantial expansion of the cement manufacturing capacity. Fresh capacity of at least 10 million tons a year may have to be

CAPITAL, 28th May, 1964.

created during the fourth plan period. The principal raw material of the industry is limestone. Inadequate knowledge of the country's limestone reserves has been one of the factors retarding the development of the industry in recent years. The survey and prospecting of cement-grade limestone in the country is thus one of the two principal objectives of the Corporation. The other would be the installation of sufficient capacity for the manufacture of cement in the public sector to help achieve the fourth plan production targets.

The Corporation's effects will be directed towards supplementing the activities of the private sector in expanding the cement industry. It will not only assist the growth of the public sector in cement, but will also facilitate private investment in the industry.

FINANCE COMMISSION

Terms of Reference

The fourth Finance Commission held a two-day session here last week. In addition to matters connected with the distribution of income tax and Union excise duties between the Union and the States and determining the principles governing the grants-in-aid of the revenues to the States under the provisions of sub-clauses (a) and (b) of Clause (3) of Article 280 of the Constitution, the Commission, among other things, is also required to make recommendations on the following:

"(a) The States which are in need of assistance by way of grant-in-aid of their revenues under Article 275, and the sums to be paid to those States other than the sums specified in the provisos to Clause (i) of that article, having regard to (i) the revenue resources of those States for the five years ending with the financial year 1970-71 on the basis of the levels of taxation likely to be reached in the 1965-66 financial year; (ii) the requirements of those States to meet the committed expenditure on maintenance and upkeep of the plan schemes completed during the third plan; (iii) and further expenditure likely to devolve upon those States for the servicing of their debt; (iv) creation of a fund out of the excesses, if any, over a limit to be specified by the Commission, of the net proceeds of estate duty on property other than agricultural land accruing to a State in any financial year, for the repayment of the State's debt to the Central Government; and (v) the scope for economy consistent with efficiency, which may be effected by the States in their administrative expenditure;

"(b) the changes, if any, to be made in the principles governing the distribution among the States under Article 289 of the net proceeds in any financial year of estate duty on property other than agricultural land;

"(c) the changes, if any, to be made in the principles governing the distribution among the States of the grant to be made available to the latter in lieu of taxes on railway fares;

"(d) the changes, if any, to be made in the principles governing the distribution of the net proceeds in any financial year of the additional excise duties levied on each of the following commodities, namely, cotton fabrics, silk fabrics, rayon or artificial silk fabrics, woollen fabrics, sugar, and tobacco (including manufactured tobacco), in replacement of the States' sales taxes formerly levied by the State Governments, provided that the share accruing to each State shall not be less than the revenue realised from the levy of the sales tax for the 1956-57 financial year in that State;

"(e) the effect of the combined incidence of a State's sales tax and Union excise duties on the production,

CAPITAL, 28th May, 1964.

consumption or export of commodities or products, the duties on which are sharable with the States, and the adjustment, if any, to be made in the State's share of Union excise duties, if there is any increase in the State's sales tax on such commodities or products over a limit to be specified by the Commission.

"The recommendations of the Commission shall, in each of the above cases, cover the period of five years commencing from 1st April, 1966.

Devolution of Revenue

"The present scheme of devolution of revenue from the Centre to the States, which has been evolved after taking into account the recommendations of the third Finance Commission and is applicable to the four-year period ending 1965-66, is as follows:

"(a) 66½ percent of the divisible net proceeds of income tax (other than corporation tax) are assigned to the States and distributed among them on the basis of population (80 percent) and collection (20 percent).

"(b) 20 percent of the net proceeds of the Union excise duties on all commodities other than motor-spirit, on which duty was collected in 1960-61 excluding those (but not excluding silk fabrics) on which the yield was below Rs. 50 lakhs a year (total commodities 35) are distributed among the States on the basis of population (as the major factor), relative financial weaknesses of States, disparity in levels of development, percentage of scheduled castes and tribes and backward classes in their population.

"(c) the grant-in-aid in lieu of tax on railway fares is distributed on the basis of compensation, namely, what States were getting before the tax was abolished.

"(d) the net proceeds of the estate duty are distributed between the States in proportion to their populations, except that the amounts collected from immovable properties are distributed on the basis of location of those properties;

"(e) in relation to the net proceeds of additional excise duties on textiles, sugar and tobacco levied in lieu of sales tax, the guaranteed amounts are first paid to the States, namely, the revenue realised from the levy of the sales tax for the 1956-57 financial year in that State and the balance on the basis of percentage increase in the collection of sales tax since 1957-58 and partly on the basis of population;

"(f) grants-in-aid of revenue of specified amounts are made to the States on an assessment of their needs based on a review of their budgetary position and the size of their committed expenditure out of revenues. Specific grants are also made to certain States for the improvement of their communications."

The fourth Finance Commission will review these arrangements. It will consider the modifications and adjustments, if any, called for in the present devolution scheme including the arrangements on grants-in-aid under Article 275(1) of the Constitution.

HEAVY ELECTRICALS

Russian Equipment

After successful negotiations between the State-owned Heavy Electricals (India) Ltd. and V/O Prommashexport, Moscow, contracts amounting to about Rs. 23.5 crores were signed here for the delivery of equipment, materials and the working drawings from Russia for the Heavy Electrical Equipment plant in Ranipet (Hardwar). The contracts also provide for technical assistance by Russian specialists during construc-

tion, erection of equipment and the commissioning of the project.

This will be the biggest heavy electrical equipment unit in south-east Asia and one of the largest in the world. It has been designed for the manufacture of units up to 300,000 kilowatts for thermal power-stations, up to 100,000-kW units for hydro power-stations; and electric drives up to 10,000 kW for use in the heavy machine building plant, Ranchi, coal mining machinery plant, Durgapur, and steel plants, etcetera. The total manufacturing capacity for steam and hydro turbo-units will be 2.7 million kW and of electric machines 515,000 kW a year. The annual output at full production is estimated at Rs. 40 crores.

Its importance to the economy is evident from the fact that while a total of 7 million kW of generating capacity will be installed during the third five year plan period, the plant alone will provide a potential of 2.7 million kW of power generating units a year.

Out of a total of 760 items of metal-cutting machine, 360 will be supplied from Russia and the remaining from indigenous sources. The Russian supplies consist of mainly large, unique and special machines such as screw-cutting lathes for machining items 14,000-millimetre long and 3,200-millimetre vertical lathes having a disc wheel diameter up to 12,500 millimetre; planers of 12,000 millimetre x 4,000 millimetre, etcetera. The total weight of the complex equipment supplied from Russia will exceed 23,000 tons.

Equipment for Obra Power-station

An agreement for the supply of equipment for the Obra thermal power-station was also signed here between the Uttar Pradesh State Electricity Board and Technoprom-Export of Russia. The deliveries of thermal equipment will be financed out of the rouble credit extended to India under the Indo-Russian agreement of September 1959.

The Obra thermal power-station in Uttar Pradesh, which is a third plan scheme, consists of five units of 50 M.E. each. According to arrangements so far made, about 2.5 million kW of equipment for nine power-stations in this country is to be supplied by Russia. The cost of these power plants (which includes the cost of the construction equipment in the case of some of the projects) amounts to about Rs. 95 crores.

S.T.C.

Exporting Salt to Japan

The State Trading Corporation will export 600,000 tonnes of industrial salt to Japan at a price of 22s a tonne during a period of two years from July 1964 to June 1966. The contract was signed by Mr. B. P. Patel, chairman of the State Trading Corporation with the Japanese Salt Importers Association in Japan on 13th May, 1964.

The contract with Japan provides for the supply of industrial salt by the State Trading Corporation to Japan during each of the two years, July 1964 to June 1966, of 300,000 tonnes of industrial salt at a price of 22s a metric ton, f.o.b. ports in Saurashtra and Kutch. The quantity in the second year is liable to be varied by 450,000 tonnes in the light of the performance of Indian shippers. The last contract entered into by the State Trading Corporation for the export of salt to Japan was for a quantity of 500,000 tonnes during a period of two years which would end in June 1964.

The Philippines and Malaysia have also shown keen interest in the import of Indian salt. Between the Philippines and Malaysia about 60,000

tonnes to 80,000 tonnes of Indian salt of good quality could be exported annually, subject to suitable shipping facilities.

Discussions were also held with the Japanese Government to advance the delivery dates for the supply of nitrogenous fertilisers contracted under the sugar-fertiliser barter deal. Initial talks for the supply of Indian tobacco were also held.

OFFICE ACCOMMODATION

Plans to Remove Shortage

Following the massive construction programme launched by the Central Ministry of Works and Housing, the chronic shortage of office accommodation in Delhi will be completely removed by the end of 1967. Office accommodation available in permanent buildings at the beginning of the current plan amounted to 1.5 million square feet. By 1967, accommodation available would be 5,936,000 square feet. This means a four-fold increase in the office accommodation and will be a little more than the requirements anticipated in 1967—5,787,000 square feet.

At present, there are 27 office buildings at different stages of completion in the capital which will cost over Rs. 11 crores. The Central Finance Ministry has just approved the construction of more office accommodation amounting to 1,490,000 square feet. With the addition of 1,535,000 square feet of office accommodation already available and 422,000 square feet in leased houses, the total accommodation by 1967 will come to 5,930,000 square feet.

As a result of this construction programme, the Ministry has decided to demolish old war-time hutments which have outlived their lives. The Ministry proposes to demolish all but 654,000 square feet by June 1965. This accommodation will be retained till June 1967 because it is in a better condition. The halls and sheds in the Exhibition Grounds (367,000 square feet), which are being used for offices, will also be vacated according to a phased programme by December 1965.

Building a Supermarket

The buildings which were requisitioned during the last war (104,000 square feet) will be de-requisitioned gradually to complete the process by December 1965. New Delhi is also building a super-market. Side by side, a super slum has been created. This has been done by converting the two massive looking blocks of the Central Secretariat, built at an enormous cost on what was once the Raisa Hill. Till August 1947, it was a showpiece of New Delhi.

In the ultimate analysis, the responsibility for the growing accumulation of dirt and of "slumisation" of the secretariat lies with the Central Ministry of Works and in particular with the Secretaries and Ministers using the buildings. In the olden days, there was a combined effort of the members of the Executive Council and Secretaries of the various Departments, who made the Ministry of Works do its job efficiently. The whole outlook has undergone a radical change. In the anti-British drive, even the British standards of cleanliness have been destroyed. So a dual process is on. On the one side, money is lavishly being spent to eradicate slums. On the other side, new slums are being created. The tragedy is that the taxpayer is made to pay even for creating slums.

FERTILISER

Ammonia Gas Plant

The Gujarat State Fertiliser Co. Ltd. of Baroda, has placed an order for

an ammonia synthesis gas plant with the Power-Gas Corporation Ltd., of Stockton-on-Tees, England. The plant will be erected near Baroda, and will employ the I.C.I. reforming process to produce the equivalent of 150,000 metric tons of ammonia a year. This will be the first application of the I.C.I. reforming process in India. Power-gas will also be responsible for the engineering of the carbon dioxide removal plant. The two plants are expected to be commissioned by the end of 1966.

When completed, the Gujarat project will represent one of the largest fertiliser complexes in India, and will result in a considerable saving of foreign exchange. It will also supply chemicals which are at present scarce in India.

A project for the production of protein-rich food through the development of poultry is to be initiated in Babugarh, Uttar Pradesh, with aid extended by the Australian Freedom From Hunger Campaign committee. Its object is to improve human diet and raise the levels of income of the rural population through increased production of eggs and poultry meat.

The project is expected to cost over Rs. 46 lakhs. Out of this, the Australian Freedom From Hunger Campaign committee will contribute \$130,000 (about Rs. 6.2 lakhs) for the purchase of equipment from abroad. The F.A.O. will provide the services of a poultry production expert for a period of three years. In addition to implementing the project, the expert will assist other State Governments in guiding and supervising the various poultry production projects under the applied nutrition programme.

An intensive poultry development programme will be undertaken within a radius of ten miles around Babugarh as well as at two other centres in Meerut district. The centres will provide 50 to 100 interested poultry farmers with the necessary facilities on credit which will be recovered from the sale proceeds of eggs and birds. They will also train departmental staff from various States for taking up similar projects in their respective States.



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U.K. FACING DANGERS OF AN INVESTMENT BOOM

(FROM OUR LONDON CORRESPONDENT)

THE National Institute of Economic and Social Research of the U.K. maintains in its latest review that the Budget was "too mild" to achieve the slowdown to a normal 4 percent growth rate which the Chancellor had aimed at. Total output is now likely to rise by about 5 percent over the next 12 months. Unemployment may fall to below 1½ percent by the middle of next year. The balance of payments will probably show a deficit of £150-£200 million on current account in 1964; the total deficit, including long-term capital, may be about £300 million and this may well run at a similar rate in the first part of 1965. These are the chief post-Budget estimates.

Believing that demand will continue to increase at this high rate, the review argues that it will lead to strong pressure on resources, and particularly pressure on the balance of payments and on costs and prices. Here the Institute issues a warning: while it may be possible to relieve the balance of payments pressure by various expedients and to steady costs and prices by an incomes policy, "these measures cannot be very effective if demand is excessive. In fact, the regulation of demand is central".

The cause of the trouble is that the U.K. is now swinging into a

great investment boom. From now until the middle of 1965, fixed investment is likely to rise by about 9½ percent, though the change between the calendar years 1963 and 1964 will be more like 14 percent. The main rise in manufacturing industry's outlays for plant and equipment may not come until the third and fourth quarters of this year. Investment in housing has continued to rise rapidly. Pressure on the construction industry and the supply of building materials is growing fast, and the time may be approaching when the Government will have to control the timing of housing starts. Investment in the public sector apart from housing is, of course, also rising fast.

Personal consumption, on the other hand, seems to have risen very slowly since last autumn—by little more than 1 percent a year. Stockbuilding has already risen sharply and may not increase very much further. Exports are still growing at a fair rate, but the balance of payments has deteriorated as a result of the higher volume of imports—much of it for stock—and a sharp rise in the prices of primary commodities. So far, sterling has been cushioned against the effects of the U.K. payments deficit by the strong payments position of the overseas sterling area. The review concludes

that as world production and trade seem likely to have a good year, Britain may expect exports to go on growing at a rate of about 6 percent a year during the rest of 1964 and in the early part of 1965.

Pressure on Resources

It is interesting to find this group of highly qualified independent economists returning from their daring ventures of intellectual exploration to the cosy hearth of orthodoxy. But even the well-trodden path has its lions. "The difficulty is that a large investment boom, both public and private, has now reached the point where it cannot readily be checked. To stop projects halfway is wasteful, to apply disincentives is to induce an investment slump a long time later. The only exceptions are housing and perhaps office building; these might be regulated quickly, but this could not have a large general effect. Thus there is little choice but to ride out the investment boom and the consequent pressure on the capital goods industries".

Little faith is placed in credit policy as a regulator of home demand—unless a squeeze is so drastic that it destroys business confidence. The use of the tax regulator is now, in practice, limited to adding about £100 million a year to revenue. In short, the Institute does not think that much can be done between one Budget and the next. It accuses the Chancellor of having taken the risk of requiring "severe action at some future date" and perhaps another period of comparative stagnation in order to ease the pressure of demand.

This dismal fear of another "stop" at the end of the present "go" period has been felt by many people since the Budget. It is only fair to point out that the view is not at present shared by the stock market, which is behaving as if it is confident of sustained expansion for much more than another year. It never pays to disregard the collective wisdom of the stock market. But there are also one or two concrete arguments to be put on the cheerful side. The approach of the election is already causing the postponement of many industrial and commercial investment decisions. The remarkable stability of consumer spending since last autumn suggests that personal savings are running very high. As the Institute itself indicates, stock building imports have been so high lately that they may not go on rising at anything like this rate. Finally, one cannot altogether brush aside the considered view of the N.E.D.C. staff that the economy now has the capacity to "stretch" under pressure of demand.

Although the economists' fears did not have a very disturbing effect on markets, the same cannot be said of the April trade figures which followed a few days later. These turned out to be the worst since January. Exports in April were £337 million, against the record figure of £373 million in March. Imports were up to £457 million, against £451 million in March. With re-exports unchanged at £13 million, the April figures (seasonally adjusted) show a "trade gap" of £107 million, compared with £65 million in March. This is the largest gap on record ex-

CAPITAL, 28th May, 1964.

cept for the January figure of £127 million.

Trade Deficit

In balance of payments terms, the deficit on visible trade works out at £65 million, against £17 million in March and the peak of £73 million in January. In the last three months, February to April, exports were 5 percent more than in the previous three months (November to January). In the same two periods, imports were only 3 percent up. The balance of payments deficit on trade averaged £29 million a month in the past three months, and on this basis, the figures indicate a deficit for the year 1964 of about £350 million on visible trade and of £200 million for the balance of payments on current account. This is only slightly worse than recent unofficial forecasts have suggested. But the picture again darkens if one takes in the January figures.

The Board of Trade no longer believes that the shocking January results were much affected by a statistical freak. On the other hand, officials point out that imports have now been running at much the same high rate for four months, so at least they seem to have stopped rising. On the export side, they recall that a number of industries continue to report full export order-books. They are inclined to regard the April figures as just another sharp fluctuation and to maintain the previous view that exports are still on a rising trend.

The stock market was upset by the trade figures and share prices fell back on a wide front. Sterling also weakened in the foreign exchange market. But just when this new twist in the balance of payments has sent a familiar shiver of fear through the business world, it is reassuring to read an authoritative book which argues that the British people are steadily getting better at keeping the economy in balance. Written by Mr. J. C. R. Dow, who spent the first eight post-war years in the economic section of the Treasury and the next eight composing this book before returning to Whitehall, *The Management of the British Economy, 1945-1960*, describes the whole range of instruments used by successive post-war Chancellors, both Socialist and Conservative, first to maintain "high and stable" employment and later to restrain the pressure of inflation. As Sir Robert Hall, the Government's chief economic adviser during those years, says in a foreword, a great deal had to be learned about the timing, strength and direction of Government actions. This depended not only on skill but on statistical and other facts which were then extremely patchy.

Behaviour of Economy

Mr. Dow makes much of the "behaviour of the economy". This is a point on which the Press has often had a surer instinct than Whitehall, because it watches the markets and "listens to business men while the official economists wait for the statistics. But thanks to Mr. Dow and others—and to the F.B.I.—the Whitehall methods of watching the economy have been greatly humanised. Economic forecasting, which went so absurdly wrong in the days when Chancellors took pride in publishing their predictions, has become reasonably shrewd. As for the future, Mr. Dow outlines a programme that is refreshingly undogmatic. In theory, he would like to see a high and even excessive demand allowed to go on until productive capacity expands to meet it. In practice, he points out that the British economy is remarkably sluggish in responding to excess demand—possibly because the business climate is not sufficiently competitive.

CAPITAL, 28th May, 1964.

Jute

GOOD PROGRESS IN MACHINERY MANUFACTURE

THE Jute Machinery Manufacturers Association was inaugurated in Calcutta last week as an affiliated member of the Engineering Association of India. In his inaugural speech, Mr. S. C. Kela, chairman of the Association, said that since the second World War the jute machinery manufacturing industry had made commendable progress, satisfying as much as 70 percent of the machinery and replacement needs of the jute industry. Because of its timely development, the indigenous gunny industry has been able to step up its output to the third plan target of 1.3 million tons two years ahead of schedule. The output of jute machinery and replacements has increased almost tenfold from Rs. 37.83 lakhs in 1956-57 to Rs. 3.75 crores in 1963-64. Besides, it has been able to tap the overseas market as well.

Output Rises Rapidly

Mr. Kela said that the industry had to play an important rôle in developing and consolidating the Indian jute industry. Against an expected demand for jute machinery worth Rs. 9.18 crores a year during the fourth plan period, the supply from indigenous manufacturers may be around Rs. 13.80 crores a year. From experience it has been seen that machinery manufacturers are not able to reach their rated capacities. With an assured supply of essential imported components, raw materials and capital equipment, the industry may achieve 70 percent or 80 percent of its installed capacity. Mr. Kela appealed to the authorities to issue liberal quotas for importing essential materials to help the industry step up its production rapidly. He mentioned that plans had been finalised for manufacturing post-spinning, weaving and finishing machinery in the country. By the end of the third plan, the industry hopes to be in a position to manufacture the complete range of jute mill machinery.

Addressing the Association, Mr. G. C. L. Joneja, Jute Commissioner, expressed his satisfaction with the wide range of jute mill machinery produced in India and its excellent quality. Considerable progress has already been made and the assembly bays of Calcutta factories have been turning out intricate machinery, like light yarn spinning frames, winding machines, broad and narrow looms, automatic cop loaders and calendar bowes. He had no doubt that the industry would diversify its production to meet the varied demands of the jute industry.

Presiding over the function, Mr. S. K. Mookerjee, Finance Minister of West Bengal, said that the Indian jute industry had to modernise its machinery and equipment and diversify its production in order to remain competitive. He urged the machinery and component manufacturers to accelerate their efforts to ensure an easy supply of special-purpose machines and equipment.

Jute Delegation for Europe

A jute delegation left Calcutta for western Europe and North America last Monday. Led by Mr. G. C. L. Joneja, Jute Commissioner, the team consists of Mr. R. H. Morrison, chairman of the I.J.M.A., Mr. H. S. Singhan, member, I.J.M.A. Committee, and Mr. A. T. Robertson, Secretary, I.J.M.A. Mr. D. Duncan-Smith, chairman of the Calcutta Jute Fabrics

Shippers Association, will join the team in Europe.

Visiting Paris first, the team will attend the annual congress of the Association of European Jute Industry. India has been invited by the Congress—along with Pakistan and Japan—for the first time since its inception in 1954. Besides members from West Germany, Austria, Belgium, Denmark, Spain, France, Italy, the Netherlands, Portugal, Sweden and Switzerland, Irish and British observers will attend the meeting. The Indian team will get an opportunity to exchange views with members from European countries on undertaking joint publicity and other promotional measures to popularise the use of gunnies and other jute products.

The Indian delegation will later fly to New York on a three-week tour of North America. It also proposes to spend three or four days in Canada. In the U.S.A., the team will discuss various problems with the burlap trade and industry, representatives of agricultural and industrial consumers of gunnies and leading officials of the U.S. Department of Food and Agriculture. It is expected that the trade team will be able to get a clearer picture of the difficulties posed by U.S. restrictions on the use of burlap bags in packaging foodstuffs. The team will make an on-the-spot study of the growth and potentialities of the tufted carpet industry. It will also assess the pace of research schemes in evolving new uses for jute fabrics in the coated, decorative and protective ranges. These schemes were launched by the

I.J.M.A. in collaboration with the New York Burlap Council. During its return trip the delegation proposes to stop in Rome, London and Brussels for discussions with representatives of Italian, British and Belgian jute industries.

Package Cultivation Schemes

In view of the high price of rice, jute circles had feared a shrinkage in the acreage under jute due to diversion during the 1964-65 season. But timely showers over wide areas in Gangetic West Bengal, Burdwan, Midnapore, northern Bengal and Tripura have brightened the prospects of a double crop in many areas. Already, jute plants are thriving well in the early sown, low-lying areas of lower Assam Valley, Dinajpur, Jalpaiguri, Cooch Behar, Tripura and north-eastern Bihar. Considerable progress has also been reported in soil preparation and production of seedlings in Uttar Pradesh. In Andhra, about 2,000 acres are to be sown with jute; mesta too will be grown in many areas.

Meanwhile, the Central and State Governments have launched schemes for the intensive cultivation of jute and sugarcane simultaneously with paddy and wheat. A beginning is being made in Bihar with a package plan in Purnea and Saharsa districts. An important feature of the intensive jute cultivation drive is the linking of the crop with paddy. Latest pilot-scale investigations have shown that the jute crop provides the most effective manure for paddy on the same soil. Another aspect of the scheme will be the propagation of the hybrid

jute seed evolved by the Indian Council of Agricultural Research. The new seeds ensure a longer fibre with silken lustre. In West Bengal, the 24-Parganas, Nadia, Birbhum, Bankura, Midnapore, Hooghly and West Dinajpur districts have been selected for introducing package programmes on a pilot scale for the intensive production of jute and paddy. An experimental package programme yielded satisfactory results in the Burdwan district in the 1963-64 season. Block development officers have been asked to give full co-operation to district agricultural officers in implementing the scheme.

THE JUTE MARKETS

Manufactured Goods: Trading was interrupted in the Calcutta gunny market during the past week by a holiday. In spite of easier conditions at Sandheads, shipments continued to be slow due to the shortage of lighters. There were some space enquiries from the U.K., the U.S.A. and Cambodia for ready and near positions. The offtake for River Plate destinations by the late-May loader was also reported to be satisfactory. But for stray deals with the U.K. and the U.S.A. for ready and near positions, there was little fresh overseas business. The Indian Government's offtake too was a mere 1,500 bales of B Twills for May-June. These orders failed to satisfy market expectations. The lower levels attracted short-covering, generally in standard goods, for ready and near deliveries. Besides, some shipper-covering was also reported. After midweek, fresh enquiries were reported for moderate lots of non-standard constructions, in which a squeeze was felt. Mills showed a keenness to replenish their bookings, but were not inclined to reduce rates. In the absence of any stimulus from the spot market, conditions in the hedge market reflected the general trend. Opening on an optimistic note, hessian and B Twills for May continued to be firm on brisk

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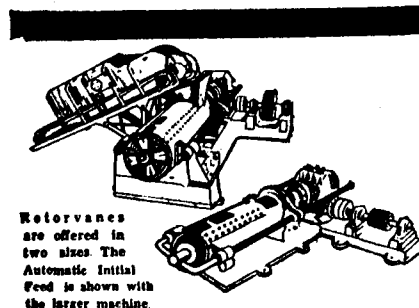
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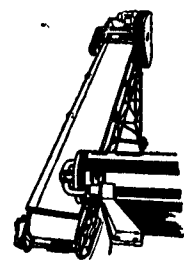


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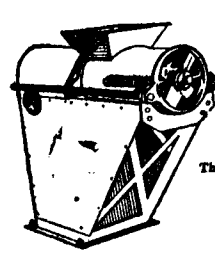
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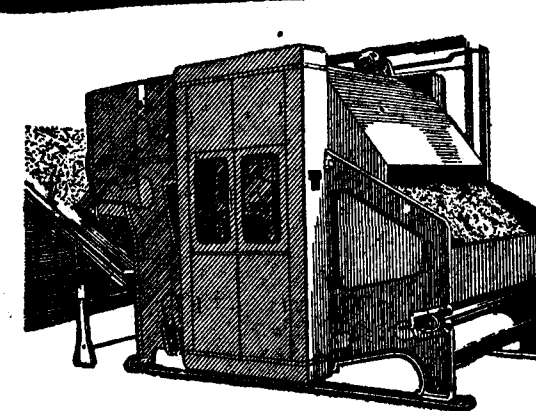
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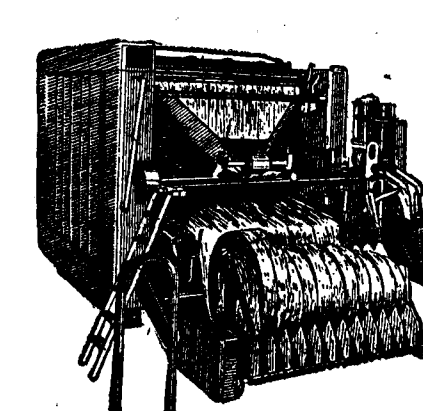
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bear-covering against end-of-account adjustments. But towards the close on Friday, prices sagged on profit-taking. All outstanding transactions were converted into August contracts on payment of handsome contango charges. Prices also fluctuated widely against August contracts on alternate bouts of long liquidation and bear-covering. Turnover was moderate in the spot market, and fair in the futures market. At the close, the undertone was easy.

Wednesday's quotations were as follows:

	May	June	July-Sept.	Oct.-Dec.
40in. 7oz.	32.85	33.10	33.40	33.60
40in. 8oz.	35.75	—	—	—
40in. 10oz.	44.35	44.65	45.20	45.45
B Twills	114.05	113.55	113.65	114.00
Cornsacks	114.75	115.00	115.25	115.50
Heavy Cees (Plain)	116.00	114.50	113.75	113.75
A Twills	135.00	136.00	136.50	137.50
Liverpools	127.50	127.50	127.50	127.50

Raw Jute: Dull conditions marked trading in the raw jute market during the past week. With more than a month to complete the small quota of 190,000 bales, mills continued to show selective interest in better-quality fibre. But at the same time, they were not inclined to meet the extracting demands of the few small holders of such fibre. So turnover declined to a trickle, and prices continued to hover around the previous week's levels. Holders of mesta and lower-grade fibre were nervous on good crop reports from the early-sown low-lying areas. In other jute-growing areas, soil preparation and the production of seedlings were in full swing. In view of the slow movement of mesta, it was being offered at a discount from the operational minimum levels. But little business materialised. In the hedge market, Upper Assam White Bottoms for June opened on an optimistic note. But it lost pace on bouts of profit-taking and short-selling after wide fluctuations, closing with a sizable loss on balance.

Business commenced in September contracts since Monday. In these too, the earlier gains were not maintained due to profit-taking. A number of June contracts were converted into September ones on payment of the usual contango charges. Turnover was fair in the former and small in the latter. The undertone was hesitant at the close.

Wednesday's quotations were as follows:

	Landed at Mills (Basis Bottoms)		T.S.D. Minimum	
	Current Rs.	Rs.	Rs.	Rs.
Assam-Agartala Jute	84.39	31.50	80.38	30.00
Northern Jute	83.05	31.00	79.04	29.50
Western Desal Jute	77.70	29.00	73.68	27.50
Selected Daissee	89.75	33.50	85.74	32.00
Assam-Agartala Tossa	85.74	32.00	83.05	31.00
Mesta:				
Assam-Northern	69.66	26.00	72.34	27.00
Local Daissee	69.66	26.00	72.34	27.00
Bihar Dist.	66.98	25.00	68.32	25.50

THE U.K. JUTE MARKETS

FIBRE IRREGULAR

(FROM OUR DUNDEE CORRESPONDENT)

A STEADIER tone developed in the raw jute market in Pakistan last week. Offers were not so freely made, and this was most noticeable in the case of white jute. Some of the larger shippers remained out of the market, but it was difficult to ascertain the true position as there was a fair amount of delay in cables between Pakistan and the U.K. Offers being made here were still very irregular, but the lowest quoted rates were not attracting much attention from spinners and the business passing was small and mainly confined to spot parcels. Although the quality of jute has been very good this season, spinners are in no hurry to add to their stocks as they realise there will be ample fibre to meet all demands.

A few more offers of new crop jute were made, but in most cases, these

related to groups and not to single marks. The quantity of new crop jute bought by Dundee spinners was very small for this time of year. On the one hand, there are the prospects of large crops both in India and Pakistan, but on the other, there is uncertainty about trading regulations such as minimum export prices, E.P.C. values and the granting of licences. Under these circumstances, buyers are remaining out of the market for the time being at least. There were offers of groups of Mill Hearts at £93 and of Grade Hearts at £80 10s for August-September shipment. So far, no offers of new crop Tossa have been made here.

Old crop prices were at £134 for Mill Firsts, at £108 for Mill Lightnings, at £95 for Mill Hearts and at £80 for Grade Hearts, c.i.f. U.K. for May-June shipment. Grade Tossa-2/3 ranged from £123 and Grade Tossa-4 from £105. Dacca Tossa-6 was named at £107 10s. Outport Tossa-2/3 was quite freely available at £93 and Outport Tossa-4 at £83, May-June. Very little interest was shown in cuttings at £59 for S.N.C. and at £50 10s for N.C. Mesta was steady at £85 for A, at £75 for B, at £66 10s for C and at £48 10s for cuttings, c.i.f. U.K., May-June.

Only a few offers of Siam jute were being made here. Burma has been in the market and it is expected that further business will take place. Prices were at £75 10s for grade A, at £69 for grade B and at £65 for grade C, delivered mill Dundee for May-June shipment.

The Calcutta goods market became much easier for hessians, but sackings were steady. Hessian touches were now at the lowest level touched for a considerable time. Quotations were at 67s 7d for 40in. 10oz. and at 50s for 74oz. a 100 yards f.o.b. Calcutta for May shipment, at 67s 11d and 50s 3d June and at 68s 6d and 50s 6d July-September. B Twills were at 173s 9d, 173s 9d and 174s 3d for the respective shipment periods.

Dundee jute spinners are busy and they have orders in hand for delivery a fair distance ahead. Prices of all descriptions are firm and the quoted rates have to be paid in all instances. Manufacturers of hessians are fairly well placed, but there is a great lack of orders for sackings and tarpaulins. Short-time working is still in force in the heavy end of the trade, and there are no signs of any improvement in the position at present.

Books

MERCANTILISM: A STUDY

Mercantilism and East India Trade. By P. J. Thomas. (Published by Frank Cass and Co. Ltd, London. Review copy received from Rupa and Company, Calcutta 12. Price 35s, pages 176.)

This is a new impression of the book first published in 1926. The specific object of the monograph is to trace the beginnings of the conflict between protectionism and free trade. The author has made a comprehensive survey and collected hitherto unused material from a variety of sources. He has thus been able to throw new light on matters which were not fully appreciated due to lack of exploration into available detail.

Towards the end of the seventeenth century, the mercantile system in England became increasingly protectionist, particularly in the sphere of foreign trade. The East India trade featured prominently in this controversy. The East India Company was attacked by those who resented its monopoly and their resultant exclusion. At the same time, the trade itself came under severe criticism on national grounds because it entailed the export of bullion. The influence of these controversies on future business trends and the development of the doctrine of free trade is discussed at length by the author. This book is a valuable contribution to the history of economic thought.

MARKET DATA

Thompson Consumer Index of Markets. Second Series, 1963. (Compiled by the Market Research Department, J. Walter Thompson Company Private Ltd, Lakshmi Building, Sir Pherozeshah Mehta Road, Bombay 1. Pages 363.)

The success of a sales programme depends considerably on the availability of reliable market data. Until a few years ago, sales targets for particular areas had to be based either on population or, where a manufacturer had marketed his products earlier, on past sales. These criteria were not quite reliable since population did not always provide an index of ineffective demand, while past sales did not take into account the changes in consumer preference or purchasing power. So sales programmes had to be based largely on a number of inspired guesses. The deficiency of market data was, to some extent, removed when the first series of Thompson consumer indices were published in 1960.

The present book has broad-based the indices by including as many as 21 basic statistics, as against only 12 in the previous series. Besides, the latest statistics have been used in constructing the index numbers, and as a result they have become truer measures of the relative consuming potential of individual towns. The market factors in as many as 684 cities and towns of India, which have populations of over 20,000, have been presented in this volume.

A useful addition has been made in the form of a gazetteer of urban centres. It offers a town-by-town record of 36 kinds of data grouped into 19 categories, with short descriptions of each market in terms of geographical location, transport facilities, trade, commerce and industries. This should help greatly in understanding and interpreting the market potential of each place. This book will be of great value to manufacturers and distributors in drawing up

realistic sales and advertising programmes for their products.

ENGINEERING SURVEYS

Indian Engineering Industries, 1963. (Published by the Engineering Association of India, India Exchange, Calcutta 1. Price Rs. 25, pages 974.)

This book was originally published in 1945. The progress made by the engineering industry over the last 13 years, particularly since planning started in 1950-51, is clearly brought out in the volume, which is the eighth edition. The history and development of the industry from repair shop and the manufacture of simple consumer goods in the pre-plan period to the present is fascinating.

The book begins with an account of the activities of the Engineering Association of India. The first section gives the names and addresses of the various engineering firms; the second deals with the trade marks of various products along with the manufactures to which they are applied; the third consists of a buyers' guide; the fourth gives a comprehensive survey of the engineering industries. This section covers nearly 200 pages and gives a valuable survey of the iron and steel, re-rolling and the associated industries like tinplate, and bolts and nuts. The last section gives information on the set-up of companies in the industry.

Indian Engineering Association: Directory of Members. (Published by the Indian Engineering Association, 6 Netaji Subhas Road, Calcutta 1.)

The Engineering and Iron Trades Association, which was established in 1895, was changed to the Indian Engineering Association in 1912 and has been continuously in existence since then. Membership of the Association is open to all engineering firms in India. The members of the Association, meanwhile, comprise a substantial portion of the organised sector of the engineering industry. In eastern India alone, member-firms employ directly more than 200,000 persons and the total capital employed is more than Rs. 250 crores.

As part of its general programme to expand and develop its activities, the Association has issued this directory of members. It is divided into four parts: (a) an introduction giving briefly the aims and activities of the Association; (b) a section providing information on every member participating in the directory concerning the date of commencement of business, set-up and the products dealt with; (c) an index including a detailed list of products; and (d) a cross-index and an advertisement section. The method of indexing gives a quick and easy reference to sources of supply for a whole range of engineering products and services. The directory is produced as a loose-leaf publication so that the information is kept continuously up-to-date.

LETTERS OF CREDIT

The Law Relating to Bankers' Letters of Credit. By B. C. Mitra. (Published by the Indian Press (Publishers) Private Ltd, Allahabad. Price Rs. 22, pages 274.)

The object of this book is to present in a short and simple form the working of bankers' commercial letters of credit which have been described as "the crankshaft of modern commerce."

The book begins with the object and operation of letters of credit, deals with the relationships between parties to commercial credit transactions, the tendering of documents under a credit and negotiability and assignability of letters of credit. The relevant case laws, extracts from judgments, an well-arranged appendix, specimen letters of credit in vogue in India, the United Kingdom and the U.S.A., and extracts from the relevant English statutes and Indian Acts are the important features of the book.

The Hon'ble Chief Justice of the Calcutta High Court has said in his foreword that the author's "meticulous handling of this important branch of commercial law in a manner helpful to busy persons like judges, lawyers, bankers, merchants and executives leaves very little to be desired."

THE SOCIALIST GOAL

The Avadi Socialists. By "Vigneshwara" (N. Raghunathan). (Published by B. G. Paul and Co., 4 Francis Joseph Street, Madras 1. Price Rs. 5, pages 392.)

The socialistic pattern of society was formally accepted as the goal of the Congress Party in January 1955. But long before that, the present Government at the Centre had given unmistakable indications of the direction in which it was bent upon taking the country. The author brings out the change in the thinking of Mr. Nehru and how his thinking has been influenced by China. This volume, which is a collection of papers from a journal, deals with the danger to individual freedom and initiative implicit in the policy pursued by the present Government. In the preface, the author reviews the evolution of the Congress policies during the past eight years and shows how earlier fears have come true. There is a brief discussion on the goal of democratic socialism recently proclaimed at Bhubaneswar. The author's wit and wisdom make it a pleasure to read his articles.

CENSUS REPORT

Census of India 1961, Volume XVI, Part VI. By J. C. Sen Gupta. (Published by the Government of India Press, Calcutta. Price Rs. 2.80, pages 31.)

The popular notion is that census publications are full of figures, dry as dust and are of use only to politicians and students of economics. The book under review contains, apart from statistics, excellent photographs. This is the second of the series of monographs written on the analyses of the answers to some questions put to every family residing in the village of Kamnara in Burdwan district and deals with the socio-economic aspects of life in that village. This village is situated at a distance of approximately three miles from the Burdwan town. The geography of that village,

the customs of the people, the castes under which the 970 people living in 153 households are divided, are given in the first chapter. There are only four brick built houses of which one is a school building. The people are engaged either in cultivation or as agricultural labourers and a few work in rice mills. Majority of the people who are engaged in cultivation alone get nourishing food. Out of the 153 households, 79 are teetotallers.

The necessity for such studies cannot be over-emphasised and a publication of this kind deserves to be read by everyone interested in the future of this country.

FACTS ON INDIA

Facts about India. (Published by the Director, Publications Division, Ministry of Information and Broadcasting, Government of India, Delhi 5. Pages 189.)

This is the fourth edition of this official handbook. It has revised and brought up to date the information presented in the previous edition published in 1959. The book offers in handy form authoritative material on various facets of India. The first part deals with the land and her people, history and the constitution of the country. The second part gives useful information on the economic and social structure, while the third part is devoted to cultural aspects, including architecture, painting, handicrafts, literature and music.

Its usefulness lies in the fact that it presents within 189 pages a large variety of material. This is not to say that there is no scope for improvement. Apart from the irregularity in its publication—since 1951, when the first edition appeared, only four editions have been published so far—its scope could have been considerably widened.

CALCUTTA GUIDE FOR TOURISTS

Handbook to Calcutta and Environs. By Eardley Latimer. (Published by the Oxford Book and Stationery Company, Calcutta 16. Pages 138.)

The book deals exhaustively with the usual places of historical interest but introduces several places which are not generally mentioned in pamphlets meant for tourists. The author's aim is to emphasise the cosmopolitan aspect of Calcutta. The city owes its origin to an Englishman but its development has been shared not only by the English and the "sons of the soil" but by Greeks, Portuguese, Dutch, French, Swedes as well as by Jews, Armenians and Persians, all of whom contributed to its history. Buildings, gardens and monuments in the city survive as landmarks of these varied cultures. The author takes the tourist in four different stages with the help of maps and photographs.

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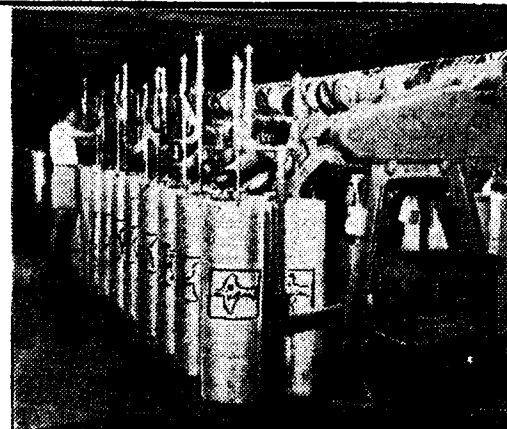
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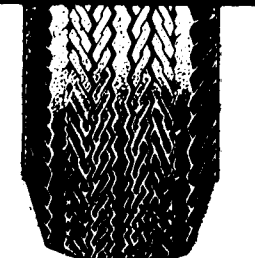
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INEFFICIENT IMPLEMENTATION RETARDS PLAN PROGRESS

By C. V. H. Rao

Inadequacies of an administration not equipped for development work and widespread inefficiency and corruption have stood in the way of implementing the plan schemes, including the most strategic and vital.

SPEAKING at the joint annual conference of the Indian Economics Association, the Indian Society of Agricultural Economics and the Indian Society of Labour Economics last December, the Central Finance Minister, Mr. T. T. Krishnamachari, emphasised the need to stick to the essential strategy of development, but said that as a corollary, it implied that "we should ruthlessly re-examine our methods of implementation of the plan targets and rectify our defects and shortcomings".

In this context, the mid-term appraisal of the third plan contains significant admissions by the Planning Commission and the Central Government that implementation in crucial sectors of the plan has fallen considerably below expectations. Among these are agricultural production, provision of employment opportunities, stabilisation of price levels and population control. These are significant aspects of the national plan. In effect, the shortfalls imply, as Mr. Asoka Mehta recently pointed out, that "we are one plan behind in efforts to attain the prescribed targets in respect of economic growth." It means also that to cover up the gaps in achievement during the current five-year period, considerably greater and a more strenuous effort over a longer period will have to be put in.

A situation has arisen in which, despite a new orientation being given to the economy which may result in quicker progress in agricultural and other spheres during the next one or two plan periods, the country would be lagging behind the targets of national and per capita incomes. What is urgently necessary is that the causes for the unsatisfactory implementation of the plan projects in the crucial spheres should be systematically probed and effective remedial action taken.

Mid-term Appraisal

The mid-term appraisal accords a primary place, among reasons for failures and deficiencies in the realisation of the targets, to the inadequacies of the administrative machinery. The various measures to orientate the functioning of that machinery during the last 12 years and to make the administrative personnel at different levels development-conscious has obviously not attained the desired success. The demands of the situation have found the machinery, by and large, wanting in vital respects. Red-tape and delays at different levels continue to be the bugbear. The planners remain helpless. While official procedures are being modified and improved to ensure expedition, they are not yielding the expected results because quite a number of administrative personnel, lack the requisite competence and experience.

Administrative delays have bred a grave and widespread evil—corruption. A vicious circle of delays in decision-making, ineffective administration, inefficient implementation, corruption and resistance to corruption, resulting only in further delays, has been created. Its impact on implementation is ordinarily bad; but on an administration entrusted with highly important development tasks it is worse. It is significantly reflected in the hurried formulation of plans and unrealistic estimates of costs, which eventually turn out to be much

higher because of the subsequent rise in the prices of construction materials and labour charges. In the process, much public fund is also wasted. It can be confidently stated that very few of the major irrigation or power projects are free from these evils.

Implementation has been lagging behind also because of the inefficiency of administrative personnel and the paucity of trained and qualified staff. There is clearly a connection between the inefficiency of an official and his indulgence in corruption, as he invariably tries to cover up his deficiencies by delaying public business and resorting to deceptive practices to overcome them. Inefficiency is also the sequel, in many cases, of nepotism, non-recognition of merit and capacity in public servants and the dominance of caste and sectional factors in recruitment and promotions in public service. Shielding of corrupt and inefficient officials by Ministers and inadequate appreciation of integrity only breeds further corruption and loss of efficiency, in even the more honest and really competent sections of the administrative personnel. The axe must fall at the root of corruption and nepotism, if administration as a whole is to be emancipated from its drawbacks and if efficient execution of programmes is to be ensured. To consider that laying down punctilious paper procedures and issuing circulars emphasising their observance would improve administration, is to be wilfully blind to the factors which actuate human beings in certain given circumstances. In an economy hitched to the objectives of economic and social development, this can only lead to unhealthy competition and denigration of merit.

Absence of Co-ordination

Over a wide field of administration generally, and in relation to plan schemes in particular, there is absence of co-ordination at different levels—co-ordination which is essential as between various Central Government Ministries, between the Central Ministries and the Planning Commission, between the Central and the State Governments and again between the various departments of the State Governments dealing with developmental work, and lastly, between the officials and the non-official agencies concerned with the implementation of different plan projects. Co-ordination, again, is something which should grow as a natural process; it cannot be imposed by executive orders, while its absence means delays in implementation, disaster to schemes and waste of public funds.

As India's five year plans aim at a socialist society, the growth of the public sector as an instrument, both of economic development and of achieving the declared economic and social goals, is taken for granted. At the same time, that sector has to justify itself in economic terms. This necessitates laying down in clear terms that public sector projects, undertakings and institutions engaged in the production of essential commodities and goods like steel, electricity, oil and fertilisers should bring a return on the capital invested in such projects or industries and should yield reasonable profits, while simultaneously their products should be available at competitive prices.

Speedy and efficient implementation and economic management of such

projects, therefore, occupy a vital place in national economic development. To demand that they should be models of efficiency and run on essentially business principles with an eye on returns, may appear a tall order but the aim should be to ensure that they try to act up to these ideals.

In his recent Budget speech, Mr. Krishnamachari not only stressed the importance of speedy execution of public sector projects, but also the need for their earning better returns. "Many of our public sector projects," he said, "are lagging behind the schedule of their construction and what is more disappointing is that their contribution to our resources is nowhere near the plan estimates", he said. It is of the utmost importance, he added, "that enterprises in the public sector should not only make profits, but should make good profits. By that I mean that they should give a good dividend to the exchequer and yet be able to build up reserves to finance their own future expansion." The view that they should function on a "no profit no loss" basis he characterised as "wholly unsound in any society", and more so in a State which seeks to own or control the major sectors in production.

Responsibility of States

Over a wide area of development, responsibility for the implementation of policies and programmes lies with the State Governments. In agricultural development, industries, power development, road transport, education, health and medical relief and social welfare, the States occupy a key position while the Centre functions mainly as a co-ordinating and, more especially, as a resource-finding and grant-providing agency. Unfortunately, not all State Governments have shown themselves effective or efficient instruments for these things. For instance, time and again, the States, or some of them, are called to account for not taking all the necessary measures to increase agricultural production or for improving and spreading education, and for failing to do other things which would have ensured uniformity in standards and helped a quicker realisation of the goals of the plans.

Subject to Constitutional provisions, therefore, the Centre should adopt a more effective supervisory and directional rôle in inducing the States to carry out their obligations for the plan. There should at least be a firmer audit control over the expenditure of grants made to them by the Centre. This will not be an easy thing to do because the States are zealous of their Constitutional status; nevertheless, it cannot be avoided, especially as more and more funds are being transferred to them for various purposes and programmes.

The implementation of a number of programmes, particularly those pertaining to agricultural and community development, are being transferred to panchayati raj institutions in many States. This predicated a strengthening of the panchayati raj administration on the one hand, and increasing competence on the part of the block extension staff of the other. At the moment, panchayati raj institutions in many States may be displaying a greater predilection for political manoeuvring and acquisition of power

CAPITAL, 28th May, 1964.

than for developing administrative competence and efficiency as units of local government.

This calls for both administrative experience and a genuine spirit of public service in the non-officials holding elective positions in these institutions and competence and a development-oriented outlook in the block staff. Between the district administration and panchayati raj institutions, a willingness to co-operate and work together to channelise services to the rural population is essential. Implementation of various rural development programmes implies the planning of production, provision of services such as the supply of seeds, fertiliser, implements, co-operative credit and other farming equipment to the people, reporting on progress, and evaluation of results. Similarly, co-ordination between the State Governments and panchayati raj institutions like samitis and zilla parishads should be close and intimate. At the State level, there should be an agency which could induce such co-ordination and function as a channel of communication between the two agencies. While some States have established this kind of machinery, others have not and even in those where it exists, it is doubtful if it is an effective channel.

At the district, block and village levels, the impediment to effective implementation is the dearth of trained technical personnel like extension officers and village level workers, doctors, midwives, and craft instructors. It would be desirable for State Governments, which have made progress in the implementation of the democratic decentralisation scheme, to create panchayati raj cadres in administration, engineering, co-operation, education, social welfare and so on, which would obviate their dependence on the revenue and other regular government departments for personnel to man their services. Simultaneously, it would be desirable also to eliminate opportunities for a few powerful non-officials like M.L.A.s and Members of Parliament, to monopolise elective positions under the scheme and thus handicapping the evolution of local leadership. In Andhra Pradesh, which has made some rapid strides in democratic decentralisation, steps have already been taken in these two directions.

Effective implementation of the plan schemes calls for institutional changes. Unfortunately, although the last 12 years have witnessed the establishment of a number of co-operative and social welfare institutions through the grants made to them by the Central and State Governments, not many have made a conspicuous mark. The record of even the Bharat Sevak Samaj in this matter is not very encouraging.

One important test of effective implementation of the plan schemes is whether estimates for irrigation, power and other projects are carefully prepared, whether maximum care is taken to economise in construction costs and whether construction work is on the whole efficient. There are standing instructions from the Planning Commission, repeated from time to time, pertaining to the planning investigation and preparation of project reports, including proposals for inventory control, choice of construction agencies, system of contracts, development and utilisation of technical manpower resources and completion reports on projects. Judging from the manner in which a number of important projects are delayed in execution and their estimates are ever increasing, it would seem that these instructions are honoured more in the breach than in observance. It is to be hoped that under the new dynamic Deputy Chairman, most of these deficiencies would be removed and planning would be more precise and its implementation more efficient.

CAPITAL, 28th May, 1964.

Commodity Markets

EXPORT DEMAND FOR QUALITY TEAS

(FROM OUR SOUTH INDIAN CORRESPONDENT)

INDIA can offer better quality teas to the quality-conscious international market in view of the growing internal market. While countries like Ceylon, Indonesia, China, East Africa, Formosa and Turkey are rapidly increasing their output, they have to export practically their entire production. India, on the other hand, is in a position to absorb part of her crop locally. This view was expressed by Mr. N. S. Dhar, chairman of the Kanan Devan Planters Association in the course of his address at the recent annual meeting of his Association held in Munnar on 23rd May. He noted with satisfaction the increase of 418,000 kilograms in the 1963-64 tea crop in spite of the widespread frost incidence, prolonged drought, large-scale mite attack and lower acreage. He was confident that improved cultivation methods, increased use of fertilisers and better crop protection and replanting would yield good results. Better and fuller labour utilisation and improved work output were vitally needed to cope with the increasing crop and to control the mounting cost to some extent, he added. Group incentive schemes for standard work hours, direct weighing of leaf in fields and modernisation of factories had been helpful in the district.

He observed that the sales tax levy on export teas in Kerala continued as a "serious handicap" to the trade. He hoped that the levy would be at least made a single point one, or the tea industry would be given the facility of bonded warehouses. Mr. A. I. Menzies, chairman of the Central Travancore Planters Association, said in Vandiperiyar last week that the plantation industry in the district is facing four different problems: lack of resources for modernisation, unrealistic linking of fair return on capital to equity capital, denial of depreciation on field assets and excessive and overlapping taxation. He told the 19th annual meeting of the Association that taxation had reached a stage where all the benefits of increased production, cost reduction, increased prices and exports seemed to be shared between the Government and labour. He called for substantial relief in taxation to benefit the industry. He said the fair return on capital was wrongly related to equity capital that was grossly understated for most planting concerns. Most companies founded in the late 19th or early 20th century had been ploughing back their resources year after year.

"Today there can be two companies with the same yield, producing at the same cost, selling at the same price, but having two entirely different results in relation to their respective equity capitals, even when precisely the same income is made. The reason is the failure to value identical assets at comparable and in economically meaningful terms. In no other industry is there a parallel to this peculiar feature", he remarked. The chairman said that field assets in tea plantations should be treated on par with those on rubber plantations for purposes of depreciation. The Tariff Commission had recognised the need for allowing depreciation on tree crops according to their productive life, he pointed out. When this was not allowed to tea companies their profits were over-stated, taxes were heavier, and generally they appeared on paper to be more prosperous than

they actually were. The position assumed great significance with the new formula for computing surplus for determining bonus.

Mr. Menzies said that tea bore an excise duty which was steeply increased in 1963 and made non-refundable and also a sales tax imposed by the Kerala Government. Both the Centre and the State were reluctant to lose their incomes. He emphasised the need for linking fair wages with fair workloads. While for the average worker the output of tea was 443 kilograms, for south India it was only 384 kilograms, in the Kottayam District, against 482 kilograms in Madras State.

The Kanan Devan Planters Association chief deplored that tea producers faced yet another wage increase besides the Bonus Commission's recommendations when the industry needed reliefs, incentives and aids. There was a welcome lull in the spate of spiralling taxation. He was of the view that bonus should be linked to profits if workers' productivity were to increase. Labour absenteeism was one of the foremost problems facing the tea industry in south India today, he said, and added that in the case of men the extra income they got from private work after work hours and at week-ends was the main cause and in the case of women anaemia and large number of children contributed to absenteeism. "Moneys spent on family planning propaganda were just a stupendous waste when one thought of the effects of maternity benefits on labour in the plantation industry", the chairman, Mr. Dhar said. While effective family planning only could be an answer to the problem, the present Maternity Benefits Act which guaranteed three or even four months' leave with wages for any number of confinements certainly acted as an incentive for repeated pregnancies. Consequently, family planning overtures went unheeded in plantations, he added. The birth

rate in plantations was heavy at 47.2 a 1,000 for the last seven years, he said. The thought that the Government should consider restricting maternity benefit to a maximum of three or four living children, asking employers to spend the savings on other labour welfare measures.

The instant tea factory of the Tata-Finlays in Munnar is nearing completion, and production is to begin in this unit shortly. This factory will help India to take advantage of the fast growing demand for instant tea abroad. Forbes, Ewart and Figgis Ltd., the leading tea broking firm of Cochin, are of the view that the standard of tea production in south India has risen "considerably" and it might continue to do so. "Producers must be quality conscious and their product must be able to compete with any other tea producing areas", they exhort the producers in south India through their annual review for 1963 which has just been published. While on the one hand there are many other beverages which are making inroads into the traditional tea drinking markets, on the other, technological progress has been such that production has been steadily rising year after year in producing countries, and at the same time, new and previously considered unsuitable areas are being brought under cultivation. It is only the top quality product that will be able to hold its own in such circumstances and any indifferent product is exposed to grave economic risk, they say.

Expansion Plans in East Africa

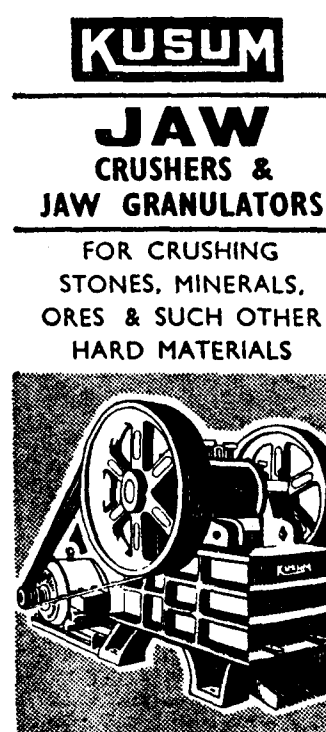
A Special Correspondent writes: After a comparatively steady output in 1963, east African tea producers have opened the 1964 season on a stronger note. It has already been pointed out that old established interests financed from the U.K., have decided on an extensive development of certain parts of east Africa. It is further reported that a leading British bank, in conjunction with the Commonwealth Development Company, is studying the possibilities of financing tea expansion projects. Such moves indicate faith in the political stability of the countries concerned.

After a bumper crop in 1961, India's old planted areas proceeded to fall back in 1962 and again in 1963. Then came a favourable cold weather spell in 1963-64, with quite useful rain in many districts and the hopeful

view has been expressed that there may be an early start of the plucking season. Crop figures to the end April 1964 total 18,253,933 million lbs, compared with 12,738,152 million lbs in April 1963.

Ceylon reports a rise from 237 million lbs to 485 million lbs in 25 years. Ceylon has also been able to raise the yield per acre. North India records an advance from 171 million kilograms in 1938 to 263.2 million kilograms in 1963. South India moved up from 34 million kilograms to 82 million kilograms in the same period. Last year's known world crop amounted to 1470.6 million lbs, compared with 1,472.3 million lbs in 1962, but these figures exclude China or new producers such as Russia.

It is satisfactory to note that tea imports into the U.S.A. is making satisfactory progress over the years, but figures recently to hand seem to be contradictory. For example, one



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authority quotes imports during 1963 at a lower level of 122 million lbs, compared with 125 million lbs in 1962. Another source reports the following figures as imports consumption in million lbs:

	Import	consumption
1950	93.7	69.7
1955	101.0	80.1
1960	107.8	86.1
1963	117.6	94.5

The above figures indicate a considerable surplus stock but it is also claimed that consumption has risen by over 24 percent, while actual expenditure on food in the U.S.A. has advanced by 36 percent over the same period (1950-63).

The brewing is most important with orthodox teas, but in the U.S.A. the consumption of instant tea is increasing. The factory in India is expected to go into production at any

time and developments are awaited with interest.

According to a correspondent in Ceylon "the Ceylon Tea propaganda Board renders to its industry a highly specialised and vital service. It must convince the world, not only that tea is the best of all possible drinks, but that Ceylon tea is the best of all available teas; its responsibilities do not even stop there and Ceylonese on work or holiday abroad have often been taken by surprise by the brew that is served in the name of tea. Ultimately, it is the quality of the drink that will go the longest way to make it popular. We have, therefore, not only to persuade our customers to buy more tea, but also to educate them to brew it better.

CASHEW

Firm Price Trend

The cashew market is at present ruling firm. Processed kernel has

overseas buyers at the handsome rate of 59 cents a lb. Brisk buying enquiry is reported from India's chief buyers, the U.S.A. and Russia. While America has bought about 30,000 cases recently, Russia has lifted about 40,000 cases of 50 lbs each, according to one report. Indian shippers are of the view that demand would continue to be strong for some time to come and there would not be any serious difficulty in selling their stocks at reasonable prices. Exports up to the end of April are placed at about 700,000 cases. Trade circles are hopeful that there will not be any difficulty in reaching the last year's figure of 2.2 million cases, if this trend is maintained. Raw nut prices are also keeping firm in sympathy with kernal price. Imported nuts from Africa are available at prices varying between Rs. 750 and Rs. 800 a ton. Indigenous nuts are fetching around Rs. 975 a ton. Most of the Indian crop has already been sold.

CAPITAL, 28th May, 1964.

CARDAMOM

Recovery in Prices

Cardamom prices have recently registered a smart recovery, particularly in Bombay where the shippers have been buying heavily, against encouraging export enquiries. This has led to a sharp fall in stocks there. Shippers are reported to have bought about 2,500 bags, while arrivals during the month were to the tune of only 600 bags. More orders are expected from abroad so much so that prices are not likely to fall from their present levels in the immediate future, according to some trade circles. Green cardamom medium variety is at present quoted at Rs. 16 to Rs. 18 a kilogram. Extensive damage to cardamom plants is reported from some important growing areas like the High Ranges of Kerala. This is the result of inadequate rainfall in these areas for the past three years and particularly the prolonged drought since November last year. This might lead to an appreciable fall in India's cardamom harvest this year.

GOLD

Russian Sales in 1963

The recent selling of gold by Russia gives a topical flavour to Samuel Montagu's annual bullion review. In company with Sharps, Pixley, whose annual review was issued a few days earlier, Samuel Montagu challenge the American Central Intelligence Agency's estimate of Russian gold production. Unlike Sharps, Pixley, Montagu do not venture an assessment of the present annual rate of Russian output, but clearly they regard the C.I.A.'s figure of \$160 million as being far too low. Actual sales by Russia last year they put at more than \$500 million.

Samuel Montagu say that in 1956 they had good reason to estimate that Russian gold sales of \$150 million were probably about one-third of production that year, and that 1957 sales of \$250 million were less than half the then current output. They point out that the 1963 sales were exceptional. The annual average over the last eight years has been about \$200 million. Sharps, Pixley's estimate of Russian output was about \$450 million to \$510 million a year, or between half and two-thirds that of South Africa. The C.I.A.'s estimate of Russian gold reserves was \$2,000 million, a figure with which neither Sharps, Pixley nor Samuel Montagu appears to quarrel.

CAPITAL, 28th May, 1964.

COMPANY AND PUBLIC NOTICES

INDUSTRIAL INVESTMENT

TRUST LIMITED

NOTICE

NOTICE is hereby given that the Thirty-first Annual General Meeting of Industrial Investment Trust Limited will be held at the Registered Office of the Company at 61, Apollo Street, Fort, Bombay, on Friday, the 26th day of June, 1964 at 4 p.m. (S.T.) to transact the following business:—

ORDINARY BUSINESS

- To receive and adopt the Directors' Report and the Audited Statements of Accounts for the year ended 31st December 1963.
- To declare a dividend.
- To appoint a Director in place of Mr. Arvind N. Mafatlal who retires by rotation and being eligible for re-appointment offers himself for re-election.
- To appoint a Director in place of Mr. Nawal S. Phatarphar who retires by rotation and being eligible for re-appointment offers himself for re-election.
- To appoint a Director in place of Mr. C. H. Campbell who retires by rotation and being eligible for re-appointment offers himself for re-election.
- To appoint Auditors to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

- To consider, and, if thought fit, to pass the following Resolution as a Special Resolution:—
"RESOLVED that the Articles of Association of the Company be amended as under:—
(i) The present Articles 19, 20 and 21 be deleted and the following Articles be substituted therefor respectively:—

"Share Certificates.

19 (a) Every Member or allottee of shares shall be entitled, without payment, to receive one certificate specifying the name of the person in whose favour it is issued, the shares to which it relates and the amount paid up thereon. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letters of acceptance or of renunciation, or in cases of issue of bonus shares. Every such certificate shall be issued under the Seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered Power of Attorney and the Secretary or some other person appointed by the

and the two Directors or their attorneys and the Secretary or other person shall sign the share certificate; provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than the Managing Director, if any, or a wholetime Director, if any. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupee one. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person to whom it has been issued, indicating the date of issue.

(b) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp, provided that the Directors shall be responsible for the safe custody of such machine, equipment or other material used for the purpose."

"Delivery of Share Certificates.

20. Any two or more joint allottees of a share shall, for the purpose of this Article, be treated as a single Member, and the certificate of any share, which may be the subject of joint ownership, may be delivered to any one of such joint owners on behalf of all of them. The Company shall comply with the provisions of Section 113 of the Act.

"Issue of New Share Certificates.

21(a) No certificates of any share or shares shall be issued either in exchange for those which are sub-divided or consolidated or in replacement of those which are defaced, torn or old, decrepit, worn out, or where the cages on the reverse for recording transfers have been fully utilised unless the certificate in lieu of which it is issued is surrendered to the Company. The Company shall be entitled to charge such fee, not exceeding Rupee one per certificate, for any certificate issued on splitting or consolidation of share certificates or for any replacement of share certificates that are defaced or torn or where the cages on the reverse for recording transfers have been fully utilised, or for issuing new certificates in replacement of those which are old, decrepit or worn out or where the cages on the reverse for recording transfers have been fully utilised, or for issuing new certificates in replacement of those

market unit of trading on sub-division or consolidation of the old certificates.

(b) When a new share certificate has been issued in pursuance of clause (a) of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is "Issued in lieu of share certificate No. sub-divided / replaced / on consolidation of shares."

(c) If a share certificate is lost or destroyed, a new certificate in lieu thereof shall be issued only with the prior consent of the Board and on payment of such fee, not exceeding Rupee one as the Board may from time to time fix, and on such terms, if any, as to evidence and indemnity as to payment of out-of-pocket expenses incurred by the Company in investigating evidence as the Board thinks fit.

(d) When a new share certificate has been issued in pursuance of clause (c) of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is "duplicate issued in lieu of share certificate No. " The word "duplicate" shall be stamped or punched in bold letters across the face of the share certificate.

(e) Where a new share certificate has been issued in pursuance of clause (a) or clause (c) of this Article, the particulars of every such share certificate shall be entered in a Register of Renewed and Duplicate Certificate indicating against the name of the persons to whom the certificate is issued, the number and date of issue of share certificate in lieu of which the new certificate is issued, and the necessary changes indicated in the Register of Members by suitable cross reference in the "Remarks" column.

(f) All blank forms to be used for issue of share certificates shall be printed and the printing shall be done only on the authority of a resolution of the Board. The blank forms shall be consecutively machine-numbered and the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or such other person as the Board may appoint for the purpose, and the Secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the Board.

(g) The Managing Director of the Com-

pany for the time being or, if the Company has no Managing Director, every Director of the Company shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of share certificates except the blank forms of share certificate referred to in clause (f).

(h) All books referred to in clause (g) shall be preserved in good order permanently.

(ii) The present Article 52 be deleted and the following Article be substituted therefor:—

"No fee payable on transfer or transmission. No fee shall be payable to the Company in respect of the transfer or transmission of any shares in the Company.

(iii) All the provisions of the present Article 195 after the first sentence thereof, beginning with the word "Provided" and ending with the word "control" be deleted.

(iv) The present Article 196 be deleted.

NOTICE is also hereby given that the Transfer Books of the Company will remain closed from Saturday the 30th day of May, 1964 to Saturday the 20th day of June, 1964, both days inclusive.

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

By Order of the Board,
KISHORE M. PREMCHAND,
Director.

Registered Office:—

61, Apollo Street,

Fort, Bombay,

Dated 15th day of May, 1964.

Notes:—1. The dividend when declared will be made payable at the State Bank of India, Bombay, on and after the 29th day of June, 1964. The dividend warrants will be posted to those shareholders whose names stand on the register on the 20th day of June, 1964.

2. Change of address, if any, should be notified to the Company immediately.

A Copy of the Notice and the Explanatory Statement required to be annexed thereto are being circulated to the Members.

THE BOMBAY BURMAH TRADING CORPORATION LIMITED

Registered Office: 9, Wallace Street, Fort, Bombay 1.

NOTICE

NOTICE is hereby given that the Register of Members and the Transfer Books of the Corporation will be closed from the 2nd June, 1964 to the 16th June, 1964, both days inclusive. Dated at Bombay this 20th day of May, 1964.

By Order of the Board of Directors,
WALLACE AND COMPANY,
Secretaries and Treasurers.

MIDDLE CLASS COST OF LIVING INDEX NUMBER FOR CALCUTTA

(Base: August 1939)

THE Middle Class Cost of Living Indices, by groups, have now been brought up to April 1964. As compared with March, the April index for Food reveals a rise of 12

points. The indices for Fuel & Lighting, Clothing and Miscellaneous remain unchanged at 308, 609 and 321 points, respectively.

Combining all the factors, the Middle Class Cost of Living Index for Calcutta shows that the cost of living increased by 6 points during April 1964.

Middle Class Cost of Living Index Number for Calcutta. Prices in August, 1939=100

Groups	Weights	GROUP INDICES												
		Apr. 1963	May 1963	June 1963	July 1963	Aug 1963	Sept. 1963	Oct. 1963	Nov. 1963	Dec. 1963	Jan. 1964	Feb. 1964	Mar. 1964	April 1964
Food	53.6	378	378	386	391	398	400	408	398	391	384	376	383	393
Fuel and Lighting	4.4	304	308	308	308	308	308	308	308	308	308	308	308	308
Clothing	12.4	602	602	602	602	602	609	609	609	609	609	609	609	609
Miscellaneous	29.6	317	317	317	317	317	317	317	321	321	321	321	321	321
Combined Index	100.0	491	492	496	499	502	507	509	505	501	497	493	497	503

Compiled and constructed by the Statistical Department of "Capital".

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Acting General Manager — Shri Ananda Bhakta Rajbhandary.

Telegrams — "Nepaluxmi," Telephones: 11185 & 11337.

Liabilities

	1963	April 12, 1962		1963	April 12, 1962
	Rs.	Rs.		Rs.	Rs.
Capital	2,500	2,500	Cash	33,993	27,992
Reserves	7,032	6,656	Investment	160	120
Deposits	94,503	80,382			
Other Liabilities	5,954	3,198	Loan & Discts.	74,069	63,006
Contra A/cs.	10,940	7,958	Contra A/cs.	10,940	7,958
Profit & Loss	699	790	Other assets	2,466	2,408
	1,21,628	1,01,494		1,21,628	1,01,484

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M. L. Jalan, B. S. Mazumdar,
Chairman. Manager, Head Office.

TRITON INSURANCE COMPANY LIMITED
NOTICE TO MEMBERS

THE Board of Directors of the Triton Insurance Company Limited hereby give notice that the ANNUAL GENERAL MEETING OF MEMBERS will be held at the Company's Registered Office, 4, Clive Row, Calcutta, on Thursday the 25th day of June, 1964, at 4 O'clock in the afternoon to receive and consider the Audited Accounts for the year ended 31st December, 1963, the Balance Sheet as at that date, the Report of the Board of Directors and the Auditors thereon, to declare a Dividend, to appoint Directors and in this connection to consider, as special business, and if thought fit, to pass the following resolution of which special notice as required by Section 281 of the Companies Act, 1956, has been received by the Company:—

"That Sir Biren Mookerjee, who has attained the age of 65 years and who retires from the Board by rotation, be and is hereby re-appointed a Director of the Company whose period of office is liable to determination by retirement of Directors by rotation and it is hereby specifically declared that the age limit of 65 years specified in Section 280 of the Companies Act, 1956, shall not apply to him."

and to appoint Auditors and to fix their remuneration. A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy in his stead and such proxy need not be a Member of the Company.

The Share Transfer Books of the Company will be closed from 12th June to 25th June, 1964, both days inclusive, and the dividend, if declared, will be paid on and after 9th July, 1964, to those Members whose names are on the Register of Members on 25th June, 1964.

By Order of the Board,
J. V. JARDINE PATERSON,
Director.

4, Clive Row,
Calcutta, 22nd May, 1964.

An Explanatory Statement as required under Section 173 of the Companies Act, 1956 is being forwarded to the Members.

THE CHAMPDANY JUTE COMPANY, LIMITED

NOTICE is hereby given that an Annual General Meeting (being the Seventy fourth Ordinary General Meeting of the Company) will be held at the Registered Office of the Company, 2, Netaji Subhas Road, Calcutta, on 16th June, 1964, at 12 noon to transact the following business:—

1. To receive and consider the Audited Accounts for the year ended 31st March, 1964, the Balance Sheet as at that date and the Reports of the Board of Directors and the Auditors thereon.
2. To confirm the Interim Dividend paid on 30th November, 1963
3. To declare a Final Dividend.

4. To appoint a Director in the place of Mr. B. Gill who retires by rotation.
5. To appoint a Director in the place of Mr. D. N. Kapur who retires by rotation.
6. To appoint Auditors for the current year and to fix their remuneration.

The Share Register of the Company will be closed from 2nd to 16th June, 1964, both days inclusive.

Dividend Warrants will be issued and posted to Registered Shareholders only. Persons who have acquired shares are advised to effect registration of scrip in their names before 2nd June, 1964.

By Order of the Board,
JAMES FINLAY & CO., LIMITED,
Managing Agents.

2, Netaji Subhas Road,
Calcutta, 21st May, 1964.

NOTES:

- (1) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself, and the proxy need not be a member. The instrument appointing the proxy shall be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting.
- (2) The dividend, if declared, will be paid on or after 16th June, 1964, to those shareholders so entitled, whose names appear in the Company's books on 16th June, 1964, or to their mandatees.

THE GENERAL INDUSTRIAL SOCIETY LIMITED

NOTICE is hereby given that the Annual General Meeting of the Shareholders of the Company will be held at its Registered Office at No. 15, India Exchange Place, Calcutta, on Monday, the 29th June, 1964 at 2-45 P.M. to transact the following business:—

1. To consider and adopt the Report of the Directors and of the Auditors and the Audited Accounts for the year ended 31st December, 1963.
2. To declare dividend.
3. To appoint Directors in place of the retiring Directors.
4. To appoint Auditors and to fix their remuneration.

The Share Transfer Book and the Register of Members of the Company will remain closed from 19th June, 1964 to 29th June, 1964, both days inclusive.

By Order of the Board,
For THE GENERAL INDUSTRIAL SOCIETY LIMITED,
K. C. BAGRI,
Secretary.

Registered Office:
15, India Exchange Place,
Calcutta, 21st May, 1964.

N.B. (i) The Directors have recommended dividend on Equity Shares @ Rs. 1.40 nP. per

share subject to deduction of tax under the Income Tax Act, 1961. If dividend on shares as recommended by the Directors is approved at the meeting, the dividend will be payable only to such shareholders whose names are on the Company's Register on the day of the Annual General Meeting. No application need be sent for dividend as relative Dividend Warrants will be posted to the shareholders by 10th August, 1964. Shareholders are requested to kindly notify immediately any change of address.

A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.

INDIAN COPPER CORPORATION LIMITED

(Incorporated in England)

DIVIDEND NO. 38.

NOTICE IS HEREBY GIVEN that at the Fortieth Annual General Meeting to be held in Committee Room No. 2 (2nd Floor) of the Bengal Chamber of Commerce and Industry, Royal Exchange, Calcutta-1, on Wednesday, the 12th August, 1964 at 11-30 A.M. the Directors will recommend payment of a Dividend (No. 38) for the year ended 31st December, 1963 of 12% (2.88 pence i.e. 16 Naye Paise per unit of stock) subject to deduction of Tax, in respect of the Issued Capital of £2,056,950. Subject to confirmation of members, the dividend will be paid on the 7th September, 1964 to all members registered in the books of the Company at the close of business on the 15th June, 1964.

The Registers of Members will be closed from the 16th June, 1964 to the 11th July, 1964, both days inclusive.

The profit for the year ended 31st December, 1963 was £1,384,875 (against £1,351,771 for previous year), out of which have been provided £170,000 for depreciation (£170,000 last year), £21,694 for gratuity (£23,375 last year), £21,694 for decretal amount under Kyantite Suit compromise (£50,788 last year), £821,855 for Taxation (against £742,378), £26,597 for Development Rebate Reserve (against £15,136) and £98,000 for General Reserve (against £195,000), leaving a nett profit of £246,729 (against £175,094). With £570 brought in from 1962, the balance available is £247,299 (against £247,404) and after providing £246,834 for the abovementioned proposed Dividend of 12% subject to deduction of Tax (Dividend No. 37 of 18% subject to deduction of Tax last year—£246,834) the balance carried forward is £465 (against £570 brought in from previous year).

By Order of the Board,
E. A. JOHNSTON,
Secretary.

Gillander House,
Netaji Subhas Road,
Calcutta-1.
Dated the 21st May, 1964.

CAPITAL, 28th May, 1964.
INDIAN ALUMINIUM COMPANY, LIMITED

31, CHOWRINGHEE ROAD,
CALCUTTA-16.

NOTICE

NOTICE is hereby given that the Transfer Registers respecting 64% debenture stock 1970/75 and 7% debenture stock 1971/76 of the Company will remain closed from June 15th to July 1st 1964, both days inclusive, in connection with the payment of half-yearly interest on July 1st 1964.

INDIAN ALUMINIUM COMPANY, LIMITED,

T. D. SINHA,
Secretary.

Registrars' Office:
ANDREW YULE & COMPANY,
LIMITED,
8, Clive Row,
Calcutta-1,
(Post Box 150)

25th May, 1964.

BRAITHWAITE & CO (INDIA) LIMITED
NOTICE

NOTICE is hereby given that the Thirty-fourth Annual General Meeting of the members of Braithwaite & Co (India) Limited will be held at the Registered Office, 4, Clive Row, Calcutta-1, on Thursday, 18th June, 1964 at 11 a.m. to transact the following business:—

1. To receive and adopt the Directors' Report and the Audited Accounts for the year ended 31st December, 1963.
2. To confirm the interim dividends paid on the Preference Shares and to declare a dividend on the Ordinary Shares
3. To elect a Director in place of the one retiring.
4. To appoint Auditors and fix their remuneration.

As Special Business:

5. To appoint a Director in place of Mr. D. Fordwood whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956 from a member proposing the candidature of Mr. D. Fordwood for the office of a Director.

The Transfer Books of the Company in respect of the Ordinary Shares will be closed from the 4th June, 1964 to the 18th June, 1964, both days inclusive.

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

Payment of such dividend as may be declared on the Ordinary Shares will be made on or after 25th June, 1964 to those members whose names are on the Company's register on the 18th June, 1964.

By Order of the Board,
B. L. MATHUR,
Secretary.

Registered Office,
4, Clive Row,
Calcutta,
15th May, 1964.

An explanatory statement as required under Section 173 of the Companies Act, 1956, has been forwarded to the members.

CAPITAL, 28th May, 1964.
HERCULES INSURANCE COMPANY LIMITED

(Incorporated in India)

REGISTERED OFFICE: 16, HARE STREET,
CALCUTTA.

NOTICE IS HEREBY GIVEN that the TWENTY-NINTH ANNUAL GENERAL MEETING of the Hercules Insurance Company Limited will be held at the Registered Office, 16, Hare Street, Calcutta on Monday, the 22nd June, 1964, at 3 P.M. for the purpose of:

1. Considering the Accounts, Balance Sheet and the Report of the Board of Directors and Auditors for the year ended 31st December, 1963.
2. Declaring a Dividend.
3. Appointing Directors in the place of those retiring.
4. Appointing Auditors and fixing their remuneration.

AS SPECIAL BUSINESS

5. To consider and, if thought fit, to pass, with or without modification, the following resolution:—

(As a Special Resolution)

"RESOLVED that the Memorandum of Association of the Company be altered by the deletion of Clause 2 therefrom and by the substitution of the following new Clause 2 in place thereof:—

"2. The Registered Office of the Company will be situated in the State of Madras."

The Share Transfer Books will be closed from the 15th June, 1964 to the 22nd June, 1964 inclusive.

By Order of the Board,
E. K. SRINIVASAN,
Managing Director.

362, N.S.C. Bose Road,
Madras, 19th May, 1964.

- NOTE: 1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.
2. The dividend when declared will be paid only to those shareholders whose names appear on the Company's Register on the 22nd June, 1964.

Explanatory statement as required by Sec. 173 of the Companies Act, 1956, has been forwarded to the members of the Company.

THE STANDARD COAL COMPANY LIMITED

AT a meeting of the board of Directors held on Friday, the 22nd May, 1964, the following dividend was recommended for declaration at the Annual General Meeting to be held on the 26th June, 1964, to be paid for the year ended 31st December, 1963, subject to deduction of tax.

On Ordinary Shares at the rate of 10% per annum.

By Order of the Board,
F. W. HEILGERS & CO. (PRIVATE) LIMITED,
Secretary.

Registered Office:—
Chartered Bank Buildings,
Calcutta, 22nd May, 1964.

BENGAL POTTERIES LIMITED
NOTICE

NOTICE is hereby given that the Fifty-second Annual General Meeting of the Bengal Potteries Limited, will be held at the Registered Office of the Company at 45, Tangra Road, Calcutta, on Monday the 22nd June, 1964 at 4 P.M. to transact the following items of business:—

1. To receive and adopt the Directors' Report, the audited Balance Sheet and the Profit & Loss Account for the year ended 31st December, 1963.
2. To declare a Dividend.
3. To elect Directors in place of those retiring.
4. To appoint Auditors for the current year and to fix their remuneration.

The Share Transfer Register of the Company will be closed from 15th June, 1964 to 11th July, 1964, both days inclusive.

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

By Order of the Board of Directors,
BHARAT RAM BHAGAT & COMPANY,
Managing Agents.

45, Tangra Road, Calcutta,
Dated, 5th May, 1964.

THE CALCUTTA ELECTRIC SUPPLY CORPORATION LIMITED

(Incorporated in England)

5% RUPEE DEBENTURE STOCK, 1970
INTEREST FOR THE HALF-YEAR ENDING 30TH JUNE, 1964

NOTICE is hereby given that interest at the rate of Rs. 25/- (less Indian Income Tax) per Rs. 1,000/- of Stock will be paid on 1st July, 1964 to Debenture Stockholders registered in the books of the Company on 22nd June, 1964. Applications for transfers received at the Company's Office for the purpose of participation in the above interest.

Debenture Stock Transfer Books will be closed from 23rd June, 1964 to 30th June, 1964, both days inclusive.

By Order of the Board,
D. P. M. KANGA,
Agent.

Victoria House,
Calcutta, 18th May, 1964.

BRITISH INDIA ELECTRIC CONSTRUCTION CO. LTD.

THE Board of Directors of the above Company has decided to recommend to the forthcoming Annual General Meeting, the payment of a dividend of 15 per cent for the year ended 31st December, 1963.

BALMER LAWRIE & CO. LTD.,
D. MANSON,
Managing Director,

Managing Agents.

21, Netaji Subhas Road,
Calcutta, 22nd May, 1964.

THE BOMBAY BURMAH TRADING CORPORATION LIMITED

Registered Office: 9, Wallace Street, Fort,
Bombay 1.

NOTICE is hereby given that the following Interim Dividends (subject to deduction of Income Tax) have been declared for the year ending 31st May, 1964 namely:

Rs. 1.20 per share on 7,34,000 shares of Rs. 25.

Rs. 0.96 per share on 4,20,000 shares of Rs. 25 (Rs. 20 paid up).

The above Interim Dividends are payable on and after 1st July, 1964, to those shareholders whose names stood on the Share Register of the Corporation on 2nd June, and to holders of Fractional Certificates after such certificates have been exchanged for Bonus Shares in accordance with the prescribed procedure.

Dated at Bombay this 20th day of May, 1964.

By Order of the Board of Directors,
WALLACE AND COMPANY,
Secretaries and Treasurers.

BRIDGE & ROOF CO. (INDIA) LTD.
Secretaries

THE Board of Directors of the above Company has decided to recommend to the forthcoming Annual General Meeting, the payment of a dividend of 30 per cent for the year ended 31st December, 1963.

BALMER LAWRIE & CO. LTD.,
D. MANSON,
Managing Director,
Secretaries.

21, Netaji Subhas Road,
Calcutta, 22nd May, 1964.

DHELAKHAT TEA COMPANY LIMITED

NOTICE IS HEREBY GIVEN that the Forty-sixth Annual General Meeting of the Shareholders of Dhelakhat Tea Company Limited, will be held at the Registered Office of the Company, No. 31, Chowringhee Road, Calcutta, on Thursday, the 25th day of June, 1964, at 9-30 A.M. to transact the following business:—

1. To receive and adopt the Directors' Report and the audited Balance Sheet and Profit and Loss accounts for the year ended 31st December, 1963.
2. To declare a Dividend.
3. To elect Directors in place of retiring Directors.
4. To appoint Auditors for the current year and fix their remuneration.

The Share Register and Transfer Books of the Company will be closed from 11th June to 25th June, 1964, both days inclusive.

By Order of the Board,
JAMES WARREN & COMPANY LIMITED,
Managing Agents.

31, Chowringhee Road,
Calcutta-16, 26th May, 1963.

The Dividend if sanctioned will be paid on or after 25th June, 1964, to those Shareholders so entitled whose names appear in the Company's Register of Members on 11th June, 1964.

Note:—A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself. Such proxy need not be a member of the Company.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	LS. T. Hours
Philips India Ltd.	28-5-64	11 a.m.
Methoni Tea Co. Ltd.	29-5-64	11-30 a.m.
Kumardhubi Engineering Works Ltd.	29-5-64	3-40 p.m.
Dalmia Cement (Bharat) Ltd.	1-6-64	11 a.m.
Hope's Metal Windows (India) Ltd.	11-6-64	3-30 p.m.
Guest. Keen. Williams Ltd.	12-6-64	11-30 a.m.
Calcutta Steel Co. Ltd.	15-6-64	4 p.m.
Hatikhira Tea Co. Ltd.	16-6-64	11-45 a.m.
Champdany Jute Co. Ltd.	16-6-64	12 noon
Braithwaite & Co. (India) Ltd.	18-6-64	11 a.m.
Hercules Insurance Co. Ltd.	22-6-64	3 p.m.
Bengal Potteries Ltd.	22-6-64	4 p.m.
Dhelakhat Tea Co. Ltd.	25-6-64	9-30 a.m.
Triton Insurance Co. Ltd.	25-6-64	4 p.m.
Industrial Investment Trust Ltd.	26-6-64	4 p.m.
General Industrial Society Ltd.	29-6-64	2-45 p.m.
Indian Copper Corporation Ltd.	12-8-64	11-30 a.m.

DIVIDENDS DECLARED OR PROPOSED

ED.—Bor Pukhuri Tea Co. Ltd.—Nil;
Hope's Metal Windows (India) Ltd.—Nil;
Tensil Steel Ltd.—Nil; Jeewanial (1929) Ltd.—104 p.c. subject to tax; Champdany Jute Co. Ltd.—25 p.c. (f), subject to tax; Braithwaite & Co. (India) Ltd.—20 p.c. (o), subject to tax; Calcutta Steel Co. Ltd.—15 p.c. (o), subject to tax; Dalmia Cement (Bharat) Ltd.—12 p.c. (o), subject to tax; Hoolungoree Tea Co. Ltd.—15 p.c., subject to tax; Carron Tea Co. Ltd.—Nil; Bridge & Roof Co. (India) Ltd.—30 p.c.; British India Electric Construction Co. Ltd.—15 p.c.; Standard Coal Co. Ltd.—10 p.c. (o), subject to tax; Bombay Burmah Trading Corporation Ltd.—Rs. 1.20 per share of Rs. 25 (Int), subject to tax; Indian Copper Corporation Ltd.—12 p.c., subject to tax.

HIDES AND SKINS QUIET

The market was quietly steady. Stocks of skins were less, but those of hides were higher than in the previous week.

Bazaar Sales

(Between 19th May and 25th May, 1964)

Cowhides: Wet salted (Ord.) 18,000 pcs. on the basis of Rs. 7.25 to Rs. 9.25; Wet salted (Slaughtered) 43,500 pcs. on the basis of Rs. 10.50 to Rs. 16.50 and Rs. 19.50 to Rs. 28; Wet salted (Ord.) 4,000 pcs. on the basis of 68 nP a lb.

Goatskins: Wet salted (Patna, Daissee, Kustia) 36,300 pcs. on the basis of Rs. 320 to Rs. 340, Rs. 350 to Rs. 360 and Rs. 430 to Rs. 440; Wet salted (he-killed) on the basis of Rs. 4.50 and (she-killed) on the basis of Rs. 4.25 a piece; Assam-Dinajpur 5,000 pcs. on the basis of Rs. 200 to Rs. 260; Purneah (heavy) 1,000 pcs. on the basis of Rs. 465.

Bazaar Stocks

(25th May, 1964)

Cowhides: Wet salted 95,800 pcs.
Goatskins: Wet salted (Patna, Daissee, Kustia, Killed) 52,000 pcs.; Assam-Dinajpur 2,26,000 pcs.; Muzafferpore - Patna-Pakur-Purneah-Kisenganj 3,79,600 pcs.

RING UP: 22-5257

GRAM: CEGICATECO

FOR STEEL ROLLING SHUTTERS, GRILLES,
RAILINGS, W.GATES, STEEL DOORS & WINDOWS

THE CALCUTTA COLLAPSIBLE GATE

CO., PRIVATE LTD.

77, NETAJI SUBHAS ROAD, CALCUTTA-1

JOINT STOCK COMPANIES PREFERENCE SHARES

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

Year of Issue	NAMES	Amount Issued in 000's	Rate per cent	Paid-up per Share	Market Quotations			NAMES	Amount Issued in 000's	Rate per cent	Paid-up per Share	Market Quotations											
		Rs.		Rs.	27-5-64	A year ago	Year of Issue		Rs.		Rs.	27-5-64	A year ago										
					Ra.	Ra.						Ra.	Ra.										
BANK																							
1901	Allahabad Bank (May Nov.)	15.00	6	100	94/50	96/00	1895	Bengal Assam Steamship (Nov.)	3.00	7	60	57/00	47/00										
COALS																							
1896-97	Borraea (June Dec.)	4.00	6 1/2	100	84/00	84/00	1926	Bengal Chemical (Aug.)	6.25	7 1/2	10	11/81	11/62										
1901-19	Burrakur (Jan July)	22.98	7	100	99/00	93/00	1899	Bengal Paper Mill (Mar. Sept.)	2.00	7	50	51/00	46/50										
1946	Burrakur (June Dec.)	4.50	6 1/2	100	5/21	5/85	1928	Bengal Paper Mill "A" (Mar. Sept.)	4.00	7	100	98/00	98/00										
1948	Equitable (May Nov.)	4.00	6	100	90/00	79/00	1936	Birds Investments (Dec.)	24.00	5 1/2	100	52/50	53/37										
1895	Khas Kajora (March Sept.)	1.93	5	100	9/00	6/87	1936	Braithwaite & Co.	40.00	9 1/2	100	106/00	106/00										
1931	New Beerboom (Jan July)	2.00	7	100	10/62	10/25	1918	Britannia Biscuit (Feb. Aug.)	15.00	8	10	11/00	11/00										
1920	Ondal (June Dec.)	2.00	5 1/2	100	85/00	64/10	1920	British India Corporation (Feb.)	81.00	8	100	110/00	115/00										
1898-00							1935-99	Burn Eng. (1st & 2nd) (Feb. Aug.)	13.00	7	100	111/75	115/50										
COTTONS																							
1902	Ahmedabad Advance (Apr. Oct.)	10.00	5	100	77/00	70/00	1909-11	Burn Engineering (Feb. Aug.)	15.00	6	100	103/50	101/00										
1902	Bangalore (Jan July)	6.00	6	100	95/71	106/90	1937	Calcutta Electric Supply (Mar. Sept.)	£1900	5	£1	7/75	8/06										
1894	Basanti (Oct.)	5.00	6 1/2	100	7/19	7/00	1937	Calcutta Silk Manufacturing (July Jan.)	2.00	6	100	70/50	49/12										
1938	Bengal-Nagpur (Apr. Oct.)	3.00	7	100	48/00	48/00	1906	Calcutta Tramways (Jan. July)	£2250	5 1/2	£1	8/25	8/25										
1896	Bowreah "A" (Apr. Oct.)	6.00	8	100	111/00	114/00	1938	Carew & Co. (Jan.)	8.00	6 1/2	100	73/50	73/00										
1900	Bowreah "B" (6) (1) (Apr. Oct.)	6.00	7	100	88/00	82/50	1905-24	Cawnpore Sugar Works (Feb. Aug.)	10.00	8	100	110/00	117/00										
1900	Broadway "B" (Jan Dec.)	14.85	7	100	60/50	53/00	1940	Chrestien Mica Industries Ltd.	30.00	5 1/2	100	39/00	38/00										
1919	Buckingham & Carnatic (Jan. July)	21.30	7 1/2	100	105/59	114/59	1937	Dalmia Cement (Bharat)	35.00	6	10	8/00	8/56										
1920	Cambodia (July)	1.00	7	100	76/13	83/63	1918	Delhi Flour Mills (Oct.)	18.00	5	100	101/00	101/00										
1928	Central India (Apr. Oct.)	50.00	5	100	417/50	405/00	1935	Deshnagar Power Supply "A" (Jan.)	16.00	5	100	69/50	73/62										
1912	Delhi Cloth & General (Oct.)	20.00	4 1/2	100	16/63	16/63	1940	Duncan Brothers & Co. Ltd.	45.00	4	100	57/00	56/00										
...	Elgin (May Nov.)	11.00	6	100	113/00	113/00	1926	Dunlop Rubber "First" (Jan. July)	30.00	8	100	103/00	103/50										
1912	Elgin "B"	10.00	5	100	6/44	6/25	1936	Dunlop Rubber "Second" (Apr.)	40.00	5 1/2	100	65/50	76/50										
1943	Elphinstone (May Nov.)	25.00	7 1/2	100	79/00	74/00	1897	East India Distilleries (Jan. July)	£2200	7	20st	17/83	18/90										
1919	Kesoram (June Dec.)	20.00	7	100	106/00	107/00	1908	General Investment & Trust (Feb. Aug.)	1.00	5	100	56/00	56/00										
1919	Khatam Mankaj (Nov.)	10.00	6	100	90/00	80/50	1947	General Investment & Trust (Feb. Aug.)	1.00	6 1/2	100	48/00	48/00										
1925	Kothari (Nov.)	12.00	6	100	7/85	8/76	1946	Gillanders Arbuthnot (Apr. Oct.)	25.00	6 1/2	100	56/50	55/00										
1900	Muir (Feb. Aug.)	30.00	6	100	120/00	128/00	1946	Gladstone Lyall & Co. Ltd.	15.00	6 1/2	100	60/00	60/00										
1913	New Great Eastern (Mar.)	8.00	6 1/2	100	120/00	107/00	1948	Godfrey Phillips India Ltd.	30.00	5 1/2	100	60/00	56/00										
1920	Palani Andavar (Mar.)	16.00	6	100	115/45	118/64	1940	Gwallior Sugar (Redeemable) (Dec.)	6.75	7	100	62/00	62/00										
1933	Swadeshi (Bombay) (May)	2.00	7	100	88/00	82/00	1940	Gwallior Sugar (Dec.)	5.00	7	100	62/00	62/00										
1935	Swadeshi (Cawnpore) (Mar.)	15.00	6	100	69/25	68/00	1938	Humayan Properties Ltd. (Nov.)	12.00	6	10	7/00	6/62										
1927	Vasanta (Apr. Oct.)	3.00	6 1/2	100	79/70	82/04	1936	Indian Aluminium (Mar. Sept.)	40.00	6 1/2	100	66/75	67/50										
1931	Vishnu (Apr.)	16.00	7	100	390/00	385/00	1927	Indo Burma Petroleum (Jan. July)	50.00	7 1/2	100	65/87	74/50										
JUTES																							
1927	Agarpara (Jan. July)	10.00	7	100	95/50	90/50	1899	India General Navg. & Railways	£244	6	£10	83/50	79/00										
1905	Alexandra (Feb. Aug.)	9.00	7	100	94/25	85/50	1923	Indian Cable Co. (Nov.)	12.88	6	10	31/75	31/75										
1895	Anglo-India (May Nov.)	15.00	6	100	76/00	68/50	1918	Indian Standard Wagon (Aug. or Sept.)	19.66	7	100	112/00	113/50										
1917	Auckland (July Jan.)	40.00	7	100	99/00	93/00	1936	Indian Iron & Steel	2,69.95	5	100	81/00	84/50										
1909	Auckland (July Jan.)	10.00	5 1/2	100	71/00	68/50	1935	Investment and Finance (Feb. Aug.)	2.00	6	100	69/00	69/00										
1945	Bally (Jan. July)	15.00	7 1/2	100	58/50	56/00	1935	Investment and Finance (Feb. Aug.)	2.00	6 1/2	100	60/00	60/00										
1918	Barnagore (Oct. Dec.)	20.00	6 1/2	100	111/00	97/00	1937	James Wright (Jan. July)	1.30	6	100	14/00	14/00										
1896	Bengal (June Dec.)	22.00	6 1/2	100	41/50	38/00	1937	Jardine Henderson Ltd.	50.00	5 1/2	100	55/00	55/00										
1940	Birla (June Dec.)	23.64	7 1/2	100	70/00	62/50	1941	Jessop & Co.	10.00	5	100	76/25	75/50										
1919	Budke Budge (May Nov.)	9.00	7	100	95/00	90/50	1915	Kumardhobi Engineering (June)	12.00	5	100	72/00	68/00										
1894	Calcutta (Jan. July)	6.00	6 1/2	100	65/00	59/00	1915	Martin Burn Ltd.	30.00	5	100	79/75	68/00										
1924	Calcutta (June Dec.)	10.00	7	100	92/00	91/50	1946	McLeod & Co.	10.00	5 1/2	100	43/50	84/00										
1915	Chetnot (June Dec.)	10.00	7	100	98/00	91/50	1930	McLeod & Co.	40.00	5	100	59/75	45/00										
1919	Chitavalah (Mar. Dec.)	10.00	7	100	98/00	91/50	1936	Mettur Chemical & Industrial (Sept.)	20.00	6	10	8/23	61/00										
1928	Clive (First) (May Dec.)	8.00	6	100	89/00	89/00	1936	Mittal Box Co. of India Ltd.	30.00	6 1/2	100	75/00	9/25										
1900	Clive "A" (Second) (May Dec.)	8.00	6	100	57/00	52/00	1936	Mysore Chemical Mfg. (Sept.)	2.00	6	10	6/73	83/50										
1905	Dalhousie (July Jan.)	11.76	7	100	63/00	66/50	1942	National Tobacco (June Dec.)	25.00	5	100	69/00	66/00										
1903-13	Delta (June Dec.)	6.00	6	100	90/00	88/00	1944	National Tobacco (Jan. Dec.)	20.00	4 1/2	100	57/50	57/50										
1897	Empire (Jan. July)	10.00	7	100	74/50	64/75	1912	Poona Electric Supply Co. Ltd. (June Dec.)	4.00	7	100	89/50	101/00										
1912	Fort Gloster (Jan. July)	14.00	7	100	111/00	97/25	1935	Premier Construction "First" (Apr.)	10.00	6 1/2	100	74/00	73/50										
1890-93	Fort Gloster (2nd)	7.00	5	100	69/75	65/00	1936	Premier Construction "Second" (Apr.)	15.00	6 1/2	100	77/00	73/50										
1946	Fort William (May Nov.)	10.00	7	100	115/00	80/80	1936	Purbapore (Sugar) (Oct.)	0.00	10	10	10/56	69/50										
1911	Ganges (June Dec.)	6.00	6	100	106/00	102/00	1936	Ramnagar Cane & Sugar (Aug.)	4.00	6	100	82/00	82/00										
1916	Gouernore (June Dec.)	6.00	6	100	89/00	87/00	1933-38	Robtas Industries (April)	20.00	7	100	103/00	97/00										
1895-04	Hastings (Aug. Feb.)	26.50	6	100	86/25	83/50	1935	Robtas Industries "B" (April)	85.00	4 1/2	100	56/00	52/50										
1935	Hooghly (July)	25.00	6	100	86/25	83/50	1944-48	Shaw Wallace & Co. Ltd.	75.00	6 1/2	100	55/00	55/00										
1912	Howrah (Jan. July)	11.76	10	100	12/25	10/25	1938	Shree Gopal Paper	7.50	7	100	98/50	104/00										
1890	Howrah "A" (Jan. July)	8.75	7	100	92/50	90/50	1938	Shree Krishna Gyanodaya Sugar "A" (Oct.)	6.00	6	100	45/00	104/00										
1902-06	Hukumchand (June Dec.)	17.50	7	100	95/50	92/00	1938	Shree Krishna Gyanodaya Sugar "B" (Nov.)	12.00	5	100	70/00	92/00										
1919	Kamarhatti (Apr. Oct.)	40.00	7	100	93/00	92/50	1933	Smith Stanistreet (Chemists) (Nov.)	5.00	10	50	74/50	70/00										
1898-04	Kankarnath (Apr. Oct.)	16.00	6	100	81/00	73/00	1933	South Behar Sugar (Oct.)	6.00	8	100	60/50	62/50										
1900	Kedarnath (Jan. July)	10.00	6	100	80/00	70/00	1897	Spencer & Co. "A" (Provisions) (Jan. July)	23.20	6 1/2	100	20/50	20/50										
1925	Kelvin (Mar. Sept.)	8.00	6	100	90/50	81/50	1923	Spencer & Co. "B" (Provisions) (Jan. July)	36.80	6 1/2	100	6/65	6/69										
1895-00	Khardah (May Nov.)	9.00	6	100	74/00	77/00	1936	Star Paper (Apr. Oct.)	10.00	8	100	68/50	9/55										
1900-13	Kinnison (July Jan.)	15.00	7	100	95/00	90/00	1925	Surat Electricity (April)	6.00	6 1/2	100	102/50	107/00										
1905	Lawrence "A" (July Jan.)	15.00	7	100	86/00	91/00	1939	Tata Chemicals (Nov.)	60.00	8	100	83/00	85/50										
1912	Lawrence "B" (July Jan.)	6.00	6	100	95/00	89/50	1910	Tata Hydro Electric Power (Sept. Mar.)	89.28	7	100	99/30	92/50										
1908-07	Nalhati (July Jan.)	10.00	6 1/2	100	71/00	64/50	1906	Tata Iron & Steel (First) (Nov.)	75.00	6 1/2	100	126/25	132/50										
1905-06	Nalhati (July Jan.)	7.50	7	100	115/00	112/00	1918	Tata Iron & Steel (Second) (May)	63.82	7 1/2	100	107/00	100/00										
1945	National (May Nov.)	6.00	6	100	85/50	87/00	1928	Tata Power (May Nov.)	66.97	7 1/2	100	102/00	98/00										
1917	Nellmarie (Apr. Oct.)	5.00	6	100	74/50	76/00	1936	Titagarh Paper Mills (Mar. Sept.)	11.50	8	100	112/50	117/00										
1938	New Central (Jan. July)	6.00	6	100	91/00	94/00	1934	Titagarh Paper Mills "2nd" (Mar. Sept.)	1.25	8	100	64/25	70/00										
1913	Northbrook (July Jan.)	53.00	7	100	91/00	94/00	TEAS																
1935	Rameshwar (Jan. July)	15.00	7	100	72/00	72/00	1903	Amluckie (May Nov.)	75.00	7	10	21/966											

COAL COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	27-5-64	20-5-64	A year ago	NAMES	
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		1961	1962	1963	Rs.	Rs.	Rs.		
15,50,000	58,52,224	43,77,800	3,90,484	16,40,057	39,096	12	236	12 1/2	15	10	22/25	22/25	22/69	Amalgamated
1,20,00,000	4,10,81,913	2,88,23,173	30,83,212	62,75,084	1,03,409	10	2	21	19	100	236/00	236/00	286/00	Bengal P
4,99,350	4,37,382	1,30,132	91,796	43,397	4,411	10	2	11	19	10	3/48	3/48	3/48	Bengal Bhatdee
2,25,000	3,06,216	5,45,835	5,19,015	1,55,638	16,129	12	368	26	19	10	22/00	22/00	22/00	Bengal Nagpur
15,97,000	23,27,321	4,87,308	63,982	2,62,417	21,275	12	..	..	..	10	3/87	3/87	4/87	Bhaigora
40,00,000	67,23,620	2,75,000	21,19,681	11,80,816	2,120	9	152	..	..	10	3/00	3/00	4/12	Bharat Collieries P.
7,15,000	14,96,845	11,02,872	64,329	3,06,436	-4,92,536	6	335	..	..	10	10/00	10/00	11/94	Shulanbararee
16,00,000	38,87,275	16,18,636	7,185	1,21,936	-79,196	12	362	..	..	10	11/19	11/19	11/19	Bokaro & Ramgur
7,50,000	19,13,792	22,77,003	12,32,439	5,26,414	33,647	12	106	15	..	10	20/25	20/25	23/87	Borra P
90,92,480	2,64,32,234	1,60,36,371	32,82,964	41,00,007	10,459	6	21	13	13	10	15/50	15/50	16/56	Burrakur P.
49,97,000	50,93,754	6,86,120	6,35,532	16,11,088	3,58,023	3	166	10	10	10	8/50	8/56	10/12	Central India
8,00,000	18,69,439	12,97,490	98,040	6,357	214	12	..	..	..	10	3/44	3/44	3/87	Central Kurkend P.
6,00,000	1,55,159	6,05,872	63,765	7,043	7,043	12	106	..	..	4	3/06	3/06	3/06	Churulia
16,00,000	25,01,305	Nil	19,429	-65,261	-5,39,034	12	444	Nil	..	10	3/95	3/95	5/75	Dhemo Main
2,240,000	4,868,390	2,561,905	2,13,558	2,288,462	26,234	4	128	15	20 1/2	21	28/50	29/25	31/87	East India
29,63,700	1,42,23,054	1,18,76,888	10,14,185	33,594	12	19	10	10	..	10	22/44	22/44	26/50	Equitable P.
15,00,000	21,00,420	41,000	26,500	920	-6,24,344	3	307	Nil	Nil	10	13/00	13/25	14/25	Ghusick & Muslia
6,50,000	4,21,847	Nil	12,025	10,870	-14,705	12	20	..	..	10	2/47	2/47	2/03	Guzdar Kajora
8,00,000	5,43,022	..	16,702	-10,172	-3,65,023	12	393	..	..	10	5/44	5/44	8/12	Huriladidh
15,00,000	25,92,202	29,24,550	40,40,988	1,71,058	37,294	12	21	5	3	100	7/69	9/87	12/50	Karanpura Development
30,00,000	37,05,428	12,43,807	4,29,578	10,53,244	9,997	2	21	15	9	10F	11/75	11/75	16/75	Karanpura Collieries P.
14,90,400	22,28,867	18,07,072	9,73,401	12,76,204	20,670	1	2	40	25	30	30/00	30/00	37/75	Katras Jheriah
1,38,400	6,75,090	95,000	11,80,294	49,776	1,918	6-12	337	..	..	10	17/62	17/62	18/70	Khas Kajora P.
1,65,750	5,95,833	Nil	9,780	-1,60,535	-16,47,497	3	372	..	..	10	2/69	2/69	2/69	Mundulpur
7,48,240	3,39,261	56,489	7,29,802	1,15,573	74,711	12	347	Nil	Nil	10	6/25	6/25	5/00	Nazira
11,97,210	88,87,936	46,16,139	4,45,645	17,86,837	15,709	10	2	10	12	10	15/56	15/56	19/37	New Beerbhoom P.
9,90,340	8,04,373	5,21,710	75,374	4,12,216	43,822	3	202	9	12	10	11/25	11/50	16/00	New Manbhoom
15,00,000	7,03,719	4,31,409	40,364	1,44,042	15,045	12	441	20	..	10	19/75	19/75	19/75	North West
1,57,500	1,33,788	13,22,645	22,85,007	1,91,515	45,080	12	106	7 1/2	..	7 1/2	13/50	13/50	12/00	Ondal P.
8,34,000	23,69,066	1,52,212	4,78,984	1,79,344	589	12	207	11 1/2	..	10	14/00	14/00	16/00	Parasea P.
15,75,000	32,93,192	24,59,125	4,11,055	54,674	54,253	3	236	10	10	10	17/44	17/44	18/00	Pench Valley
2,50,000	5,62,405	11,530	11,530	2,003	18,581	6-12	5	..	..	10	8/00	8/00	8/00	Pure Sitalpur
33,58,900	50,26,723	40,85,000	1,26,141	11,54,576	35,781	3	370	17	17	10	13/75	13/75	16/00	Raneegunge
13,50,000	25,32,135	20,80,190	18,69,318	13,18,197	41,523	12	236	20	..	10	28/50	28/50	28/50	Rewa
17,50,000	74,38,430	38,61,070	1,69,086	12,37,914	26,993	12	48	..	..	10	8/00	8/00	10/03	Sansa
1,50,000	4,47,534	74,281	10,748	19,279	-4,27,396	1	353	Nil	Nil	2 1/2	1/25	1/25	1/22	Searsole
8,80,000	11,88,971	13,29,316	9,92,167	5,59,516	15,849	12	2	42 6/7	35 5/7	7	34/75	34/75	45/00	Seepore P.
8,00,000	4,203	4,54,648	13,04,570	78,390	1,540	12	106	3 1/2	..	10	5/00	5/00	5/75	Sendra
17,50,000	32,03,711	11,77,056	36,734	1,89,147	3,001	8	21	Nil	Nil	2 1/2	7/62	7/62	8/87	South Karanpura
8,00,000	1,30,001	15,48,969	26,78,255	1,84,925	38,908	12	108	10	..	10	10/44	10/44	13/12	Standard
2,50,000	4,36,300	3,23,000	36,660	1,37,973	1,77,952	12	..	..	..	10	10/25	10/25	10/37	Union
49,98,000	63,57,150	6,09,055	2,69,620	11,72,192	1,19,162	8	168	7 1/2	9	10	8/62	8/75	9/06	Western Bengal
7,00,000	26,06,335	Nil	47,091	-6,51,403	-6,23,711	12	444	Nil	..	10	3/60	3/60	4/12	West Jamuria

COTTON MILLS

Paid-up Capital Ordinary	Number on Spindle Looms	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	27-5-64	20-5-64	A year ago	NAMES
Ra.		Ra.	Ra.	Ra.	Ra.	Ra.		1961	1962	1963	Ra.	Ra.	Ra.	
15,00,000	14,108	856	14,06,883	3,15,002	12,59,541	26,012	41,532	12	49	10	12/50	13/50	11/50	Basanti P.
7,11,280	36,000	932	17,17,120	2,20,369	30,842	3,86,177	47,818	8	27	10	30/00	30/00	28/00	Banga Luxmi
77,00,000	31,476	624	17,77,373	93,872	6,24,150	6,36,163	12	223	10	10	2/44	2/44	3/00	Bengal Nagpur P.
50,00,000	1,68,35,360	49,94,800	62,56,090	29,04,759	17,588	12	394	10	10	10	21/62	21/62	22/50	Bharat Commerce P.
99,95,950	39,764	992	60,94,300	1,21,02,782	63,37,204	39,77,025	8	22	10	10	27/00	27/00	26/75	Birla Cotton
93,80,000	43,136	841	1,00,69,568	40,37,080	2,04,094	21,74,042	1,94,107	12	138	10	23/75	23/75	23/37	Bowrah P.
80,00,000	22,000	510	40,26,405	68,61,034	5,45,176	9,97,828	11,228	12	25	10	6/25	6/25	6/31	Cawnpore Textiles
1,38,36,225	1,97,348	3,307	9,79,20,890	8,21,37,642	91,82,065	2,15,43,296	1,46,548	6	238	10	45/25	45/25	42/44	Devi Cloth & Genl. P.
68,00,000	43,040	518	61,51,892	54,80,125	1,40,191	32,83,543	1,03,713	12	138	10	27/25	27/25	27/50	Dunbar
63,00,000	54,000	1,200	1,20,30,927	2,33,36,673	87,18,503	41,89,320	5,435	9	389	10	17/87	18/00	18/12	Elgin P.
1,25,00,000	3,48,97,571	56,34,321	85,50,730	19,28,764	1,22,795	12	138	10	10	10	10/25	10/69	13/06	J. K. Cotton (Rayon) P.
73,77,250	6,272	202	1,35,97,000	51,88,685	4,20,764	43,21,513	12,265	12	12	10	14/62	14/81	14/37	Jaya Shree
80,00,000	38,000	1,825	47,44,448	92,19,301	92,65,055	18,77,941	7,77,296	12	206	100	63/00	63/00	106/00	Muh P.
85,11,583	78,849	1,367	47,49,840	3,96,960	1,09,256	12,73,361	63,55,498	12	237	10	1/28	1/37	9/00	New Victoria P.
48,00,200	1,08,10,352	78,144	2,34,188	12,34,741	22,17,524	12	599	10	10	10	7/06	6/87	12/00	Orissa Textiles P.
19,47,750	23,196	795	15,49,229	80,773	2,37,475	3,38,087	6	4	10	10	13/00	13/00	3/00	Rampooria Cotton
1,57,50,000	1,14,836	2,071	4,48,79,351	2,63,83,071	2,15,81,186	76,20,241	5,044	12	333	10	11/00	11/00	11/50	Swadeshi (Kanpur) P.

TEA COMPANIES

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

Paid-up Capital Ordinary											Net Block Accounts											Reserve & other Funds											Area Hectares											Outturn and Average Price per Kg. realised for crop											Estimate											Net Profits including taxation											Accounts closed											Dividends per cent											Latest Market Quotations as available 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TEA COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds	Area Hectares	Outturn and Average Price per Kg realised for crop	estimate 1963	Net Profits including taxation	Accounts closed	NAMES	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	27-5-64	20-5-64	A year ago
Rs.	Rs.	Rs.	Krs.	Rs.	Krs.	Rs.	Krs.		1960	1961	1962	Rs.	Rs.	Rs.
DOOARS														
27,00,000	62,03,995	32,62,760	1,034	15,51,500	4.51	14,84,400	4.86	15,25,000	11,19,005	12	2	21	100	230/00
12,00,000	27,38,435	23,27,925	436	7,24,364	4.69	6,66,481	5.13	6,64,600	6,59,538	12	128	Baradighi	23/25	23/25
9,00,000	19,19,630	30,59,434	..	5,93,617	4.42	7,00,569	4.68	6,16,885	5,74,696	12	386	Bnatkawa	16/16	16/16
9,00,000	25,07,423	22,16,500	577	6,66,763	4.37	6,69,958	5.01	6,50,000	6,43,459	12	63	Birpara P.	16/16	16/16
6,00,000	12,14,370	10,73,000	244	2,99,250	4.17	2,80,187	4.70	2,95,000	1,58,268	12	63	Carron	16/16	16/16
9,00,000	24,85,741	14,56,681	365	5,14,200	4.45	5,21,400	4.69	5,30,000	2,82,148	12	2	Choonabhatti P.	21/00	21/00
3,00,000	5,84,327	5,93,500	197	2,19,480	4.05	2,25,971	4.59	2,03,000	1,33,979	12	63	Ellenbarrie	17/00	17/00
1,20,000	..	..	..	1,62,265	3.73	..	..	..	..	12	397	Engo	13/12	13/12
4,90,000	9,33,182	71,548	..	2,24,026	..	2,64,339	..	..	..	12	354	Ethelbari	11/87	11/87
7,50,000	13,32,430	10,34,583	1,088	5,33,092	4.08	5,04,794	5.46	..	4,67,197	12	88	Gairkhata	16/12	16/12
14,00,000	27,81,033	19,25,521	425	5,21,329	..	5,85,748	..	..	200,689	12	387	Gopalpur	19/50	19/50
36,00,000	50,92,343	42,91,500	1,048	14,33,022	4.07	13,74,053	4.76	13,90,000	7,93,764	12	63	Hantapara P.	108/00	108/00
64,00,000	70,47,491	75,82,749	..	28,49,021	5.54	30,66,464	5.78	30,64,500	30,07,101	3	74	Hasimara	12/50	12/50
16,50,000	26,67,650	17,26,078	..	8,89,068	4.02	699,826	4.51	961,600	2,06,848	2	74	Huidibari	12/50	12/50
7,00,000	8,95,117	5,13,133	246	1,90,300	4.48	1,88,900	5.59	..	—61,500	12	2	Jaybirpara	8/94	8/94
9,00,000	18,12,126	21,89,000	375	5,63,337	4.23	5,07,738	4.50	5,20,000	3,57,699	12	63	Kilcott	15/56	15/56
2,00,000	14,67,422	5,58,176	..	2,47,991	..	253,887	..	88,005	..	12	354	Manabarrie	59/50	59/50
9,60,000	20,66,495	24,61,500	..	6,03,619	4.07	5,07,732	4.76	4,90,000	3,31,819	12	63	Nagasurree	165/00	165/00
14,00,000	34,04,657	21,71,728	471	7,84,700	4.31	6,40,900	5.10	7,50,000	2,30,662	12	2	New Doorees P.	234/00	234/00
6,40,000	..	..	..	3,07,645	3.89	..	..	..	..	12	363	Oodabari	13/75	13/75
2,50,000	3,90,272	3,37,500	126	1,00,575	4.22	1,26,816	4.64	1,30,000	17,963	12	63	Phaskowa	125/00	125/00
6,00,000	9,22,423	11,53,058	..	3,63,864	4.36	3,91,886	4.70	3,82,900	2,08,311	12	165	Rajabhat	9/87	9/87
7,65,000	17,57,543	17,47,050	..	5,03,638	4.32	4,76,526	5.07	5,33,500	1,63,000	12	165	Ranicherra	12/00	12/00
14,92,800	36,77,342	30,35,064	727	9,21,964	4.79	9,78,337	5.44	10,10,245	8,77,496	12	128	Rydak	24/96	24/96
3,46,000	10,20,398	10,25,325	..	4,00,500	4.10	3,30,000	4.76	3,73,200	2,40,377	12	44	Sarugaon	36/25	36/25
TERAI														
4,50,000	..	..	..	2,40,454	3.83	..	..	..	..	12	101	Atal	5/37	5/37
5,00,000	..	..	..	7,94,331	4.01	7,22,909	4.63	730,000	5,50,624	12	345	Belgachi	20/00	20/00
13,44,000	20,65,841	27,42,000	646	..	..	..	..	..	..	12	63	Gungaram	126/00	126/00
3,00,000	6,69,527	9,72,507	..	2,75,784	4.10	295,710	4.54	295,000	2,25,077	2	74	New Chumta	20/37	20/37
7,20,000	..	..	..	3,14,832	3.83	3,33,644	4.04	312,073	..	12	139	New Terai	20/50	20/50
11,70,000	..	..	..	4,71,480	4.08	4,71,480	4.45	489,915	..	12	139	Pahargoomiah	13/75	13/75
1,00,000	..	..	..	..	..	..	..	..	..	12	63	Putinbaree	55/00	55/00
2,20,000	..	..	..	3,88,528	4.53	3,84,347	5.05	408,200	..	12	165	Tirihannah P.	49/00	49/00
CHITTAGONG														
1,25,000	..	..	..	3,07,360*	1.76	..	..	..	..	12	139	Kodala	9/25	9/25
2,40,000	..	..	..	3,53,000*	1.64	..	..	..	..	12	139	Kornafuli	9/12	9/12
2,00,000	..	..	..	2,88,000*	1.74	..	..	..	..	12	139	Oodaleah	8/00	8/00
SYLVHET														
3,00,000	14,19,689	17,99,706	637	2,76,309	4.48	2,14,907	7.92	254,012	7,17,391	12	63	Chundeecherra	26/00	26/00
6,00,000	9,95,449	12,20,551	230	2,33,890	4.97	2,03,558	8.17	218,000	8,36,913	12	63	Dauracherra	12/00	12/00
5,59,930	..	..	..	11,42,720*	1.99	..	..	..	..	12	236	New Samanbagh P.	18/37	18/37
36,00,000	59,49,669	63,43,644	1,660	19,52,002	5.02	17,98,140	8.16	1,851,000	90,15,000	12	63	Patrakola	121/00	121/00
3,20,000	4,21,718	1,48,642	740	4,28,560*	1.83	4,24,800*	3.23	360,000	4,07,821	12	236	Rajnapur	9/56	9/56
9,00,000	21,92,086	22,53,327	483	4,18,826	5.01	3,69,737	8.08	417,000	12,91,452	12	63	Tellapara	145/00	145/00

† Acres.

* lbs.

† 1963

MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	NAMES	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	27-5-64	20-5-64	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.			1961	1962	1963	Rs.	Rs.	Rs.
MININGS													
22,369,796	..	2,218,681	22,781,590	212,550	2,174,204	12	Burma Mines	Nil	Nil	3 1/2	0/44	0/44	0/44
30,00,000	..	..	..	..	..	12	Chrestien Mica Industries P.	12 1/2	..	100	10/00	10/06	10/12
15,00,000	21,758,381	2,225,873	2,755,274	2,105,163	2,72,310	12	Indian Copper Corporation	27	..	50	6/53	6/53	8/85
60,00,000	51,72,031	10,43,352	58,971	5,66,976	14,41,622	8	Orissa Copper P.	27	..	20	3/08	3/23	4/26
20,00,000	46,05,415	67,67,431	55,46,956	13,17,757	38,801	6	Orissa Mineral Development	28	20	100	6/44	6/69	7/94
CEMENT, LIME, SLATE, ETC.													
59,90,843	1,58,98,785	17,06,000	2,33,036	4,97,991	10,914	3	Ashoka Cement	7	7	10	6/81	7/00	7/19
63,14,800	41,51,412	21,43,429	29,84,072	1,10,813	6,44,674	3	Assam Bengal Cement	..	..	100	4/50	4/75	3/03
55,23,146	98,02,889	19,77,396	66,723	24,46,663	1,703	12	Bengal Potteries	..	..	20	0/75	0/75	0/69
40,00,000	73,55,750	28,31,187	3,78,724	23,10,445	50,122	8	Bisra Stone Lime	80	10	10	4/50	4/90	5/06
1,66,00,000	1,86,81,933	99,52,704	1,90,71,398	1,16,81,256	..	12	Dalmia Cement (Bharat) P.	12	12	100	13/37	13/44	13/06
2,50,00,000	3,94,43,463	94,05,545	5,54,170	65,02,100	4,94,598	3	Jaipur Udyog P.	8	8.36	10	10/50	11/00	11/00
30,00,000	89,55,197	56,55,899	6,48,783	21,48,526	25,499	12	Kumardhubi Fireclay & Silica P.	18	18	10	18/45	18/45	18/45
3,25,00,000	2,77,58,590	1,36,03,808	30,93,905	98,75,491	20,441	12	Orissa Cement P.	15	10	10	12/87	13/00	14/00
6,00,000	20,07,006	21,78,065	17,41,738	4,85,806	..	10	Reliance Firebricks & Pottery	15	10	10	22/75	22/75	22/75
75,00,000	63,53,090	32,78,500	2,04,361	16,83,364	7,167	12	Sone Valley Portland Cement	8	8	10	4/06	4/16	4/62
9,64,520	27,73,209	12,75,390	4,86,376	15,22,913	21,096	12	Sutna Stone & Lime	90	35	10	28/31	28/31	35/00

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	NAMES	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	27-5-64	20-5-64	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.			1961	1962	1963	Rs.	Rs.	Rs.
CHEMICAL INDUSTRIES													
62,00,000	8,04,72,738	2,26,33,273	3,46,012	1,10,87,234	5,671	9	Alkali & Chemical Corp. of (I)	15	15	15	26/87	27/25	33/19
2,48,00,000	17,39,281	15,681	11,245	—8,86,991	12	442	Bathgate & Co. Ltd. P.	Nil	..	..	0/84	0/84	0/84
15,00,000	76,41,344	68,84,605	21,11,440	18,06,053	1,30,717	8	Bengal Chemical & Pharm. P.	10	..	..	97/00	97/00	97/00
11,08,900A	..	..	..	..	..	..	Calcutta Chemical P.	18	18	..	18/69	18/69	17/87
15,00,000	36,34,102	22,82,883	19,49,050	12,04,892	2,560	2	Frank Ross P.	25	25	22 1/2	3/19	3/19	3/25
4,95,000	99,022	Nil	41,554	72,146	19,167	6	Smith Stanistreet P.	..	..	..	13/31	13/25	12/25
ELECTRIC LIGHTING, POWERS													
19,99,600	1,15,72,761	61,20,883	27,74,218	4,56,810	52,889	3	Agra Electric Supply	11	11	..	124/00	124/00	120/00

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares If any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	NAMES
Ra.	Ra.	Ra.	Ra.	Ra.	Ra.		1961 1962 1963	Ra.	27-5-64 20-5-64 A year ago	
MISCELLANEOUS										
8,00,000	3,65,800	2,09,907	5,89,590	1,44,140	2,623 10	85		10	5/90 5/90 5/90	A Firpo (Restaurateur)
93,75,000	5,89,85,976	2,48,84,621	3,09,108	30,58,004	11,965 3	132		10	11/50 11/51 12/87	Aluminium Corporation P.
20,00,000	42,23,258	16,50,000	53,38,477	4,16,437	11,325 12	382		10	11/50 11/50 11/50	Anderson Wright P.
30,00,000	16,96,720	44,23,928	21,81,874	26,48,673	2,17,061 8	268		10	23/44 23/44 21/72	Angelo Bros
30,00,000	20,74,660	33,58,937	16,15,347	24,27,878	12,842 12	114		10	26/37 26/37 28/75	Assam Match
13,99,998	20,06,639	20,17,850	6,814	1,70,203	94,397 9	348		3	2/69 2/69 2/50	Assam Saw Mills & Timber
1,18,00,000	54,61,855	98,34,917	67,73,791	53,69,644	7,978 8	391		15	22/00 23/00 23/31	Associated Battery
20,00,000	1,41,96,365	57,08,103	7,65,347	2,25,357	4,66,650 3	204		10	10/31 10/31 10/31	Associated Hotels of India P.
80,01,400	46,97,674	1,20,07,997	93,50,429	51,62,806	.. 12	396		25	256/00 256/00 241/00	Balmer Lawrie & Co.
12,00,000	5,51,865	1,22,902	6,77,227	10,64,446	.. 12	128		10	19/58 19/58 24/37	Bararee Coke
44,00,000	..	9,27,823	68,58,981	2,87,091	50,923 9	160		10	9/00 9/00 9/94	Birds Investments P.
68,85,530	1,16,23,032	83,79,866	8,27,110	86,51,567	6,999 3	150		30	38/00 38/00 41/62	Britannia Biscuit P.
2,25,00,000	71,55,454	2,19,19,061	1,50,51,719	1,34,25,907	2,53,254 12	33		7	9/50 9/50 8/75	British India Corporation P.
50,00,000	21,88,677	40,58,031	9,91,498	24,64,559	27,856 12	392		15	20/50 20/50 18/75	British Paints
5,00,000	8,83,781	1,85,739	1,54,429	2,63,717	5,201 3	213		10	6/94 6/94 7/15	Calcutta Silk Manufacturing P.
1,38,80,000	14,77,426	1,78,29,586	15,08,523	2,46,740 12	2			10	8/37 8/44 8/50	Clive Row Investment
90,00,000	24,68,979	1,27,43,000	1,98,66,116	35,58,709	2,42,095 12	189		10	33/00 33/75 33/37	Duncan Brothers & Co. P.
4,50,00,000	6,45,91,744	6,23,00,650	26,09,266	3,27,69,401	.. 12	96		100	137/00 137/00 147/00	Dunlop Rubber Co. (India) P.
27,56,355	1,31,99,222	1,76,30,095	24,30,790	1,30,50,837	12,604 3	116		10	25/50 25/50 28/00	Dyer Meakin (Breweries)
76,89,000	..	65,11,801	1,78,16,453	13,76,534	1,51,252 12	41		10	107/00 107/00 129/00	Eastern Investments P.
60,93,400	95,80,000	34,47,000	14,32,081	29,35,962	21,399 10	388		10	12/81 12/81 13/00	Electric Construction P.
30,00,000	28,94,553	27,23,508	19,90,832	15,65,118	2,10,371 3	51		20	31/75 31/75 35/12	French Motor Car
14,00,000	19,96,247	19,89,048	71,342	14,62,346	6,552 12	19		100	236/00 236/00 236/00	Ganges Rope
2,25,000	..	76,065	5,16,267	51,428	4,826 2	31		10	43/00 43/00 43/00	General Investment & Trust P.
65,00,000	31,77,135	58,42,190	1,57,05,100	30,47,005	18,471 3	105		10	15/12 15/12 13/50	Gillanders Arbuthnot & Co. P.
4,00,00,000	17,68,681	7,21,344	36,90,302	5,43,686	8,524 12	209		10	28/12 28/12 33/25	Gladstone Lyall & Co. P.
40,00,000	34,78,636	31,88,500	1,29,460	46,28,030	38,310 12	310		10	23/23 23/62 29/12	Godfrey Phillips (India) P.
30,00,000	43,74,366	17,66,560	1,60,432	1,09,512	794 3	225		250	236/00 236/00 241/00	Great Eastern Hotel
4,88,75,000	3,08,48,439	..	2,33,36,909	2,11,555	2,11,555 12	438		10	12/12 12/37 12/12	Hindustan Aluminium P.
8,07,66,250	5,43,03,252	3,24,89,610	4,52,97,214	3,50,00,432	3,043 3	22		10	17/12 18/09 16/62	Hindustan Motors P.
80,00,000	86,37,294	18,00,000	39,09,797	28,38,718	1,31,125 10	..		10	13/75 13/75 14/87	Hindusthan Pilkington
39,88,550	86,39,248	..	1,22,648	-12,14,232	-11,50,824 3	211		10	5/00 5/50 5/44	Hindusthan Tywford P.
85,20,000	23,35,537	16,00,000	24,48,098	3,91,986	86,500 12	294		10	12/50 12/62 13/94	Hoare Miller & Co.
15,16,00,000	8,60,23,900	10,67,60,544	1,25,08,131	4,46,29,511	2,29,429 3	325		10	9/69 9/31 10/44	Imperial Tobacco
6,00,44,460	13,31,09,332	5,02,72,374	1,30,56,534	3,74,31,246	4,12,610 12	293		10	28/87 30/06 33/87	Indian Aluminium P.
2,48,65,450	1,86,02,399	3,35,26,675	90,27,691	1,56,84,867	21,521 3	34		10	33/00 34/25 31/00	Indian Cable
3,64,00,000	5,80,31,205	2,05,01,886	32,59,129	1,40,40,263	35,587 9	366		10	23/23 23/62 29/12	Indian Oxygen
8,27,970	8,82,919	12,42,783	10,99,551	12,01,372	53,791 3	223		10	22/00 21/62 19/87	Indian Rubber Manufacturers P.
20,00,000	3,08,827	29,55,665	1,44,979	17,83,931	3,056 9	88		10	27/50 27/50 29/12	Indian Wood Products
79,78,310	81,32,468	22,85,500	6,19,214	21,27,050	17,347 12	63		10	12/75 13/00 14/19	Isaac Holdens
5,00,000	..	3,15,956	1,19,628	1,17,622	12,910 2	81		10	30/00 30/00 35/00	Investments and Finance P.
1,25,00,000	1,51,51,941	36,00,000	1,25,80,918	26,30,708	30,393 6	439		10	11/37 11/44 10/56	J K Synthetics
4,87,500C	2,28,843	..	5,88,284	-1,19,242	-1,18,804 12	281		10	2/75 2/75 2/75	James Wright P.
1,17,500D	..	..	..	..	..	..		10	00/43 00/43 00/43	Jardine Henderson P.
2,00,00,000	61,16,247	87,10,720	5,34,83,359	41,88,190	.. 3	39		10	72/00 72/00 86/50	Jay Shree Industries P.
87,46,630	1,62,75,000	73,74,126	6,46,513	37,33,228	18,455 12	22		10	14/31 14/41 16/06	Kesoram Industries P.
1,99,94,325	8,77,31,151	4,34,03,080	55,33,798	1,07,12,489	26,969 3	22		10	23/75 25/37 22/00	Macfarlane & Co.
6,34,000C	3,17,363	6,02,958	3,21,617	-14,078	..	..		10	4/87 4/87 7/00	Macneill & Barry P.
66,000Dd	1,07,01,720	99,81,347	2,91,71,046	33,69,977	43,205 12	334		10	1/94 1/94 2/31	Martin Burn Ltd P.
1,50,00,000	69,28,198	1,38,23,540	2,13,42,011	91,60,378	1,289 9	309		10	95/00 95/00 93/50	
1,47,12,250	..	..	..	..	..	..		10	26/37 26/25 25/62	
47,12,000	18,46,595	90,33,368	2,73,18,501	25,28,932	2,44,687 12	282		100	213/00 213/00 210/00	McLeod & Co. P.
1,61,00,000	2,76,53,533	2,38,95,151	41,04,252	1,23,59,734	38,785 3	167		10	30/62 30/62 49/87	Metal Box Co. of India P.
1,35,00,000	90,71,426	1,24,32,234	6,55,304	62,89,944	..	..		10	22/50 22/31 24/25	National Insulated Cable P.
30,00,000	23,68,847	36,90,300	12,33,457	30,79,310	19,484 9	7		10	25/81 26/06 27/25	National Pipes & Rubber P.
40,00,000	34,43,104	43,03,095	14,39,946	30,01,359	10,564 6	7		10	18/50 18/50 18/87	National Rollins & Steel Ropes
80,00,000	68,13,665	21,55,713	14,06,275	22,44,282	56,629 12	375		10	11/25 11/31 12/12	National Rubber P.
79,97,000	77,87,804	1,29,48,132	28,35,366	17,51,943	3,61,143 12	73		10	11/06 11/06 11/69	National Tobacco P.
23,31,800	1,014	13,02,891	9,90,509	6,26,960	40,378 12	35		75	54/00 54/00 65/00	New India Investment Corpn.

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares If any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Dividends per cent	Paid-up per share	Latest Market Quotations as available until	NAMES
Ra.	Ra.	Ra.	Ra.	Ra.	Ra.		1961 1962 1963	Ra.	27-5-64 20-5-64 A year ago	
MISCELLANEOUS (Contd.).										
60.00.000	6.27.241	59.20.402	91.23.845	14.28.049	24.342	12 321	7 7	100	27/75 26/00 26/12	Octavius Steel P.
2.20.00.000	2.57.91.597	1.13.85.086	37.59.800	1.65.57.208	43.297	12 364	12 13 15	10	22/62 22/62 22/62	Philips India
2.86.200	53.496	6.12.800	1.02.081	4.43.784	48.408	3 149	75 75 50	4	117/50 118/00 117/00	Publicity Society
1.25.00.000	1.04.34.519	67.80.570	1.53.00.153	73.34.623	5.962	8 332	84 84 10	100	10/75 11/00 11/37	Rallis India P.
5.00.00.000	7.93.37.818	3.87.81.885	1.16.91.228	1.22.07.255	4.305	8 335	10 8 9	10	7/69 7/62 9/06	Rontas Industries P.
94.27.380	6.55.68.835	..	14.04.497	1.60.253	37.513	9 12	.. ..	10	13/62 14/69 13/50	Sirsluk P.
1.35.00.000	2.41.71.538	86.99.991	20.94.175	11.62.162	4.301	9 376	8 8 Nil	10	15/62 15/62 14/81	Sea Raleigh Industries P.
75.00.000	1.02.89.547	55.43.000	1.78.35.987	41.86.452	6.57.492	12 278	15 74 ..	2	1/25 1/25 0/94	Shaw Wallace P.
3.00.000	3.33.174	23.169	..	17.483	1.739	12 111	24 ..	15	30/25 30/25 38/50	Spencers Hotel
2.80.00.000	5.43.90.903	3.80.54.275	42.48.951	2.68.66.630	1.93.008	12 301	18 123	10	2/97 2/94 2/37	Union Carbide
1.10.200PO	7.04.778	29.75.610	9.48.447	11.31.642	5.406	12 195	20 20 ..	10	3/19 3/15 3/69	Walford Transport
8.40.800C	..	..	..	..	..	..	30 30 ..	10	..	..
INSURANCE COMPANIES										
13.50.000	6.89.803	61.56.126	1.56.73.630	5.94.228	32.703	12 174	20 20 ..	5	10/00 10/00 10/25	Concord of India
24.00.000	1.43.152	95.20.456	1.36.84.067	17.38.669	20.229	12 248	264 264 ..	10	23/50 23/50 24/19	Hercules
32.00.000	27.24.852	1.56.73.464	2.30.92.019	30.35.783	..	12 58	131 151 ..	5	10/87 10/62 9/31	Ruby General
8.00.000	..	21.62.072	27.92.806	61.893	12.241	12 ..	.. ..	10	7/75 6/12 6/00	Standard General
5.75.000	7.133	77.12.554	1.05.52.159	10.09.738	..	12 59	50 50 ..	25	134/00 134/00 132/00	Triton
FLOUR MILLS										
12.00.000	4.12.000	31.52.123	9.74.078	13.79.503	..	12 24	25 25 30	10	32/50 34/12 34/25	Bengal
5.60.000	6.51.040	2.47.038	2.17.808	1.05.473	1.26.880	10 87	.. ..	10	14/00 14/00 14/00	Delhi P.
48.90.187	47.18.433	77.72.310	56.85.368	33.61.767	4.07.338	9 175	.. ..	124	13/00 13/00 15/75	Ganesh P.
9.00.000	4.53.646	4.52.302	8.883	2.19.375	32.614	12 236	Nil Nil ..	10	19/75 19/75 19/75	Hookhy
5.00.000	2.77.355	6.61.791	25.812	2.25.689	6.571	11 236	10 74 ..	10	27/81 27/81 27/81	United
OIL COMPANIES										
22.900.001	22.366.123	21.875.442	21.080.797	21.537.436	2188.520	12 249	134 13 1/3	1	sh.33/sh 34/9 sh.32/9	Attock Oil
294.062.159	228.669.445	226.020.826	218.296.989	224.063.315	21.241.331	12 62	114 121	1	sh.64/3 sh.66/3 sh.50/3	Burmah Oil P.
1.00.00.000	59.29.364	1.75.25.203	2.84.68.306	54.62.502	1.19.330	12 249	25 224	10	21/62 21/62 21/69	Indo Burmah Petroleum P.
6.00.000	3.08.556	9.90.737	3.38.958	5.47.290	23.403	10 2	35 35 35	10	33/19 33/19 25/25	Tide Water Oil
PAPER MILLS										
58.50.000	1.09.71.994	63.55.637	10.43.959	47.17.412	50.818	12 436	274 20	10	27/37 27/37 29/37	Bengal P.
88.20.000	1.16.27.906	90.40.934	1.10.010	40.65.122	28.615	3 2	13 12 15	10	21/12 19/44 17/44	India Paper Pulp
1.90.87.250	6.87.00.000	57.39.270	1.08.97.843	1.40.08.528	93.457	8 23	224 224 20	10	34/10 35/60 33/60	Orient Paper P.
1.25.51.920	3.84.89.768	1.77.04.218	90.74.618	1.15.62.333	73.294	12 140	17 6/7 17 6/7	10	24/87 25/06 23/37	Shree Gopal Paper P.
2.73.19.050	4.28.25.108	94.29.176	63.90.889	2.93.680	1.08.791	8 23	84 84 5	10	11/37 11/19 11/87	Sirour P.
1.00.00.000	4.04.77.968	8.52.085	2.98.345	34.96.055	10.37.344	9 36	Nil Nil Nil	10	9/06 9/06 10/00	Star Paper P.
1.00.00.00A	..	..	..	..	..	..	13 13 13	10	3/31 3/31 3/70	..
4.37.50PO	..	..	..	..	..	..	20 10 10	10	13/97 14/19 16/21	Titaghur P.
50.00.000AO	4.87.90.174	3.15.32.295	20.74.443	—20.620	15.112	8 106	20 10 10	10	13/97 14/19 16/21	..
56.04.80PO	..	..	..	..	..	..	20 10 10	10	13/97 14/19 16/21	..
1.50.00.000C	4.95.97.051	65.00.000	1.73.732	58.44.196	17.196	6 873	74 ..	100	158/00 158/00 160/50	West Coast P.
PRESSING COMPANY										
4.30.000	1.81.531	1.45.000	5.34.786	65.294	24.928	7 326	11 ..	100	100/00 100/00 104/00	Camperdown
REAL PROPERTY STORAGE										
10.00.000A	..	..	..	..	..	..	..	..	..	..
1.25.000B	14.69.599	8.53.120	8.54.870	1.24.262	8.212	4-10 73	8 8 9	100	128/00 128/00 132/00	Bengal Bonded Warehouse
2.00.000C	..	..	..	..	..	..	..	..	..	..
25.000D	..	..	..	..	..	..	..	..	..	..
7.42.150	11.68.346	4.23.135	33.823	61.259	8.142	5 8	.. ..	100	7/37 7/37 7/37	Calcutta Safe Deposit
1.00.00.780C	19.85.068	9.01.590	13.43.272	3.61.779	1.33.593	9 432	.. ..	100	11/00 11/00 11/00	Humayan Properties P.
2.00.000FD	..	..	..	..	..	..	.. ..	100	2/1 2/10 2/1	..
79.90.000	8.080	Nil	13.10.942	—74.850	—19.01.272	4 2	Nil Nil-Nil	Nil	18/00 18/00 10/50	Midnapore Zemindary P.
TRAMWAYS & STEAMER										
20.00.000	40.37.049	33.73.558	9.90.121	5.76.314	54.558	10 8	74 10	100	128/00 128/00 132/00	Bengal Assam Steamship P.
5.25.000	4.66.763	7.61.818	9.53.643	79.944	17.786	10 59	74 22 6	10	19/81 19/81 34/00	Calcutta Landing & Shipping
12.60.000	47.23.178	14.01.984	1.02.898	63.719	—11.281	4 40	Nil Nil Nil	10	7/37 7/37 9/87	Calcutta Steam Navigation
2700.000	23.889.537	21.565.916	2315.682	2153.252	2.006	12 35	5 5 5	5	10/25 10/25 10/25	Calcutta Tramways P.
8.04.880	6.97.987	6.56.706	33.440	1.25.088	—637	8 139	.. ..	10	8/94 8/94 10/00	Fraser & Co
2.655.580	21.970.808	2.432.556	2.419.913	—230.988	—234.854	8 631	.. ..	10	42/00 42/00 51/00	India General Nav. & Railway P.
4.47.50.000	15.60.63.417	1.87.29.564	1.17.13.241	—30.42.988	..	8 291	Nil Nil Nil	10	6/00 6/44 8/50	India Steamship P.
14.08.222	13.34.804	74.870	1.251	—62.391	—4.00.480	12 ..	Nil ..	10	14/25 14/25 12/40	Port Shipping

BOMBAY COTTON MILLS

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

Paid-up Capital Ordinary	Number of Spindles Looms	Net Block Account	Reserve & other Funds	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Dividends per cent	Paid-up Share	Latest Market Quotations as available until	NAMES
Rs.		Rs.	Rs.	Rs.	Rs.	Rs.		1961 1962 1963	Rs.	26-5-64 19-5-64 A year ago	
40,00,000	48,652	1,016	1,28,56,156	46,70,828	20,69,878	10,39,741	26,620	..	269	140/00 140/00 170/00	Ahmedabad Advance P.
50,00,000	48,274	896	20,17,010	9,99,960	10,78,394	1,49,501	2,24,486	12	229	1 1/2 1 1/2 1 1/2	Apollo
40,00,000	41,135	980	43,32,511	11,42,781	4,76,501	1,42,728	..	..	350	131/00 131/50 76/00	Beharilal Ramcharan
2,50,98,000	2,03,942	4,911	5,87,37,535	3,82,76,018	47,87,842	62,56,837	67,586	12	199	56/60 57/20 61/50	Bombay Dyeing, etc.
10,00,000	35,052	948	32,07,718	34,59,612	10,89,180	1,37,996	..	..	262	145/00 145/00 150/00	Bradbury P.
1,27,75,700	1,18,296	2,662	1,98,32,541	1,28,61,466	25,80,079	80,68,350	9,53,942	12	22	601/00 607/00 560/00	Century
46,87,500	1,15,186	2,062	2,99,18,629	10,75,722	15,14,712	3,59,283	-40,19,702	6	268	90/00 88/00 102/00	Central India P.
28,00,000	24,916	719	37,34,829	32,52,434	1,01,654	1,46,028	1,28,161	3	68	169/50 170/00 140/00	Coorla
34,00,000	43,512	..	32,97,504	29,03,230	5,19,244	23,98,267	2,06,873	12	262	152/50 152/00 142/00	Dawn
29,98,050	49,164	920	74,35,701	43,13,002	1,86,928	-9,41,132	-9,38,834	12	260	303/00 307/00 325/00	Edward Textiles
50,00,000	47,700	886	1,32,62,451	48,56,520	2,59,088	4,04,302	5,844	12	59	97/00 98/00 99/00	Elophinstone P.
50,00,000	63,212	784	85,32,656	11,62,452	16,384	4,09,432	37,155	12	241	102/00 100/00 115/00	Finlay
39,04,700	77,966	..	19,75,309	43,25,176	23,64,706	12,85,523	85,195	12	56	182/00 180/00 164/00	Gokak
12,00,000	40,856	1,116	64,14,508	68,13,238	10,75,932	4,27,954	5,195	3	305	950/00 950/00 810/00	Hindoostan
2,00,00,000	2,48,870	6,498	4,41,45,022	3,84,70,022	31,82,628	1,32,22,197	5,89,816	12	15	21/40 21/80 23/00	India United
90,00,000	47,824	1,202	75,60,490	61,57,161	4,26,274	..	..	3	305	2/60 2/60 2/52	Indian
50,00,000	50,074	1,426	74,72,293	26,00,000	26,71,578	4,52,532	8,880	12	103	250 870/00 870/00 761/25	Indore Malwa United
59,85,000	65,260	1,514	1,07,21,545	82,79,165	25,00,707	74,87,297	38,751	6	149	181/25 182/50 430/00	Khatav Mankaji P.
1,00,00,000	1,20,504	1,846	1,76,50,904	1,36,17,072	20,69,195	65,91,664	9,095	12	146	318/50 333/50 315/00	Kohinoor
69,60,000	49,880	1,369	1,26,36,356	62,49,272	7,11,717	21,74,041	-10,80,896	12	63	92/50 100/00 95/00	Lakshmi Vishnu P.
51,75,000	71,652	1,620	2,44,04,458	78,75,201	1,68,667	33,39,748	..	6	104	270/00 286/00 435/00	Morarijee Goculdas P.
39,68,250	50,480	500	55,13,433	39,56,794	23,08,037	2,05,250	..	2	261	37/00 38/50 47/00	Mysore Spg. & Mfg. P.
24,00,000	45,944	432	23,52,760	1,45,700	10,79,000	15,67,753	8,456	12	..	188/75 188/75 142/50	New City of Bombay
30,00,000	46,884	1,029	22,27,098	25,72,444	27,32,568	12,48,697	153	12	..	178/00 178/00 207/00	New Great Eastern P.
48,00,000	54,244	728	53,94,222	35,02,894	1,54,21,573	21,027	..	20	..	224/00 222/00 206/00	Phoenix
10,00,000	9,520	277	13,17,604	2,78,222	9,963	3,22,456	-1,07,771	12	257	11/00 11/00 11/76	Sassoon & Alliance
75,00,000	96,488	2,127	2,21,73,468	1,58,87,542	13,77,729	28,73,996	3,192	12	339	36/25 36/25 48/00	Sassoon Spinning
60,48,000	49,840	1,250	1,34,95,513	34,48,460	1,44,640	22,79,548	24,574	3	379	122/00 122/00 130/00	Simplex
1,00,00,000	77,436	1,640	1,62,20,494	86,36,207	95,49,874	35,49,582	51,723	12	327	245/00 248/00 239/00	Shree Niwas P.
1,00,00,000	65,040	2,000	1,96,83,714	1,42,81,829	24,73,107	35,08,617	8,176	12	269	251/00 237/50 248/00	Svadeshi P.
36,00,000	40,328	549	46,94,838	71,78,334	7,774	4,20,551	26,092	12	341	275/00 275/00 300/00	Swan
65,57,675	63,248	1,800	2,12,86,475	1,12,83,538	11,32,192	20,80,953	1,422	12	268	54/50 53/50 57/50	Tata
12,00,000	45,568	1,308	62,07,441	12,11,833	31,81,227	52,10,985	8,027	3	205	850/00 850/00 785/00	Western India

* 1962

BOMBAY MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares If any	Cash & Securities	Net Profits including Taxation	Carry forward	Accounts closed	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	NAMES
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	3 267	1961 1962 1963	Rs.	26-5-64 19-5-64 A year ago	
CEMENT										
19,06,68,750	28,49,18,158	12,76,85,323	5,86,09,991	5,14,17,638	68,243	7 03	12 12 12	100	150/75 150/75 143/50	Associated Cement
ELECTRIC LTG POWER										
8,74,77,100	11,61,05,785	1,36,05,785	30,82,878	78,42,903	638		6 5 8	100	96/00 96/00 91/00	Ahmedabad Electricity
9,02,77,000	9,34,77,781	1,23,89,917	32,52,570	52,28,395	36,154	3 146	5 5 5	1000	1,062/50 1,055/00 1,002/50	Andhra Valley Power P.
1,75,00,000	3,95,16,553	1,21,07,263	17,22,888	38,87,421	3,370	3 267	8 8 8	100	105/00 104/50 99/00	Bombay Suburban Elec.
2,39,99,975	7,17,76,350	1,39,56,841	51,65,971	60,68,808	27,536	3 146	5 5 5	100	112/25 112/00 104/00	Tata Hydro Elec. Power P.
6,15,36,000	17,59,03,832	3,61,11,341	57,28,753	1,22,80,113	29,938	3 267	5 5 5	1000	1,020/00 1,117/50 1,045/00	Tata Power P.
ENGINEERING & METAL										
33,42,200	17,06,292	44,16,374	1,54,08,311	5,70,666	1,35,820	12 268	22 1/2 1/2	100	290/00 291/00 310/00	Alcock Ashdown
14,75,050	7,99,713	4,61,618	2,25,568	-24,763	-33,604	3 115	10 10 10	50	47/00 47/00 98/00	Jost's Engineering
1,65,00,000	1,36,83,136	1,15,74,779	1,09,19,945	48,29,564	11,973	3 351	18 14 14	10	22/24 22/56 23/24	Larsen & Toubro P.
11,00,000	1,03,70,225	3,45,914	..	..	1,016	7 283	12 14 14	100	135/00 135/00 150/00	Mckenzie
2,50,000	5,834	1,00,53,052	1,79,52,042	3,35,178	59,102	12 284	33 1/3 1/3	300	168/00 168/00 143/00	Premier Construction P.
1,31,250	..	..	..	..	..	..	14 14 14	31	274/00 280/00 291/00	Tata Eng. & Locomotive P.
1,99,97,300	17,30,38,016	5,09,28,017	13,84,385	3,61,61,616	14,962	3 269	10 10 10	100	146/50 147/75 136/50	Tata Iron & Steel P.
97,55,67,699	1,03,32,39,005	42,98,94,270	10,44,14,245	10,55,68,012	32,096	3 269	10 10 10	750	..	..
INSURANCE COMPANIES										
20,00,000	..	23,84,913	95,96,033	4,24,629	1,18,606	12 297	.. ..	10	12/48 12/48 11/52	British India General
18,74,940	25,01,134	2,88,61,165	2,61,49,442	38,951	4,85,316	12 346	.. ..	15	7/00 7/00 9/00	Juniper General P.
1,42,42,125	23,46,782	3,60,68,899	3,41,74,741	92,81,240	44,28,397	12 179	.. ..	38	49/75 50/50 61/00	New India
15,99,270	..	29,41,860	59,86,789	6,05,803	3,81,242	12 255	20 ..	20	15/84 15/76 15/52	Vulcan
MISCELLANEOUS										
70,49,850	41,70,604	1,23,53,608	1,09,82,038	67,94,850	3,00,263	9 42	50 ..	58	200/00 203/00 185/50	Belapur Sugar
1,83,50,000	3,34,19,072	2,76,00,447	1,67,73,491	1,13,92,935	2,25,985	3 285	33 33	35-1/5	57/80 57/80 66/00	Bombay Burmah Trading
84,00,000	6,05,91,322	4,82,83,719	47,53,062	4,30,51,407	..	12 91	26 12	14	44/50 45/50 36/50	Hindustan Lever
8,24,36,000	13,82,957	20,08,796	1,44,31,515	6,97,490	30,418	12 299	6 6 6	6	32/50 32/00 36/50	Industrial Invt. Trust
99,99,250	3,754	20,08,796	1,44,31,515	6,97,490	30,418	12 299	12 12 12	12	77/00 77/00 68/50	Kemp (Chemists)
11,99,900	13,82,957	20,08,796	1,44,31,515	6,97,490	30,418	12 299	.. ..	22	260/00 260/00 305/00	National Rayon
11,27,98,680	7,40,36,031	2,03,71,181	27,33,067	1,69,61,608	4,41,151	12 352	.. ..	12	358/00 363/50 362/00	Scindia Steam Naviga.
21,00,000	25,28,005	1,58,24,447	11,18,98,882	48,75,907	2,82,649	12 198	.. ..	22	14/40 14/78 18/00	Shivrajpur Synd.
3,02,33,815	47,55,927	1,58,24,447	11,18,98,882	48,75,907	2,82,649	12 198	8 8 8	3	17/32 17/40 15/32	Tata Chemicals P.
1,05,05,475	6,32,84,424	1,44,04,272	3,17,297	-3,40,349	-23,63,858	12 146	Nil Nil Nil	10	14/76 14/48 18/00	Tata Oil P.
2,55,00,000	2,21,88,319	1,25,42,586	22,87,449	89,88,449	3,923	6 269	6 6 6	10	17/32 17/40 15/32	Volta
1,75,00,000	1,37,35,974	3,04,27,137	85,38,891	1,78,87,313	1,187	3 269	23 23 23	25	58/50 59/60 60/00	Western India Match
	2,71,29,042	2,32,60,865	1,47,82,908	1,39,56,381	82,645	12 274	16 16 16	100	241/00 250/50 261/00	

SOUTH INDIA PLANTATION COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Outturn and Average Price realised for crop	Net Profits	Accounts closed	Dividends per cent	Paid-up per share	Latest Market Quotations as available until	NAMES			
Rs.	Rs.	Rs.	Lbs.	Rs.	Rs.	1960	1961	1962	Rs.	Rs.	Rs.	A year ago Rs.
75,000	16,06,067	1,50,000	1,992	7,996cwt	9.68	1,19,757	3	401	Amalgamated P.	10	10/01	10/36
50,000	12,57,795	3,72,253	878	1,12,000	1.48	70,011	12	402	Anandam P.	15	14/50	15/24
25,000	6,09,131	1,50,000	402	1,28,902	1.47c	3,501	2	403	Athimattam	Nil	1/20	0/80
10,98,990	13,96,078	4,83,841	1,630	225,168	4.34	4,11,296	3	287	Baianoor P.	15	12/37	12/00
8,00,000	3,94,072	2,05,000	314	1,07,785	3.2	1,11,970	5	404	Balmadies P.	7 1/2	1/80	1/90
47,32,230	13,36,714	2,36,253	977	1,59,331	1.65c	53,110	6	270	Be Be P.	Nil	2/25	2/15
44,00,000	1,23,45,152	25,11,425	1,329	8,53,764	4.81	12,37,848	6	141	Blue Mountain	12 1/2	10-10*	2/22
14,00,100	27,96,388	14,46,380	4,586	8,36,263	3.15	6,16,055	20	210	Chembra Peak	20	2/37	3/73
20,91,279	48,15,737	19,60,914	8,054	11,05,303	..	8,80,694	20	210	Cochin Malabar P.	17 1/2	4/62	5/85
22,50,000	39,31,709	30,58,661	2,710	19,48,320	..	8,71,249	6	405	Coffee Land P.	..	6/40	17/65
7,55,000	1,15,74,494	63,44,278	7,001	60,81,120	..	25,60,567	20	406	Consolidated Coffee P.	..	17/65	17/65
8,66,730	21,85,500	13,90,424	441	4,52,382	2.25	56,592	17 1/2	17 1/2	Coonor P.	17 1/2	22/00	17/00
											17/57	18/50
4,80,000	10,36,448	4,76,798	432	3,53,888	1.52	1,19,880	3	407	Coorg P.	20	4/85	4/45
6,00,000	11,82,508	2,17,761	1,026	1,57,785	1.47	46,942	3	12	Cottanad Plantation P.	10	9/50	9/50
6,00,000	8,89,831	4,80,155	345	3,25,310	2.96	1,25,313	12	212	Jeevasnola (Nilgiri)	10	24/08	24/92
6,74,650	9,14,944	3,31,040	450	1,38,386	4.26	1,36,712	3	287	Devon P.	15	6/15	11/96
7,50,000	3,38,952	1,26,500	197	1,12,934	2.66	28,121	12	408	Emerald Valley	..	6/15	6/35
4,50,000	3,64,462	20,000	278	82,830	..	40,423	12	409	Gokul	10	13/25	2/00
25,00,000	42,82,160	17,77,500	1,465	17,21,550	2.04	2,13,414	12	410	Haileyburia P.	15	5/90	13/25
11,85,700	28,02,058	10,77,705	1,528	9,59,804	1.87	3,60,461	2	402	Kailas	22 1/2	5/97	5/55
6,00,000	11,83,359	8,86,159	465	9,52,200	4.64	14,87,77	3	210	Kailasa Tea Produce	20	2/46	4/10
27,17,076	27,90,278	9,40,446	741	4,46,673	6.17	5,88,691	10	210	Kil Kotagiri P.	25	2/47	5/35
5,00,000	9,11,259	1,21,604	267	306,757	2.31	96,485	12	203	Lucky Valley	10	12/50	12/50
13,50,000	17,31,286	4,85,241	1,691	6,70,174	1.48	2,08,136	3	411	Malankara	15	16/37	15/56
40,50,000	74,75,217	14,33,242	4,013	740,800	4.47	13,89,961	3	270	Midland Rub. & Prod P.	12 1/2	11/00	10/80
14,06,250	33,53,804	1,45,346	1,587	9,98,596	2.90	1,60,000	3	402	Nilgiri P.	8	9/10	8/99
28,10,000	24,28,291	11,02,621	1,057	7,29,102	2.92	16,62,532	2	14	Nonsuch	20	22/20	21/80
6,00,000	7,07,991	3,71,464	510	1,35,230	..	1,41,776	3	210	Ossoor	15	2/45	2/56
19,45,980	34,53,670	25,53,533	1,498	4,77,573	4.84	6,27,924	10	210	Oucheriony	13	3/45	3/65
14,88,969	27,02,359	17,22,983	679	13,10,647	2.74	7,70,117	6	203	Parkside Neilgherry	27 1/2	25/73	24/00
17,00,000	27,36,576	12,82,318	1,563	10,83,565	4.20	11,29,338	12	9	Peermade P.	22 1/2	21/25	21/87
6,00,000	1,90,316	3,35,530	1,167	1,83,298	1.50	1,65,244	2	289	Peninsular	20	10/25	20/70
97,94,880	78,72,019	20,58,711	2,074	23,46,900	3.88	13,16,964	3	210	Periaramalai	13 1/2	3/48	2/82
13,50,000	48,44,469	13,58,959	952	845,000	3.16	8,05,161	6	270	Rajagiri Rub. & Prod P.	20	21/50	18/25
2,00,000	3,14,567	1,53,963	711	3,320cwt	1.32	1,18,791	8	412	Ralendra P.	25	10/42	9/80
1,25,000	1,80,373	15,000	216	..	..	43,141	3	413	Swinton	12 1/2	2/68	2/82
10,00,000	20,71,084	2,48,373	1,454	4,30,695	1.51	63,263	3	172	Teekoy P.	Nil	6/60	6/10
9,15,300	13,14,493	10,90,000	2,227	2,45,549	3.76	1,27,943	9	210	Thirumbadi	7	1/65	1/50
40,00,000	6,51,402	46,742	1,307	2,23,794	3.21	90,950	12	414	Travancore Rubber	13	11/75	10/50
41,00,000	72,65,801	12,63,584	2,535	12,19,484	..	10,61,172	12	9	Travancore Rub & Tea P.	9	9/20	8/90
40,00,000	33,48,701	1,38,000	3,028	6,38,402	1.00	2,02,782	12	271	Travancore Plantation	8	21/25	19/75
16,75,000	24,78,11	16,00,000	1,267	9,83,293	2.16	1,00,000	12	410	Tropics	10	8/55	8/75
61,53,820	30,03,223	17,04,089	3,638	8,28,976	1.11	12,85,658	8	250	Unitec Nilgiri	21	23/22	20/34
8,20,010	9,26,839	2,82,051	952	4,94,400	6.50	2,20,096	12	415	Valkundam	31	35/10	29/45
47,25,000	78,06,431	21,33,763	2,214	13,41,277	3.77	15,22,472	6	157	Waterlaid Estates P.	12 1/2	2/30	2/18
7,95,000	12,64,608	6,33,454	971	1,65,429	1.78	88,225	3	418	Woodland P.	10	6/80	7/85

SOUTH INDIA SUGAR MILLS

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net profits	Carry forward	Accounts closed	Mg. Agents, Secretaries, etc.	NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
									1960	1961	1962		26-5-64	18-5-64	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.							Rs.	Rs.	Rs.	Rs.
30,00,000	62,64,264	26,55,000	5,52,400	10,92,779	22,959	9	417	Andhra P.	..	..	..	10	13/79	13/79	17/36
40,00,000	80,62,883	12,61,424	1,58,472	13,46,266	1,40,987	6	218	Cauvery P.	6	8	..	100	100/00	100/00	106/00
39,84,000	80,95,449	50,28,500	10,91,223	29,00,521	9,587	5	218	Deccan Sugar	25 1/2	12	18-18*	5	11/52	11/52	9/40
£1,127,700	£3,463,073	£2,075,782	£414,795	£648,473	£21,999	9	319	E.I.D.-Parry	21 3/7	21 3/7	28 3/7	£1	35/00	35/50	37/75
63,97,650	39,62,680	15,44,848	64,64,375	12,35,437	69,501	9	418	Indian Sugar P.	14	10	8-8*	10	8/87	8/87	9/69
12,45,572	122,66,623	18,99,861	1,51,052	5,99,416	2,090	6	419	Jeyapore P.	8	..	..	10	16/50	16/50	15/00
10,52,200	2,87,27,773	1,23,75,000	31,53,982	20,76,426	91,745	6	420	K. C. P.	..	..	..	10	24/00	24/00	24/50
79,98,000	1,40,86,784	Nil	3,14,482	-16,486	-1,26,762	6	141	Kothari	Nil	Nil	Nil-Nil*	10	6/60	6/80	7/40
21,79,280	69,98,956	1,19,98,416	46,28,924	1,22,390	4,559	6	264	Mysore	30	30	30-30*	10	28/33	28/33	51/30
30,00,000	35,93,381	11,41,006	10,12,037	4,88,902	1,46,735	4	218	Travancore P.	10	..	..	10	7/20	7/20	7/25
25,00,000	45,92,397	91,28,520	73,43,307	34,22,332	..	3	320	United Breweries	60	60	23-Nil*	10	33/00	33/00	85/00

* 1963

SOUTH INDIA MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net profits	Carry forward	Accounts closed	Mg. Agents, Secretaries, etc.	NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
									1960	1961	1962		26-5-64	18-5-64	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.							Rs.	Rs.	Rs.	Rs.
1,00,00,000	86,99,116	39,83,750	10,36,603	19,80,945	1,52,818	3	421	Aluminium Industries	13	..	..	10	19/72	20/15	17/00
71,03,270	81,97,867	9,97,508	8,37,425	14,43,157	2,172	12	16	Andhra Cement P.	10	10	10-9*	10	10/00	10/00	10/20
3,02,67,658	1,59,93,383	25,63,610	1,84,694	30,01,343	20,076	12	422	Ashok Leyland	8	..	..	5	6/79	6/98	7/46
1,00,00,000	17,47,081	49,33,435	2,75,867	19,86,813	4,39,222	12	423	Binny	12 1/2	..	..	100	271/60	271/60	327/17
7,50,000	5,45,587	56,538	41,650	93,226	-1,46,143	12	270	Brunton & Co.	..	..	..	10	4/80	4/80	5/10
24,99,000	40,82,511	3,52,644	62,051	3,35,186	4,610	12	424	Enfield P.	5	..	..	10	10/87	10/87	9/25
2,24,44,750	3,21,08,642	66,66,496	73,60,475	51,28,679	1,38,608	3	425	India Cement P.	11	9	12	5	5/53	5/52	5/60
23,82,732	16,92,196	2,50,222	93,924	2,16,808	2,977	12	230	Indian Steel Rolling P.	..	..	..	10	10/00	10/00	10/40
1,40,00,000	1,39,97,059	37,48,801	36,09,251	29,82,180	11,631	3	253	Mettur Chemical Industries P.	12 1/2	12 1/2	13 1/2-18 1/2†	10	13/25	13/30	11/37
24,81,220	12,69,939	10,47,778	17,48,674	8,48,641	8,514	3	233	Mysore Chem. & Fert.	10	10	..	10	7/87	7/87	9/75
8,00,000	5,20,889	4,52,189	2,18,413	2,33,791	85,187	3	151	Mysore Chemical Mfgs. P.	20	..	..	10	16/70	16/70	17/75
6,56,250	5,13,585	9,38,696	6,374	1,23,899	3,146	3	426	Mysore Lamp P.	20	..	..	10	30/00	30/00	34/10
25,00,000	55,50,342	37,12,500	2,43,664	14,29,395	36,693	3	226	Mysore Paper	15	15	..	10	12/40	12/40	13/80
10,00,000	7,56,329	3,16,884	29,32,342	7,422	622	3	201	Mysore Tobacco	..	..	..	10	12/00	12/00	9/85
10,00,000	6,54,848	8,02,000	2,60,194	4,84,835	1,51,607	3	218	Parry's Conf.	30	..	..	1	2/98	3/00	3/24
40,00,000	82,50,079	1,03,14,883	40,58,627	23,52,432	10,74,117	6	221	Spencer (Provisions)	18	18	18	10	21/65	21/75	21/50
47,00,000	86,53,610	20,65,000	51,902	7,85,966	3,899	12	427	Standard Motors P.	9	..	..	10	10/12	10/12	11/81
11,56,300	5,95,547	14,04,007	16,66,624	4,19,707	41,732	9	7428	T. Stanes P.	32 1/2	..	..	10	30/50	26/70	29/05
39,84,400	42,58,650	13,07,759	26,027	6,92,616	932	4	429	Textool	15	..	..	100	142/50	142/50	156/00
2,50,00,000	4,24,61,684	2,14,79,630	72,21,483	85,33,091	50,510	7	430	Tube Investments	10	10	10-10†	100	201/00	210/00	235/00

† 1963

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Accounts	Reserve & other Funds	Net Earnings	Carry Forward	Accounts closed	Mg. Agents, Secretaries, etc.	NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
								1960	1961	1962		27-5-64	20-5-64	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.							Rs.	Rs.	Rs.	Rs.
17,24,000	18,02,732	12,576	-2,52,424	..	3	165	Ahmedpur Katwa	1.90	1.90	1.75	100	24/87	24/87	29/00
21,69,300	34,93,819	6,11,706	3,03,621	2,918	3	32	Arrah Sasaram	5	5	5	100	31/62	31/62	27/00
34,00,000	35,33,840	21,816	-4,66,034	..	3	165	Bankura Damoodar	1.90	1.90	1.75	100	24/87	24/87	27/25
17,80,000	20,25,854	10,772	-3,07,176	..	3	165	Burdwan Cutwa	1.90	1.90	1.75	100	24/87	24/87	29/00
31,00,000	28,10,290	44,296	1,72,713	1,480	3	32	Chaparmukh-Silghat	2.90	2.90	2.80	100	35/00	35/00	35/00
4,75,000	1,48,268	5,33,369	1,35,796	3,691	3	296	Cherra Chhatrak Ropeway	9	12	12	5	4/62	4/62	5/75
2,47,650	2,26,169	59,790	42,389	4,003	3	101	Darjeeling Ropeway	..	..	..	10	8/50	8/50	8/00
40,00,000	49,60,137	14,51,000	19,14,361	35,951	3	335	Dehri Rohtas	1.70	2.0	1.5	10	11/75	11/75	13/75
11,49,700	15,85,943	8,500	59,013	1,489	3	32	Putwah Islampur	1.90	1.90	1.90	100	28/70	28/70	28/70
16,00,000	49,13,938	13,57,712	1,70,485	3,022	3	32	Howrah Amta (P)	6	5	4 1/2	100	34/00	34/00	40/50
6,00,000	13,66,352	5,14,980	62,731	4,225	3	32	Howrah Sheekhala	6	5	4 1/2	100	39/00	39/00	45/00
5,91,100	11,74,348	15,024	73,560	160	3	165	Katakhal Lala Bazar	3.50	3.10	1.90	100	41/00	41/00	41/00
15,00,000	60,91,311	18,08,821	1,11,807	5,893	3	32	Shahdara (Delhi)	6	3	..	100	62/00	62/00	40/50

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

1. Anderson Wright Ltd.—7, Wellesley Place Calcutta.	58. Cowasjee Jehangir & Co., Ltd.—Ready Money Mansion, Churchgate Street, Fort Bombay.	116. K. G. Khanna—Solan Brewery (H.P.), Delhi.	174. N. M. Cole—8, Clive Row, Calcutta.
2. Andrew Yule & Co., Ltd.—8, Clive Row Calcutta.	59. N. K. Jalan—Kamini Chamber, 32, Nicol Road, Ballard Estate, Bombay.	117. Hari Sons—Avlur (Cochin State).	175. Satya Narain Gupta—Subzimandil, Delhi.
3. S. N. Beri—6, Middle Road, Hastings, Calcutta.	60. Chandrie & Co., Ltd.—Madras.	118. Hormusjee Sons & Co.—605, Girgaum Road, Dhobi Talao, Bombay-2.	176. Moton & Co.—Maung Pauley Street, Rangoon.
4. Hazareemull, Heeralall—148, Cotton Street Calcutta.	61. Bagaria More Co., Ltd.—5 Clive Row, Calcutta.	119. Ramnarayan Sons Ltd.—Bombay.	177. H. B. Marshall—1, Humayun Place, Calcutta.
5. Amritlal Ojha & Co., Ltd.—"Security House" Netaji Subhas Road, Calcutta.	62. Dayaram & Sons—9, Old Court House Street, Calcutta.	120. Industrial Financing Co.—63, College Street, Calcutta.	178. Madura & Co. Ltd.—Cochin.
6. Alcock, N. C.—Hultsdorf Mills, Colombo.	63. Duncan Brothers & Co., Ltd.—31, Netaji Subhas Road, Calcutta.	121. Imperial Chemical Industries (India) Private Ltd.—34, Chowringhee, Calcutta.	179. A. D. Shroff—New India Assurance Bldgs, Mahatma Gandhi Road, Fort, Bombay.
7. Associated Industrial Development Co. (Private) Ltd.—"Nico House", Hare Street, Calcutta-1.	64. Dutt Thomas & Co.—2 and 3, Clive Row, Calcutta.	122. Indra Singh & Sons Private Ltd.—7, Wellesley Place, Calcutta.	180. Matatalal Gagalbhai & Sons—Rustam Bldgs, 29, Churchgate Street, Fort, Bombay.
8. Agarwala, S. L.—Indian Insurance Building, Old Cantonment Road, Dehra-Dun.	65. Dass Bros.—29 and 30, Strand Road, Calcutta.	123. Hari Brothers Private Ltd.—Scindia House, New Delhi.	181. Murphy C.—Rampart Row, Fort, Bombay.
9. Aspinwall & Co. (Travancore) Ltd.—Chavadi Parambu North Commercial Canal Road, Alleppey.	66. A. K. Das—15, Netaji Subhas Road, Calcutta.	124. R. Raja Rao—Honnawal Road, Shimoga.	182. Menta Chundilal V. & Co., Ltd.—Queen's Mansions, Prescott Road, Bombay.
10. Aryan Planter Agency—P-12, Chowringhee Square, Calcutta.	67. Day, P. E.—Anderson's House, Bishopsgate, London, E.C.2.	125. Iyer, I. R. Anantharam & Bros. Ltd.—Pushpagiri, Trichur.	183. Sir V. N. Chandavarkar—Standard Buildings, Hornby Rd, Fort, Bombay.
11. Allum Bharucha & Co.—214, Hornby Road, Bombay.	68. Hari Brothers Private Ltd.—Scindia House, New Delhi.	126. N. Sirur & Co. Private Ltd.—70, Forbes Street, Fort, Bombay.	184. Mysore Industrial Development Co.—43, Gandhinagar, Bangalore City.
12. Associated Planters Private Ltd.—25, General Patters Road, Madras.	69. Dadabhoi, Sir M. B.—Kampte Road, Civil Lines, Nagpur.	127. J. P. Hannay—2 Metcalfe St., Calcutta.	185. Mascarenhas B. M.—Platform Road, Bangalore City.
13. Antony M. K.—Alleppey.	70. N. D. Bangur—14, Netaji Subhas Road, Calcutta.	128. S. S. Bhimwal—7, Chowringhee Road, Calcutta.	186. Naidu, G. Kuppaswamy & Co.—Pappanalkenpalayam, Coimbatore.
14. Harrison and Crossfield Ltd.—Cochin.	71. B. C. Roy—Hindusthan Buildings, 4, Chittaranjan Avenue, Calcutta.	129. Jain, N. K. & Co. Ltd.—"Devashram", Arrah, Shahabad.	187. Best & Co. Ltd.—The Hyderabad Laminated Products Ltd., Secunderabad-3.
15. Agarwal & Co.—E. D. Sassoon Building, Douglas Road, Ballard Estate, Bombay.	72. Duffs, J. C. & Co., Ltd.—National Bank Buildings, Netaji Subhas Road, Calcutta.	130. J. K. Industries (Private) Ltd.—7, Council House Street, Calcutta.	188. R. Seema Naidu & Co.—Singanallur, Coimbatore.
16. Andhra Eng. Co., Ltd.—22/422, Dana-vayipeta, Rajahmundry.	73. C. C. Dey—25, Netaji Subhas Road, Calcutta.	131. James & Co. Ltd.—25, Netaji Subhas Road, Calcutta.	189. Naidu A. G. Guruswamy & Co.—Peelamedu, Coimbatore.
17. Amte & Co.—Hubli.	74. Davenport & Co. Private Ltd.—6, Church Lane, Calcutta.	132. Jute Industries Ltd.—4, Lyons Range, Calcutta.	190. Naidu P. S. Govindaswami & Sons—Coimbatore.
18. B. M. Krishan—Sri Jayachamaraja Wadiyar Road, Bangalore-2.	75. Desai, R. M.—14, Nicol Road, Ballard Estate, Fort, Bombay.	133. John, V. C.—Kattayam, Travancore State.	191. H. Koychowdhuri—18, Convent Road, Entally, Calcutta.
19. Macneil and Barry Ltd.—2, Fairlie Place, Calcutta.	76. Dodwell & Co., Ltd.—Glennie Street, Slave Island, Colombo.	134. Jones, R. Edwin—Oriental Building, Bombay Elec. House, Ahmedabad.	192. B. J. Agarwalla—Stephen House, 4, Dalhousie Square, Calcutta.
20. Ojha Brothers Ltd.—Security House, Netaji Subhas Road, Calcutta.	77. Darragh Small & Co., Ltd.—Alleppey.	135. John, Kurlan—Kottayam, Travancore State.	193. Kesarnai Manocha—529/1, Hall Bagan, Amritsar.
21. Bird & Co. (Private) Ltd.—Chartered Bank Buildings, Calcutta.	78. Dadabhoi B. A. & Co.—Ilaico House, Sir Phirozeshah Mehta Road, Bombay.	136. Kettlewell Bullen & Co. Ltd.—21, Strand Road, Calcutta.	194. G. V. Swaika—"Pollock House" 14/B, Brabourne Road, Calcutta.
22. Biria Bros Private Ltd.—8, India Exchange Place, Calcutta.	79. B. N. Elias & Co. Private Ltd.—1 and 2, Old Court House Corner, Calcutta.	137. Kilburn & Co. Private Ltd.—4, Fairlie Place, Calcutta.	195. R. R. Aiyer—71, Park Street, Calcutta.
23. Babulal & Co., Ltd.—13, Syed Sailey Lane, Calcutta.	80. Eastern Corp., Ltd.—7, Wellesley Place, Calcutta.	138. Karamchand Chapper & Bros. Private Ltd.—Thapar House, 25, Brabourne Road, Calcutta-1.	196. Srinivasan, S. D.—7, Council House Street, Calcutta.
24. Balmer Lawrie & Co., Ltd.—21, Netaji Subhas Road, Calcutta.	81. Ebeling, A. F.—Rawalpindi.	139. Kothari & Sons Agency Private Ltd.—Armenian Street, Madras.	197. Naraindas, Achmandas Ltd.—Rajpurva, Kanpur.
25. British India Corporation Ltd.—Sutherland House, Kanpur.	82. Foddar, P. L.—135, Canning Street, Calcutta.	140. K. S. Suryanarayan Rao—Channanapatt, Mysore State.	198. Dhananaray M. Khatau—Scindia House, Dargali Road, Ballard Estate, Bombay.
26. R. L. Thompson—Agraharam Road, Bangalore-2.	83. Pratsingsh Mathuradas—9, Wallace Street, Fort, Bombay.	141. S. L. Dhanuka—P-15, Bentinck Street, Calcutta.	199. Nowrojee Wadia & Sons (Private) Ltd.—Neville House, Ballard Estate, Bombay.
27. Bengal Textile Agency Ltd.—11, Clive Row, Calcutta.	84. S. B. Industrial Development Co. Ltd.—12, Old Court House Street, Calcutta.	142. Khatun, D. & Sons—14, Netaji Subhas Road, Calcutta.	200. Dooduwalla & Sons—5, Mukhtarab Bahu Street, Calcutta-1.
28. Sweden's Enterprise Ltd.—41, Chowringhee Road, Calcutta.	85. A. Firpo, Jr.—18/2, Chowringhee, Calcutta.	143. Khatun, D. & Sons—14, Netaji Subhas Road, Calcutta.	201. R. Arunachalam—71, Richmond Road, Bangalore-1.
29. Beardsell, W. A. & Co. Private Ltd.—Second Line Beach, Madras.	86. Forbes, Forbes, Campbell Ltd.—Forbes Buildings, Home Street, Fort, Bombay.	144. Khatun, D. & Sons—14, Netaji Subhas Road, Calcutta.	202. Octavius Steel & Co., Ltd.—14, Old Court House Street, Calcutta.
30. Bhagyalakshmi & Co.—Delhi Road, Udumalpet, Coimbatore.	87. S. V. S. Iyer—88C, Old Prabhadevi Road, Bombay-28.	145. P. J. Nikantam—1, Waterloo Street, Calcutta.	203. Matheson Bosanquet & Company Ltd.—Beimont, Coonoor, Nilgiris.
31. Rameshwari Tantis—1 and 2, Old Court House Street, Calcutta.	88. Gillanders Arbuthnot & Co., Ltd.—Clive Buildings, Netaji Subhas Road, Calcutta.	146. Killick Industries Ltd.—Home Street, Fort, Bombay.	204. Oberoi Hotels (India) Private Ltd.—17, Chowringhee, Calcutta.
32. Martin Burr Ltd.—12, Mission Row, Calcutta.	89. Gladstone Lyall & Co., Ltd.—4, Fairlie Place, Calcutta.	147. Kanga, M. D.—Electric House, Post Fort, Bombay.	205. Oakley Bowden & Co., Ltd.—15, Armenian Street, Madras.
33. R. M. Wilcox—Sutherland House, Kanpur.	90. B. C. Bowker—"Victoria House", Calcutta.	148. Kurian, John—Alleppey.	206. Ogale Glass Works Ltd.—43, Gandhinagar, Bangalore City.
34. Sir John Brown—9, Hare St., Calcutta.	91. P. L. Tandon—India House, Fort Street, Bombay.	149. Khatun Makaanji & Co.—6, Ballard Road, Fort, Bombay.	207. Deshpande, Kisenlal—25, Netaji Subhas Road, Calcutta.
35. Ramdutt Ramkissandas—9, Brabourne Road, Calcutta.	92. Govan Bros. (Rampur) Private Ltd.—4, Scindia House, New Delhi.	150. Killick, A. S.—2-6, 2nd Line Beach, Madras.	208. Indian Textile Syndicate Ltd.—Kanpur, U. P.
36. Gajaria & Co.—27, Brabourne Road, Calcutta.	93. Govan Bros. Ltd.—Maitheas Buildings, Queensway, New Delhi.	151. S. Ramasathan—Chickbanavar P.O., Bangalore Dt.	209. E. K. Elliot, Lockhart—4, Fairlie Place, Calcutta.
37. Biria, L. N.—8, Royal Exchange Place, Calcutta.	94. R. N. Datta—93-A, Dharamtalla St., Calcutta.	152. Broken Hill Secretariat Ltd.—31, Dover Street, London E.C.2.	210. Peirce Leslie & Co., Ltd.—8/222, Beach Road, Calcutta, Kerala.
38. Biria, B. M.—India Exchange", Calcutta-1.	95. Diga & Co., Ltd.—9, Royal Exchange Place, Calcutta.	153. Low H. V. & Co. Private Ltd.—3, Synagogue Street, Calcutta.	211. H. L. Somany—2, Wellesley Place, Calcutta.
39. John Valentine Jardine Paterson—4, Clive Row, Calcutta.	96. M. L. Bexon—57B, Free School Street, Calcutta-18.	154. Lomas, J. & W.—19, St. Swinith's Lane, London, E.C.4.	212. P. G. Krishna Iyer—Mount Pleasant, Coonoor, Nilgiris.
40. Bhargava, R. K.—Mohalla Masjid Bagh, Badshahagar.	97. Govan R. G. & Co.—Scindia House, Connaught Circus, New Delhi.	155. Bharat Ram Shagat & Co.—45, Tangra Road, Calcutta.	213. Poddar, K. N.—37, Vivekananda Road, Calcutta.
41. Biharlal Lahoty—161-1, Harrison Road, Calcutta.	98. Turnpall R. W.—P-4, Mission Row Extension, Calcutta.	156. Hind Agents Ltd.—Indu House, 15, Douglas Rd, Ballard Estate, Bombay.	214. James Warren & Co., Ltd.—31, Chowringhee Road, Calcutta.
42. W. B. Brady & Co., Ltd.—Brady House, 12-14, Veer Nariman Road, Bombay-1.	99. Abinash Chandra Das—Jalpaiguri.	157. Kothari, Menta & Co. Private Ltd.—Armenian Street, Madras.	215. Parkin, O. & Co.—26, Apollo Street, Fort, Bombay.
43. Britjal Bilasval & Co.—Aga Khan Buildings, Dalai Street, Fort, Bombay.	100. Guha, Nalini Kumar—18/11/1-B Raja Raj Ballav Street, Calcutta.	158. Padampat Singhania—Kamala Tower, Kanpur.	216. Parkin, O. & Co.—26, Apollo Street, Fort, Bombay.
44. Panam Chand Satia—19, Circular Garden, Beach Road, Calcutta.	101. Purnashottam Mal—15, Clive Row, Calcutta.	159. Lala Gurusaran Lal—Guraru Dist., Gaya.	217. L. C. Kanoi—P-8, Mission Row Extension, Calcutta.
45. Chakravarty Sons & Co.—22, Canning Street, Calcutta.	102. George A. V. & Co., Ltd.—Anchoril Bank Bldgs, Kottayam, Travancore.	160. Lovelock & Lewes—4, Lyons Range, Calcutta.	218. Parry & Co., Ltd.—Dare House, Parry's Corner, Madras.
46. G. I. Purnashottam Naidu—24, Krishnaswamy Mudaliar Road, Coimbatore.	103. Kundlia, G. Sekaria—139, Meadow Street, Fort, Bombay.	161. Loma, D. D.—173, Harrison Road, Calcutta.	219. India Sugar Agencies Ltd.—Mangalore.
47. Chetty R. K. S. & Bros.—Singanallur, Coimbatore-5.	104. Gopikisan Premal—Dr. Ambedkar Road, Patel, Bombay-12.	162. C. J. Solomon—Dare House, Parry's Corner, Madras.	220. Price, R. G. N.—National Bank Bldg., Madras.
48. S. R. Poddar—33, Netaji Subhas Road, Calcutta.	105. John Whetton Casson—Gillander House, Netaji Subhas Road, Calcutta.	163. Mackinnon Mackenzie & Co. Private Ltd.—16, Strand Road, Calcutta.	221. Z. K. Irani—1/153, Mount Road, Calcutta.
49. Calcutta Agency Ltd.—24, Netaji Subhas Road, Calcutta.	106. F. W. Belliger & Co. (Private) Ltd.—Chartered Bank Buildings, Calcutta.	164. I. & Anantharam Iyer & Bros. Ltd.—Pushpagiri, Trichur.	222. Chresten Mica Industries Ltd.—4, Lyons Range, Calcutta.
50. Chanda, A. P.—15, Faratola Road, Calcutta.	107. Rowan Trading Co., Ltd.—8, Dalhousie Square, East Calcutta.	165. McLeod & Co. Ltd.—3, Netaji Subhas Road, Calcutta.	223. R. N. Agarwalla—4, Lyons Range, Calcutta.
51. Shoorbridge F. G.—234-3, Lower Circular Road, Calcutta.	108. A. & F. Harvey Ltd.—Pandyam Building, West Vel Street, Madras.	166. Hindusthan Investment Corporation Ltd.—15, India Exchange Place, Calcutta.	224. Lohia Brothers Ltd.—138, Canning Street, Calcutta.
52. W. E. Eadie—175, West George Street, Glasgow C.2.	109. Holmes Wilson & Co., Ltd.—"Stephen House", Calcutta.	167. B. Barker—Barlow House, 59C, Chowringhee Road, Calcutta.	225. Roy, B. K.—1, 2 and 3, Old Court House Street, Calcutta.
53. Cement Agencies (Private) Ltd.—121, Queen's Road, Fort, Bombay.	110. R. G. Khanna—Solan Brewery, Simla.	168. Moona Lal & Sons—120/1, Civil Lines, Jhansi.	226. M. V. Shivananappa—Kampegowda Road, Bangalore 9.
54. Consolidated Elec. Agencies—17B, Elphinstone Circus, Fort, Bombay.	111. Hote (Control) Private Ltd.—4 & 4/1, Wellesley Place, Calcutta.	169. K. P. Goenka—31, Netaji Subhas Road, Calcutta.	227. W. Morris—41, Chowringhee Road, Calcutta-16.
55. R. S. Iyer—Imperia Bank Building, Bank Street, Fort, Bombay.	112. Ghose, C. C. & Co.—Bilwa House, 36, New Broad Street, London E.C.3.	170. Marsala (Direction) Private Ltd.—33/1, Netaji Subhas Road, Calcutta.	228. Jannarain Sons Ltd.—Bank Street, Fort, Bombay.
56. Chinoy, F. M. & Co., Ltd.—Radio House, Apollo Sunder, Bombay.	113. K. V. Khaitan—14, Netaji Subhas Road, Calcutta.	171. W. B. Maiden—P.O. Lohat, Dist. Darbhanga.	229. Rajputana Textile (Agencies) Ltd.—Rajputana, Chenchik, Coimbatore.
57. Cumberbatch & Co.—Colombo.	114. Harrison & Crossfield Ltd.—Calcutta.	172. East India Agencies Private Ltd.—Palai, Kerala State.	230. Rajam—Oriental Bldg, Armenian Street, Madras.
	115. Harrison & Crossfield Ltd.—The Great Social Building, Sir Phirozeshah Mehta Road, Fort, Bombay.	173. Moulton G. S. & Co. (India) Ltd.—11 and 12, Esplanade, Madras, Calcutta.	

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

231. Ramamurthy, A.—Ravakhada (Orissa), Koraput Dist.
232. Ratnams Ltd.—Pugalur, Trichinopoly.
233. T. Shannappa—1129, Vani Vilasa Road, Mysore.
234. Bangur Bros. Ltd.—14, Netaji Subhas Road, Calcutta.
235. Soorajmull Nagarmull—8, Dalhousie Square East, Calcutta.
236. Shaw Wallace & Co., Ltd.—4/5, Bankshall Street, Calcutta.
237. Srivastava, J. P. & Sons—Kanpur.
238. Bharat Ram Charat Ram & Co. Private Ltd.—Bara Hindu Rao Delhi.
239. A. R. Kalairaja Chettiar—Coimbatore.
240. A. K. T. K. M. Narayanan Nambodripad—Kallai Malabar.
241. Singh, Ranjit—Lucknow.
242. N. L. Roy & Co.—9, Royal Exchange Place, Calcutta.
243. Shyamal Agarwal—9, Dalhousie Sq. East, Calcutta.
244. Sovaram Keshavdeo—15, Netaji Subhas Road, Calcutta.
245. Dr. B. N. Ghose—6, Ganesh Avenue, Calcutta-13.
246. Sundaren, S.—Indian Mercantile Chambers, Nicol Road, Bombay.
247. Singhanla Padampat—Kamala Tower, Kanpur.
248. E. K. Srinivasan—16, Hare Street, Calcutta.
249. Steel Bros. & Co., Ltd.—Gillanders House, Netaji Subhas Road, Calcutta.
250. T. Stanes & Co.—Coimbatore.
251. Southern India Plantations Agency Ltd.—Coonoor.
252. Saha, Babuballav—18/11/B, Raja Raj Bally Road, Calcutta.
253. R. B. Pradhan—Empire House, 214, Hornby Road, Bombay.
254. Sindia, M. Ramchandra Rao—3rd Road, Chamarajpet, Bangalore City.
255. Setalvad, J. C.—73, Oppo. Churchgate Station, Fort, Bombay.
256. Scindia Steam Navigation Co., Ltd.—Ballard Estate, Bombay.
257. Ramnath A. Podar—Podar Chambers, Parsee Bazar St., Fort, Bombay.
258. Swedish Match Co.—Nicol Road, Ballard Estate, Bombay.
259. S. Ramashramony Aiyer—Trivandrum.
260. Purnanma Subba Sona—Indu House, Douglall Road, Ballard Estate, Bombay.
261. N. Sirur & Co. Private Ltd.—70, Forbes Street, Fort, Bombay.
262. Ramnarayan Sona Ltd.—Bank Street, Fort, Bombay.
263. Seshasayee Bros. Private Ltd.—Met-tur Dam R.S.
264. V. Venugopal Naidu—Sir Jayachamara-ja Wadiyar Road Bangalore-2.
265. Shree Hanuman Invt. Co., Ltd.—173, Harrison Road, Calcutta.
266. Talukdar, B. S.—Amiasadarpur, Nadia West Bengal.
267. Tata Hydro-Elec. Agency, Ltd.—34, Bruce Street, Bombay.
268. Turner Morrison & Co., Ltd.—6, Lyons Range, Calcutta.
269. Tata Industries Private Ltd.—Bombay House, Bruce Street, Fort, Bombay.
270. Thomas, A. V. & Co. Ltd.—Alleppey.
271. Thomas, P. T.—Kottayam, S. India.
272. Thomas, M. K. & Co., Ltd.—Trivan-drum.
273. Tayabjee, O. S.—159, Gunfoundry Rd., Hyderabad (Deccan).
274. A. Hydari and S. Gotberg—Indian Mercantile Chambers, Nicol Road, Ballard Estate, Bombay.
275. United Eastern Agencies—Bombay House, Bruce Street, Fort, Bombay.
276. United Agencies Ltd.—Punalur.
277. Villiers Private Ltd.—F-3, Clive Buildings, Calcutta.
278. S. M. Smith—4 Bankshall St., Calcutta.
279. Williamson Magor & Co., Ltd.—4, Mangoe Lane, Calcutta.
280. Whitman M. J. M. C.—Mayo Road, Rawalpindi.
281. N. K. Jha—22, Chittaranjan Avenue, Calcutta.
282. C. Hockley—3, Netaji Subhas Road, Calcutta.
283. P. R. Jhunjhunwala—Sewrie, Bom-bay-18.
284. Walchand & Co., Ltd.—Ballard Estate, Fort, Bombay.
285. Wallace & Co.—9, Wallace Street, Bombay.
286. Young India Agencies Private Ltd.—175/1, Mount Road, Madras-2.
287. Dasa Group Private Ltd.—29, Strand Road, Calcutta.
288. B. L. Mathur—4, Clive Row, Calcutta-1.
289. K. S. Basu—63, Netaji Subhas Road, Calcutta.
290. Lionel Edwards (Private) Ltd.—21, Old Court House Street, Calcutta.
291. R. N. Jhunjhunwala & Co., Ltd.—9, Ezra Street, Calcutta.
292. A. J. Zullig—31, Chowringhee Road, Calcutta.
293. R. L. Rampuria—5, Fairlie Place, Calcutta.
294. Premnath & Sons, Ltd.—New Delhi.
295. S. N. Tania—1 & 2, Old Court House Corner, Calcutta.
296. F. H. Mehta—Mehta House, Apollo Street, Bombay.
297. L. S. Vaidyanathan—Oriental Build-ings, Bombay.
298. Kishore M. Premchand—61, Apollo Street, Fort, Bombay.
299. North Bihar Trading Co. (Private) Ltd.—11, Brabourne Road, Calcutta.
300. J. W. L. Russell—1 & 3, Brabourne Road, Calcutta-1.
301. Mitra Mondal—Khatauli, Dt. Muzaf-farnagar.
302. G. S. Shroff—2, Hardinge Avenue, New Delhi.
303. James Finlay & Co., Ltd.—2, Netaji Subhas Road, Calcutta.
304. Thackersey Mooljee & Co.—18, Apollo Street, Fort, Bombay.
305. Jatta Brothers Ltd.—21, Rupchand Roy Street, Calcutta.
306. Bhatia's Agency Ltd.—18, Netaji Subhas Road, Calcutta.
307. The Hyderabad Constructions Co., Ltd.—Kothagudim Collieries, Singa-reni P.O., Deccan.
308. T. Leslie Martin—12, Mission Row, Calcutta.
309. D. S. Barron—Chakala, Andheri P.O., Bombay.
310. Pyne & Sons—23A, Netaji Subhas Road, Calcutta.
311. Ram Kumar Agarwalla & Sons—4, Lyons Range, Calcutta.
312. Bullion Co., Ltd.—7, Canning Street, Calcutta.
313. Brooke Bond India Ltd.—2, Metcalfe Street, Calcutta.
314. Anderson Wright (Ramgarh) Ltd.—7, Wellesley Place, Calcutta.
315. The Cotton Agents Private Ltd.—14, Radha Bazar Lane, Calcutta-1.
316. Bird & Co. (Pakistan) Ltd.—Narayan-ganj.
317. Shree Krishna Investment Co. Ltd.—1-B, Halwasiya Road, Calcutta.
318. H. V. R. Iengar—Dare House, Parry's Corner, Madras.
319. F. W. J. Penn—32, Grant Road, Bangalore-1.
320. B. Ghosh—14, Old Court House Street, Calcutta.
321. Messrs. Tata Sons Ltd.—New India Assurance Buildings, Mahatma Gandhi Road Fort Bombay-1.
322. Anderson Wright & Co.—1, Wellesley Place, Calcutta.
323. Indo Corporation Private Ltd.—a, Swinboe Street, Calcutta-1A.
324. Brian Granger Pearson—Virginia House, 37, Chowringhee, Calcutta.
325. R. L. Pyne—14, India Exchange Place, Calcutta.
326. Marwar Textiles (Agency) Ltd.—Waudby Road, Fort, Bombay-1.
327. John Taylor & Sons (India) Ltd.—Mysore Oogram South India.
328. Sri G. D. Shagat—18, Shib Thakur Lane, Calcutta.
329. Mahindra & Mahindra Ltd.—Gateway Building, Apollo Bunder, Bombay.
330. N. L. Roy & Sons—Canning Street, Calcutta.
331. A. D. Mango—16, Hare Street, Calcutta.
332. Mungturm Jaipuria—Swadeshi House, Civil Lines, Kanpur.
333. H. Mackay Tallack—2, Fairlie Place, Calcutta.
334. Sahu Jain Ltd.—11, Clive Row, Calcutta.
335. Fulsidas Kishchand—Scindia House, Douglall Road, Bombay.
336. Beriwal & Co.—63, Netaji Subhas Road, Calcutta.
337. D. R. Sons Ltd.—Hornby Road, Fort, Bombay.
338. M. G. Investment Corp. Ltd.—Mafat-lal House, Backbay Reclamation, Bombay-1.
339. K. O. Cheriyan—Travancore.
340. N. L. Kanoria—India Exchange, Calcutta-1.
341. O. N. Chatterjee—2, Royal Exchange Place, Calcutta.
342. Indra Singh—135, Canning Street, Calcutta-1.
343. V. J. Pilani—Victoria Bunder Colaba.
344. The National Tea Corporation—130, Cotton Street, Calcutta.
345. Seshasayee Brothers (Travancore) Ltd.—Eloor Factory, Alwaye.
346. Tania Brothers Private Ltd.—1 & 2, Old Court House Corner, Calcutta.
347. M. D. Jalan—62, Ballygunge Circular Road, Calcutta-19.
348. Seth Sohanlal Murarka—19, Circular Garden Reach, Calcutta-23.
349. K. Agarwal—Empire House, Dr. Dada-bhoj Naoroji Road, Fort, Bombay.
350. L. & T. (Management) Private Ltd.—I. C. House, Douglall Road, Ballard Estate, Bombay.
351. Chinai And Co. Private Ltd.—Sadha-na Rayon House, Dr. Dadabhai Naoroji Road, Bombay-1.
352. N. K. Jha—14, Netaji Subhas Road, Calcutta.
353. L. C. Kanai—P-8, Mission Row Exten-sion, Calcutta.
354. T. R. Jalan—18, Strand Road, Calcutta.
355. R. Bajoria—10, Clive Row, Calcutta.
356. A. K. Jain—11, Clive Row, Calcutta.
357. I. P. Goenka—14, Old Court House Street, Calcutta-1.
358. G. D. Kothari—15, India Exchange Place, Calcutta.
359. R. E. S. Talvar Khan—Volkart Build-ing, 19, Graham Road, Bombay-1.
360. N. K. Bose—85, Netaji Subhas Road, Calcutta.
361. Dalmia Agencies Private Ltd.—Raj-gangpur (Orissa).
362. K. N. Nahata—14, Old Court House Street, Calcutta.
363. W. A. C. H. Bosschaart—7, Justice Chandra Madhab Road, Calcutta-20.
364. S. L. Dhanuka & P. L. Dhanuka—5, Mission Row, Calcutta.
365. A. K. Sen—48/1, Diamond Harbour Road, Calcutta-27.
366. Lakshmi Pat Singhania—7, Council House Street, Calcutta.
367. Kalyanji Mavji & Company—14, Netaji Subhas Road, Calcutta.
368. P. L. Batla—7, Canning Street, Calcutta.
369. Pannalal Saraogi—8, Lyons Range, Calcutta-1.
370. G. L. Saraogi—56, Sir Hariram Goenka Street, Calcutta-7.
371. H. K. Newar—9, Brabourne Road, Calcutta.
372. C. L. Maheswari—Shreenivas House, Waudby Road, Fort, Bombay.
373. Talukdar Law & Co. Private Ltd.—4, Chittaranjan Avenue, Calcutta-13.
374. K. N. Mookerjee—Leslie House, 19, Chowringhee, Calcutta-13.
375. K. D. Ganguli—Mercantile Buildings, Lalbazar, Calcutta.
376. K. C. Dasa & B. Maltra—35, Pandita Road, Calcutta-20.
377. R. N. Goenka—18-A, Brabourne Road, Calcutta.
378. S. A. Damani—30, Clerk Road, Bombay-11.
379. British India Corporation Ltd.—Sutherland House, Kanpur.
380. A. K. Jain—Dalmianagar, Bihar.
381. B. P. Kodla—7, Wellesley Place, Calcutta-1.
382. W. B. Q. Baird—9, Brabourne Road, Calcutta.
383. Punam Chand Batla—19, Circular Garden Reach, Calcutta-23.
384. G. P. Kanoria—4, Clive Row, Calcutta.
385. D. N. Jalan—McLeod House, 3, Netaji Subhas Road, Calcutta.
386. Shibendra Sankar Sarbadhyaksha—Jalpaiguri.
387. A. V. Saria—9, Kaliprasanna Singhee Road, Calcutta-2.
388. British India Corporation Ltd.—Kanpur.
389. T. Ratan—16/3, Chowringhee Road, Calcutta-13.
390. R. M. Cox—59C, Chowringhee Road, Calcutta-30.
391. R. A. Godwin—32, Chowringhee Road, Calcutta-16.
392. Khatau M. Shethia—14, Netaji Subhas Road, Calcutta-1.
393. B. M. Saria—India Exchange, Calcutta-1.
394. Wilkinson, A.—117/119, Esplanade Road, Bombay.
395. W. F. Malden—Lohat, Darbnanga.
396. D. Manson—21, Netaji Subhas Road, Calcutta.
397. N. M. Bhuwalka—135, Canning Street, Calcutta.
398. Hoare Miller & Co., Ltd.—5, Fairlie Place, Calcutta.
399. B. Patnaik & Co. Private Ltd.—P.O. Chowdwar, Cuttack.
400. R. K. Kanoria—9, Brabourne Road, Calcutta-1.
401. K. V. Venkatasubramoney Iyer—Seeta-gundy Estate Sitharkunda P.O., Pal-ghat Dist. Kerala State.
402. A. V. George & Co., Ltd.—Ancheril Bank Buildings, Post Box 1, Kottay-am, Kerala State.
403. Mathew Sebastian—Thodupuzha, Kerala State.
404. Planting Agencies Private Ltd.—Ori-ental Buildings, Armenian Street, Madras-1.
405. The Consolidated Coffee Estates (1943) Ltd.—Pollibetta, Coorg.
406. C. L. Machia—Pollibetta S. Coorg.
407. Srinivas Agencies—Coimbatore-2.
408. K. N. Krishna Iyer—22, Royapettah High Road, Madras-14.
409. Yong India Agencies Pvt. Ltd.—Mono-rama Bldgs., K. K. Road, Kottayam (Kerala State).
410. Parkins Private Ltd.—Kottayam.
411. Johnsons Estates & Agencies (Private) Ltd.—Malankara Bldgs., Kodimatha, Kottayam Kerala.
412. Associated Planters (Pvt.) Ltd.—25, General Patters Road, Madras-2.
413. J. R. Motishaw—Mercantile Bank Build-ing, 16, First Line Beach, Madras-1.
414. K. V. Mathew—Kottayam, Kerala State.
415. K. Ramachandran—Patton Palace, P.O. Trivandrum-4.
416. N. Kunjukrishna Pillai—T. C. 6/750, Patton Palace, P.O. Trivandrum-4.
417. Rango Rao & Co.—Venkatarapuram, Tanuku, West Godavari Dist., Andhra Pradesh.
418. The India Sugar Agencies Private Ltd.—139, Meadows Street, Fort, Bombay-1.
419. R. S. Industrial Corporation Private Ltd.—Rayagada, Koraput Dist., Orissa State.
420. V. Ramakrishna Sons (Private) Ltd.—38, Mount Road, Madras-6.
421. Seshasayee Brothers (Travancore) Pvt. Ltd.—1, Ceramic Factory Road, Kun-dala (Kerala).
422. Sir A. Ramaswamy Mudalliar—Ennore, Madras.
423. P. J. M. Leigh—7, Armenian Street, Madras-1.
424. K. R. Sundaram Iyer—Tiruvottiyur, Madras-19.
425. Essen Private Ltd.—175/1, Mount Road, Madras-2.
426. J. L. D'sa—Old Tumkur Road Malles-waram, Bangalore-12.
427. The Standard Motor Co. (India) Pvt. Ltd.—29, Mount Road, Madras-2.
428. E. R. Stanes—6/33, Race Course Road, Coimbatore-1.
429. Balasundaram & Co.—Satyamangalam Road, Ganapathy P.O., Coimbatore-6.
430. A. M. M. Arunachalam—52/53, Jehao-gir Street, Madras-1.
431. J. M. Parsons—2, Fairlie Place, Calcutta-1.
432. Mahabir, S. J. B. Rana—1, Humayan Place, Calcutta.
433. G. N. Sam & Co.—Senthottam Sow-ripalyam P.O., Coimbatore-4.
434. G. Kejriwal—Raigangpur Dist. Sun-dergarh Orissa State.
435. D. C. Ghosh & Co. (Agents) Private Ltd.—11, Government Place East, Calcutta.
436. N. D. Bangur—14, Netaji Subhas Road, Calcutta.
437. R. N. Shottika—4, Old Court House St. Calcutta.
438. Shiva Gwallor Private Ltd.—Industry House, 159, Churchgate Reclamation, Bombay-1.
439. R. J. Rajpal—Kamala Tower, Kanpur, Calcutta-1.
440. R. L. Jalia—9, Brabourne Road, Calcutta-1.
441. S. K. Agarwalla—24, Netaji Subhas Road, Calcutta-1.
442. S. F. Shoumik—17, 18 & 19, Old Court House Street, Calcutta.
443. Madan Mohan Lal Shri Ram Ltd.—D.C.M. Premises, Bara Hindi Rao, Delhi-6.
444. T. R. Jalan—2, Brabourne Road, Calcutta-1.
445. A. D. Galloway—7, Armenian Street, Madras-1.



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CAPITAL

A Weekly Journal of Commerce, Industry and Finance

WITH WHICH IS INCORPORATED

THE INDIAN FINANCIAL REVIEW



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76th YEAR OF ISSUE

CALCUTTA, 4th JUNE, 1964.

Vol. CLII 3813

CONTENTS

Editorials

Tasks Facing the New Prime Minister	857
Success in Geneva	858
Some Donors Reduce Aid	858

Current News and Comment ... 859-60

Price Problem in West Bengal	
Difficulties of the Chemical Trade	
Pre-shipment Inspection	
Rise in British Exports	
A Ditcher's Diary	861
Guide for Investors	863-66

Sugar Shares Dull despite Rise in Ex-factory Prices	
Ahmedabad Advance	
Arrah-Sasaram Light Railway	
Brathwaite Carron Tea	
Champdany Jute	
Clive Buildings (Calcutta)	
Clive Row Investment	
Colour-Chem	
Concord of India	
Dalmia Cement (Bharat)	
Futwah-Islampur Railway	
Highland Produce	
Howrah-Amta Light Railway	
Howrah-Sheakhala Railway	
Hoolgooree Tea	
Indian Copper	
Investa Machine Tools	
Kamarhatty Jute	
Kankannarrah Jute	
Mysore Electro Chemical	
Nagri Farm Tea	
Ogale Glass	
Pathemara Tea	
Premier Fertilisers	
Sammuggur Jute	
Selected Satgram Collieries	
Shree Gopal Paper	
Swadeshi Mills	
Tata Mills	
Titaghur Jute	
Vibgyor	
Victoria Jute	
Virudhunagar Textile	

The Stock Markets	867
Chairmen's Statements	
Union Carbide India	872
Dalmia Cement	873

ewsletter	
London	875
pecial Article	
Rôle of the Reserve Bank in Co-operative Credit	870

lections	
Money	871
Jute	877
Books	878
Commodity Markets	879

TASKS FACING THE NEW PRIME MINISTER

MR. Lal Bahadur Shastri's unanimous election as the leader of the Congress Parliamentary Party is but the first step towards the difficult transition involved in running the country without Mr. Nehru. It is gratifying that this first step has been accomplished so satisfactorily. As one belonging neither to the right nor to the left, but closely identified with the centre where the heart of the Congress Party unmistakably belongs, Mr. Shastri is well qualified to preserve balance and stability—the basic needs at the present time. This is, indeed, the reason why the choice fell on him, a choice that is certain to be hailed widely both within the country and abroad.

As Mr. Shastri surveys his responsibilities, his first concern as *primus inter pares* will naturally be to put together an able team. As *Capital* goes to press this week, the basis on which the new Cabinet is to be constituted is not clear. One may, however, infer from the manner in which the succession issue has been resolved that the final selection will be as much the Party High Command's as Mr. Shastri's. Political purists may cavil at this because the right to name his colleagues is indisputably the Prime Minister's. Yet it will be folly to ignore reality; in the void left by Mr. Nehru, no single person—however wide the support he commands—can expect to carry on without firm backing from the Party's political wing. For this reason, one may expect Mr. Shastri's choices to reflect less his personal inclinations than the balance of forces within the Party.

To recognise this necessity is not to ignore the handicaps inherent in yoking together people whose ideas may not always coincide. That Mr. Nehru was able to get away (though not always successfully) with an assorted team is not relevant since no successor can possibly command the authority he enjoyed as the tallest national leader after Mahatma Gandhi. In the difficult decisions ahead, both at home and vis-à-vis neighbours, preserving a clear sense of direction will be of the greatest importance. This implies, for one, speaking with a single voice and, for another, acting in concert because none of the pending issues can be resolved in isolation. Evolving a consensus should thus be Mr. Shastri's first task, but this he cannot possibly perform without a much greater degree of cohesion and discipline within the Party than was necessary while Mr. Nehru was there to provide an "umbrella".

It may well be that several of those whom the Kamaraj plan banished must now come back to lend support to Mr. Shastri. It is, however, necessary to be discriminating in this matter. While the victors and the vanquished may demonstratively embrace each other in a moment of camera-conscious emotion, bitterness is not that readily cast out of hearts. The simple moral to point is that synthetic reconciliations are of no value, and will ill serve the country in the days ahead. Considering that there are several grave problems to settle—Kashmir being the trickiest among them with its corollary of Indo-Pakistani tensions—the least that Mr. Shastri has the right to expect is that anyone who joins him at this juncture will unreservedly

support the line he is known to take in these matters. Anything less than this will not only be a liability to Mr. Shastri but also to the country because it will preordain the new régime to a poor start. And making a bad beginning could be a fatal mistake.

In the economic sphere, some hard decisions must soon be taken to pull the country out of the slough. On present indications, the third plan is unlikely to achieve much more than a 20-percent increase in national income over its full span. This is of the same order as the second plan, but more distressing is the fact that *per capita* consumption is hardly rising at the levels where want and hardship are most acutely felt. Since the outlay on the plan will be well up to targets, the disappointing outcome clearly reveals the lags, if not total failure, in translating investment into results. Faced with persistent shortfalls, the country is suffering today from a crisis of confidence which augurs ill for the new Government.

If the democratic idea—a tender plant which Mr. Nehru did so much to nurture—is to survive, the economy must do very much better than it has in past years. This is a truth which hardly needs stating but one that many have been inclined to overlook as long as Mr. Nehru's presence provided insurance against most risks. In fact, one might say that the country has been altogether too complacent, considering the high degree of vulnerability displayed by democratic institutions in neighbouring countries. Mr. Shastri and his new team will certainly not want to aggravate the risk; they have no time, therefore, to lose in tackling the malaise purposefully.

It is clear by now that Mr. Krishnamachari's first efforts since his return to the Finance Ministry last year have failed to push the economy forward. No other outcome was perhaps possible with the half measures to which Mr. Krishnamachari limited himself in the political circumstances obtaining after Bhubaneswar. For a more positive endeavour to be now initiated, Mr. Shastri's Government will need a fairly free hand which both the Party and public opinion may be willing to allow before attitudes once again get frozen. This opportunity must not be missed because of the high price that disappointment may exact. Leftist dogmas spouted by disgruntled politicians have no connection with the actual problems faced by the economy. If these gentlemen command an audience today, it is only because the economy is in bad shape. Once it starts moving, Mr. Shastri and his colleagues should have no difficulty at all in scotching the ideas which a faction has been popularising to manoeuvre itself into power.

Taking first things first, the new Government should start by putting an end to the uncertainties which have characterised decision-making in the economic sphere. It is an open secret that inter-Ministry tussles for supremacy have gained an added edge since January when Mr. Nehru suddenly took ill in the middle of the Congress session in Bhubaneswar. The effect produced by such wrangling in high places among India's friends abroad is particularly unfortunate. If their concern for the fate of the economy has remained muted in recent

weeks, it was largely because of their realisation that a difficult period of transition was upon India. It would be folly, however, to strain their patience, and hence the urgency of the overhaul that Mr. Shastri has to undertake at the topmost levels to streamline the decision-making process. If economic co-ordination is to remain the Finance Ministry's responsibility, as now seems likely, this function needs to be accorded its full importance to minimise (even if it is not immediately possible to eliminate) jurisdictional disputes.

THE SUCCESS IN GENEVA

EVEN before it ends, it seems safe to pronounce the United Nations Trade and Development Conference a success. This is not because it has yet produced any concrete policies; that was not to be expected. Nor is it due to the under-developed countries having been able to persuade the developed to agree on what steps are required to meet their needs; this they have patently failed to do. No, the reason is, quite simply, that the concerted point of view which has emerged among the under-developed, although it embodies many detailed differences of emphasis, has succeeded in putting the developed countries sharply on the defensive. Compared with the broad measure of agreement which has been obtained on the one side, the confusion which exists on the other has shown itself in a particularly unbecoming light. This is all to the good. The developed countries may now be forced into reviewing their policies and probably shamed into some measure of co-ordination, or else shown up as hesitant and insincere towards what has become accepted as the world's most pressing problem. If the Conference closes with no gain other than this one, it has still earned its place in history.

The great danger was that the Conference would degenerate into a propaganda forum. Some of the more cynical among the developed countries were probably hoping for just that. But, it has done nothing of the kind; its deliberations have shown exactly the right mixture of reason and force best calculated to get the under-developed nations' case across. Part of this success must be attributed to the fact that the two super powers, Russia and the U.S.A., appeared to have agreed in advance not to attempt to compete in their promises of aid or to use the occasion for attacking one another. A further part might be accounted for by the absence of China. Among the under-developed countries themselves there has been remarkably little enthusiasm for political hobby-horses, a fact which in itself is enough to encourage some of the less enthusiastic supporters of foreign aid in developed countries to rethink their established prejudices. Once it is proved that aid policies do not have to depend upon the cold war, or its mid-60s equivalent, considerable progress will have been made towards establishing the economic criteria which really ought to govern aid programmes. What is required now is that this initiative should not be lost, that the under-developed point of view be defined and co-ordinated to the stage where it can be used as the basis of a permanent pressure group. Which means that the most useful outcome of the present Conference might be a secretariat to handle continuing business and a further agreement to meet at, say, permanent official level every few years, perhaps even annually. There are plenty of examples of this sort of thing to go by; the Common Market mechanism is perhaps the best case in point.

To some extent, of course, the defensive attitude of the developed countries was intended. Their approach to the Conference has been cautious from the start, as well it might be considering what little they have had to offer. As expected, the most promising among the schemes expounded were those of Britain and France. They are also the least reconcilable, and serve most easily to illustrate the overwhelming degree to which short-term economic and political self-interest is at present confusing world development policies. But at least these two countries have made some attempt to meet the needs of the under-developed, at any rate in theory. Russia and the United States have not even done this, and the spectacle of the world's two most powerful economic units explaining in firm rounded terms their intentions of doing nothing more than

While he is engaged in setting the house in order, Mr. Shastri will very much need protection from distractions such as those created by leftist manoeuvres. This is where Mr. Kamaraj, whose stature has been greatly enhanced by the part he has played in the past week, comes in. The Congress president, one hopes, will now have less difficulty in dealing with the frothy demagoguery of the leftist group. The country has had evidence that their ideological outpourings are no more than a blind for frankly opportunist aims.

what they are already doing, has been rather a depressing experience. This approach may, however, have had the virtue of honesty, because neither the French nor the British plans owed any of their attractions to the possibility that they might eventually have to be implemented. Altogether, the developed countries seem set to emerge from this Conference with very little credit indeed.

In fact, leaving aside the Russians, the only point on which there appears to have been agreement among the developed is that the G.A.T.T. should not be replaced by a new world trade organisation. This was probably inevitable at a stage in the evolution of the G.A.T.T. which could be crucial to its future irrespective of whether or not it can be adapted to meet the needs of the under-developed. There is some substance in the claim that the G.A.T.T. should be given another chance to fulfil the purpose now being demanded of it, if only because so many of the successes which have been recorded in the field of world trade since the war are directly due to its agency. At least the G.A.T.T. has worked, while there is every chance, given the present rudimentary state of thinking on trade and development problems generally, which a world trading organisation would not be able to. The "action programme" of the G.A.T.T. does represent a possible plan on which the developed countries could agree, if ever discussion gets round to it. There would be little justification for following the advice of some of the more cynical delegations to the U. N. Conference that the under-developed members of the G.A.T.T. should withdraw from it altogether. When so much confusion exists, and current policies are mostly at cross-purposes, it is useful to retain even limited objectives.

The current state of disagreement among the developed countries has been dramatically revealed during the early stages of the Kennedy Round. True, it was widely realised from the beginning that the main issues behind these negotiations would be political rather than economic. But this does not explain why so many risks are being taken in a matter of such vital concern to developed and under-developed countries alike. Even accepting that it is necessary the U.S.A. must once and for all be forced out of its traditional protective shell, and that the E.E.C. should not allow itself to be manoeuvred into a position where it is making all the real sacrifices, the value of a 50-percent across-the-board tariff is too great just to throw away. It cannot yet be taken for granted that the Kennedy Round will result in any tariff reductions at all; and certainly there will be none for at least another year. This is simply not good enough when the world is in need of such a massive increase in trade, particularly the under-developed countries. It is little wonder under such circumstances that exasperation is being expressed about the working of the G.A.T.T. It was never really intended to be a political forum.

SOME DONORS REDUCE AID

FULLER details of the Aid-India Club meeting held in Washington last week have become available since *Capital* appeared last week. Of the total of \$1,028 million pledged by the consortium, two-fifths came from the United States which maintained its contribution at the same level as in the previous two years. Britain did the same, but West Germany, the second largest aid-giver among the ten nations constituting the Club, cut her pledge from \$99.5 million to \$95 million. That the cut was

At this stage in the proceedings, the future of the Kennedy Round does not appear by any means promising. Contrary to earlier expectations, France's Common Market partners have shown no inclination so far to resist her tactics, although they may well still do so if it becomes obvious that her real purpose is to sabotage the negotiations altogether. Up to the present, it can be accepted that they are generally in sympathy with the French aim of forcing the maximum concessions out of the United States and Britain before agreeing to the final tariff cuts. Fortunately, the U.S. approach has so far been propitiatory, as indeed only becomes a nation whose tariffs are perhaps the highest of any developed country in the world. It is sincerely to be hoped that this attitude continues—it might not have done so had Mr. Kennedy lived—because the consequences of a breakdown at Geneva may not only be a high tariff for the E.E.C., but probably the end of the G.A.T.T. as well. Many under-developed countries may at the moment be regarding this possibility with considerable indifference. If so, they would be wrong, because the G.A.T.T. remains the only forum where the developed countries can be effectively tackled as a body. Without it the doubt arises whether the problem of increasing world trade opportunities would not become solely the province of the U.N.O., and get obscured by politics. It is worth the exercise of a good deal of patience in order to avoid this contingency.

All this adds up to one thing: the initiative in trade and aid now lies with the under-developed. It will require considerable sense of responsibility if this is to be exploited effectively. Perhaps the main danger is that sectional interests should intervene to spoil the under-developed countries' chances of unity. More particularly is this likely to happen in such cases as the Commonwealth, or the associated countries of the Common Market, where special preferences are enjoyed. So far, it appears to be agreed that provided nobody suffers severely thereby, all preferences should be voluntarily relinquished. This is a sound start involving as it does some apparent measures of sacrifice on somebody's part. If the spirit could be perpetuated, the gains should be immense. The general choice among the under-developed seems to favour more the British scheme for greater liberalisation of trade in manufacturing combined with commodity agreements, than the French plan for commodity markets. This again shows an encouraging measure of appreciation of the general good and an understanding of future needs rather than present convenience. Finally, the call to the communist countries to throw open their markets and to abandon their preferences underlines the essentially unpolitical nature of the development problem.

If it eventually succeeds in doing nothing else, the U. N. Conference will at least have convinced the under-developed countries of their combined strength, and the developed of the need to take this seriously. It is now important that the initiative gained at this Conference should not be lost when it ends in June. So far there has been no talk in Geneva about the point raised earlier in this article that a permanent secretariat should be established to ensure that constant pressure is applied at the right points, at the correct time, and in the best calculated amounts. There is really no reason why the seeds for an eventual world trade organisation should not be laid during the next few years through a close liaison between the secretariat of the G.A.T.T. and one set up to represent the U.N. Conference. Now that the under-developed countries appear to have got the bit between their teeth, there is scarcely any limit to the constructive opportunities which may lie ahead. It is merely a question of devising the best method of exploiting them.

not larger is something to be thankful for in view of the growing West German preference for private investment in place of official aid. Perhaps this year's pledge is only in continuation of the past commitments for the projects in progress, and the axe may be applied when these have run their full course.

Among other countries reducing their pledges, the case of Italy and Japan deserves special note

because India has been relying upon expanding their association with industrial development. Italy is already active in the field of oil prospecting and pipeline construction, and there are hopes that she may come into the refining end of the industry quite apart from possible collaboration in off-shore drilling in the Persian gulf. The cut need not, however, mean any lessening of Italian interest in these fields since the aid pledge reflects possibly the fact that negotiations are still in progress with commitments still some way off. The same probably holds good in the case of Japan. Quite obviously, India will need a good deal more assistance than what has been immediately committed if Japanese intentions of participating in steel development are to materialise.

The cut in the Austrian pledge from \$7 million to \$1 million comes as a surprise. This is not because the use of the \$12 million agreed to in the previous two years has been particularly rapid, but because of the hopes held in New Delhi of interesting Austria in the heavy-pressure vessels and structural shop to be built in Wardha. This much-needed project was to be financed at one stage out of British credits. Davy-Ashmore was very much in the picture and had submitted a project report only to find that British credits having run out, India would have to shop elsewhere for the particular scheme. Belgium, as briefly noted last week, has dropped out of the list altogether—a fact which may be connected with the failure fully to utilise \$20 million pledged over the past two years. The new deal for telephone equipment put through with a Belgian subsidiary of an American company is about the only major scheme so far concluded. The idea of buying second-hand mining equipment has been obviously made no headway since little has been

heard after a National Coal Development Corporation team went out to make a technical evaluation.

No more can be usefully said about other pledges until one knows what projects have been picked up for financing by the respective aid-givers. The World Bank and its affiliate, International Development Association, have maintained their contribution at the level of last year—only \$5 million short of the highest ever level reached in 1961-62. More so now than before, India becomes the Bank's largest debtor—a situation which is not too comfortable for either the giver or the recipient because of the protests this gives rise to in certain quarters. But then India is the largest of the developing nations, accounting for two-fifths of the people living in the poorer two-thirds of the world. In addition, she has clearly been in a better position to absorb aid than many others because of her relatively well-developed administrative apparatus, the supply of human skills and above all the growing strength of the infra-structure.

These advantages are in danger of being offset by unfortunate and unnecessary performance lags. Even more distressing, as it now appears, is the fact that the Indian case presented to the Aid-India Club was a catalogue of intentions rather than a well-conceived list of candidate projects. Although India got in the end more or less the amount of aid she wanted—\$1,028 million, against \$1,150 million requested—grave doubts are reported to have been expressed about the state of preparedness to put the aid to use. In other words, the aid-givers took this time at least India's word for it that the schemes listed would be worked out. But the Club is likely to ask for more substantial evidence next time—an eventuality for which New Delhi should be prepared.

Current News and Comment

Price Problem in West Bengal

After 18 months of labour, the Price Enquiry Committee has submitted its report to the Government of West Bengal. The report is voluminous, since it contains no less than 300 pages with recommendations which are far-reaching in character. An expert body should not toe the official line as a matter of course; it should be able to make unbiased recommendations without trying to please those in power. But the majority of the recommendations of the Committee are in favour of increasing the State Government's control on the foodgrains trade. Presumably, the Committee was anxious that the State Government should not reject its recommendations, so it has formulated them in such a way as to conform to the policies of the ruling Party. For example, the Committee's recommendations on the need for greater Government control on the rice trade, nationalisation of all rice mills in the State and the acquisition of the entire marketable surplus of rice and paddy, smack of almost identical resolutions passed at the last Bhubaneswar session of the Congress Party. Its other recommendations are no less drastic since it has suggested the licensing of producers, importers, wholesalers and retailers in all areas; regulation of markets, mainly at the wholesale stage; the setting up of price advisory boards and sub-committees for each major commodity and the maintenance of buffer stocks. It wants prices to be controlled through Government orders.

But in making these suggestions, the Committee has not obviously considered the limitations of the State Government. It is doubtful that the State Government will have resources to take over rice mills when it finds it difficult to implement its third plan schemes without generous Central assistance. If the Government is to exercise greater control on the rice trade through the licensing of producers, importers, wholesalers and retailers, not only will the existing administrative machinery have to be expanded, but it will also be necessary to ensure that it works efficiently. But judging from experience, the State Government is unlikely to achieve any success in this direction since controls and regulations will encourage only corruption and red-tapism. Since the State Government has been unable to stabilise food prices so far, it will be too

much to expect that it will be able to control the foodgrains trade by taking over rice mills and by licensing traders. That, in the face of it, seems too big a task for the State to handle.

It is no wonder, therefore, that two members of the Committee have dissented from the majority recommendations. They have bluntly pointed out that the price problem in West Bengal has been aggravated by Government measures to achieve certain "social and ideological objectives in the context of planned economic development". The impact of excise duties, sales tax and increased railway freights—in addition to the rise in labour costs—has contributed to the rise in prices. The dissenting members have stated that "the rôle of traders in depriving the primary producers of their due share of the price paid by the consumer is misconceived, and the determination of a rational price policy on such a misconception, as suggested by the majority of the Committee, is therefore wrong". State trading in food, according to the dissenters, is fraught with difficulties, "which are almost insurmountable." Although the Committee in its report has paid more attention to stabilising food prices than to anything else, it rightly admits that the price rise is an all-India problem caused by large-scale investments under the plans.

Difficulties of the Chemical Trade

Indian chemical merchants are now between two fires. Firstly, the growing incursion of the State Trading Corporation into the chemical export and import trade, and even into the field of internal distribution, has been depriving a large number of self-employed people of their only means of livelihood. Secondly, indigenous manufacturers' policy of marketing their products through their own sales organisations has deprived the chemical trade of any opportunities to benefit from the rising production of chemicals in the country. Referring to these difficulties in his presidential address at the annual general meeting of the Indian Chemical Merchants Association last week in Calcutta, Mr. Atma Ram Kajaria, stressed that the trade performed a vital economic and social function as an indispensable link between the producer, importer and consumer; and, therefore,

immediate steps needed to be taken to remove the hardship and inconvenience caused to the normal channel of trade through the present official policy on the distribution of chemicals.

Explaining the background to the shortage of chemicals and the intervention of the S.T.C., Mr. Kajaria said that foreign exchange difficulties had led to a drastic reduction in India's imports. These fell from Rs. 41 crores in 1959 to Rs. 28.43 crores during the 11 months ended February 1964. The production of indigenous chemicals has increased, in some cases substantially, but the self-sufficiency which was visualised in a number of major inorganic chemicals like soda ash, caustic soda, and sodium hydrosulphate by the end of the third plan is not likely to be achieved; judging from the expected levels of production, large shortfalls ranging from 30 percent to 50 percent are likely to occur in the targets. Fearing that the chemicals shortage might lead to profiteering and maldistribution, the Government has been importing chemicals on its own account on a steadily increasing scale. Only actual users are allowed to import directly, and this has led to a gradual squeezing out of the established importers from the business.

But the S.T.C.'s handling of the trade in chemicals, including their internal distribution, has been far from satisfactory. In this connection, Mr. Kajaria referred to the Estimates Committee's report submitted recently to Parliament, which has observed that the canalisation of chemical imports through the S.T.C. has not benefited the actual user or the general consumer. The object of bringing down prices has not been achieved. On the contrary, instead of devising ways to regulate the prices and ensure that the consumer got the goods at lower rates, "the Corporation and the Government, appear to have reconciled themselves to the charging of high prices as the only way out." Mr. Kajaria suggested that if it was thought necessary to canalise chemical imports exclusively through the S.T.C., their internal distribution should be left to established importers, either individually, or through an organised association of theirs. The Government could keep a check on the importers' activities, if necessary. Mr. Kajaria also had a word of advice for the trade. Having almost lost the import business now, he advised that merchants should take to the manufacturing line. Large quantities of chemical and pharmaceutical goods including hydrazine, morpholine, dextrose-anhydrous and atropine sulphate are required to meet the defence needs. Most of these items are being imported, and there is great scope for setting up indigenous capacity.

Pre-shipment Inspection for Exports

Addressing the meeting of the Export Inspection Council in New Delhi recently, Mr. Manubhai Shah, Central Minister for International Trade, indicated that nearly 100 principal export commodities would have to be brought under compulsory pre-shipment inspection in the next few years. Quality considerations are vital for increasing India's exports, and one of the methods for improving the quality of goods is to introduce compulsory pre-shipment inspection. But it is possible to overdo this. Mr. Shah's suggestion that the Export Inspection Council should have its own super-inspection organisation at different export centres and that this organisation should carry out check-sampling and testing of pre-inspected goods may cause harassment to exporters and increase the cost of pre-shipment inspection.

In order to improve the quality of export goods, it is important to stimulate quality consciousness in producers. Fortunately, most Indian manufacturers of export goods are quality-conscious, but all do not have the facilities. The Export Inspection Council has, therefore, done the right thing in deciding to engage technically qualified persons to help establish a chain of laboratories and test houses for the benefit of exporters. The Council has decided to have a four-tier system of laboratories—central and regional laboratories, technical universities and research institutions, private specialised test houses and agencies—in order to increase the scope of facilities available to exporters and to devise quality-control methods. The specialised agencies would also be given finan-

cial assistance to establish new laboratories and to extend existing ones. The importance of packaging in quality control is now being more clearly realised in India; so the Council has decided that pre-shipment inspection should include also a check on packaging. The Ministry of International Trade proposes to set up an Institute of Packaging in Madras, which will co-ordinate its activities with the Export Inspection Council to ensure that goods are not damaged in transit.

Rise in British Exports

Britons are so exalted by the unfamiliar successes of their export industries that they may overlook the superior achievements of competitors. The increase of just over 6½ percent in the value of the U.K.'s exports in 1963 was the biggest in years (the corresponding figure for 1962 was less than 2½ percent, but it was the smallest increase achieved in that year by any major exporter of manufactures except the U.S.A. and Canada). The average increase of the principal 11 was over 8 percent, and each of the first four—Japan, the Netherlands, Italy and Sweden—achieved increases of more than 10 percent. The U.K.'s unimpressive performance could previously be explained, though not altogether convincingly, by the traditional direction of her exports, more than most other manufacturing countries', towards the primary-producing countries. But last year there was not much difference between the two categories in the rate of expansion of imports. So the U.K.'s performance gives cause for anxiety if no appreciable relative change has occurred in recent months, or if earlier changes will not soon benefit Britain.

Attention has been focussed on the change in relative costs between Britain and continental Europe, but its implications are difficult to assess. There is no doubt that costs, particularly wages, have risen in the last year or so more in the European Economic Community than in Britain. The Survey published recently by the United Nations Economic Commission for Europe diagnosed Europe's economic trouble as wage-cost inflation.

But M. Marjolin, vice-president of the E.E.C. Commission, attributes the rise in prices rather to the pull of demand. Whatever the main cause, the rise in the Community's prices has induced the E.E.C. Council of Ministers to accelerate the harmonisation of policies, specifically to combat inflation. The Council adopted a resolution to this effect and established machinery to continue co-ordination, but the practical value of these moves is debatable. Individual governments seemed to feel that they should be exempt from inconvenient decisions, and some outside observers feel that the Council will achieve little more than pious resolutions. But individual governments, particularly the Italian and French, had started to grapple with their internal problems before the new machinery was set up. In any event, Britain does not benefit automatically from the Continent's inflation.

It should be remembered that, while costs and prices were rising faster in the E.E.C. than in the U.K. last year, all the Six increased their exports more than the U.K. increased hers. The contrast may be less significant than it seems at first glance, as expansion (one might say inflation) of trade within the Community increased individual members' exports to other members. But the fact remains that in the later months Britain was losing trade in the Community. She gained a compensating increase in trade in the European Free Trade Association. But the United Kingdom Council of the European Movement has lately published a thought-provoking report suggesting that Britain has not made enough effort to gain the benefits of her membership of the Association. Another question is whether, if inflation in continental Europe offers new opportunities (whether in the region itself or in other countries to which it exports), Britain will take full advantage of them. A serious contender now is the U.S.A., whose costs have not been appreciably raised by the upsurge of U.S. business. The slightly inferior performance of U.S. exports last year is no reason for complacency; for a survey undertaken recently by the Association of British Chambers of Commerce showed that British exporters had experienced "some levelling off in the rate of growth of export business", and that

they expected that British export prices would rise somewhat in the next few months.

Assessments of competing power should, however, be reviewed in the light of statistics and charts published in London this year (in January and April) in *Lloyds Bank Review*. The bank's studies have confirmed that there is no close relation between domestic and export prices, and that over considerable periods some countries' export prices have actually declined against a strong upward trend of home prices. This demonstration of disparity should not have caused much surprise, for the chairmen of many British companies have told shareholders that profit-margins are lower on sales abroad than on sales at home. An encouraging factor in Britain's position now is the increasing interest of many companies in overseas markets where they have not been previously represented. There is a big export potential in these companies, but it will not be realised unless they assert themselves vigorously, using fully the financial resources of the City of London and the intelligence services of the Government, the banks and other institutions. These facilities themselves can be improved: better co-ordinated and more effectively publicised. Export prices reflect not only costs but also policies.

THE LONDON TIMES

THERE was a time when *The Times* had claim to be considered a great paper. It is so now in a sense, but the following will hardly enhance its record for accuracy:—"His Viceroyalty has been essentially a period of reform in every sphere, and while such is its domestic aspect, it had been externally a time of peace. Its characteristics have been, not an aggressive pushing forward of frontiers, but the systematic consolidation of those territories, which are already subject to our rule. Contributing, therefore, as it has done, so powerfully to the wellbeing and stability of India, it is not unnatural that Lord Curzon's Viceroyalty should have been uniquely successful in winning the confidence and depending on the loyalty of the Chiefs of Native States in India. The Delhi Durbar gave to that loyalty the most splendid outward expression that pagantry could give, and in itself embodied much of what has made the Viceroy's rule remarkable. Large and important as are the effects which this has already secured, they will, we may trust, only be intensified and widened by the period which Lord Curzon may still be expected to devote to the services of India. We have already expressed our views pretty candidly as to what we think of Lord Curzon's administration; and we are certainly in a very much better position to offer an opinion on that administration than is the London paper, which judging from many of its recent utterances, seems to rely on some inspired panegyrist from Simla or Calcutta. The Thibet Expedition is a surely sufficient answer to the unwarrantable assertion that there has been "no aggressive pushing forward of frontiers". The expedition, no matter what the ministerial excuses in the House of Commons may be, is entirely Lord Curzon's doing. The arguments which have been advanced in justification of the step will be seen, if critically examined, to be no arguments at all. Whether the Tibetans wanted to trade with us or did not want so to do, was their business. The so-called treaties that we had with Thibet were altogether of a kind which Great Britain, better than any other power, should have known were hardly worth making a casus belli. The violation of these so-called treaties and certain acts committed by detached parties or individual Thibetans have been ingeniously made the excuse for marching to Lhasa and placing a British Resident in that trans-frontier capital. We shall certainly come into conflict with China over this business, if not in the near future then later on. For once Thibet is in our sphere of influence, it is easy enough to conceive that excuses will be found at some later date for sending a mission across the Chinese frontier proper. And so the silly game goes on. To say that Lord Curzon's Viceroyalty has been uniquely successful in winning the confidence and deepening the loyalty of the Native Chiefs will cause a smile on the face of anybody who knows the real state of affairs. To find *The Times*, too, still harking back to that quite useless episode of bombastic vanity—the Delhi Durbar—is disheartening. It is another evidence of the abysmal ignorance of India, which passes for knowledge in London, and this ignorance will remain so long as an "inspired" article, with a political or party object in view, is part and parcel of English journalism at Home.

FROM
CAPITAL
9th June, 1904

A Ditcher's Diary

MR. NEHRU NEVER NAMED A SUCCESSOR—ENTIRELY rightly, in my view. Among the many historic names that came to mind in the hours following India's national tragedy was that of President Roosevelt; there was about Mr. Nehru something of the grand manner of F.D.R. and also his New Deal. He died suddenly when World War II was still on. An obscure Mr. Harry Truman succeeded the giant; and I was wondering who India's Sri Harry Truman might be. Mr. Morarji Desai? Well, his views on matters both solid and liquid are not mine. Mr. Jagjivan Ram? Well; I don't believe that seniority is all. But these are matters of detail. It was obvious from the beginning that the one qualification required of Mr. Nehru's successor was acceptability; and Mr. Lal Bahadur Shastri has been found, as I see it, the least unacceptable. Oddly enough, I rather like the choice. It has been suggested to me that what the country needs most today is Nehruism without Nehru. Given the chance he must be, Mr. Shastri may be the man who will pursue such a policy. Since giving free advice is a scribe's prerogative, I put it to Mr. Shastri that his best bet will be not even to pretend to be another Nehru. I return to my earlier parallel; Harry Truman is the model for him. And since, to my knowledge, Mr. Shastri has no daughter who plays the piano, his relations with the Press should be reasonably friendly. This is the place to remember that playing Truman is not nearly as easy as it may sound. Some of the toughest decisions of any U.S. Government were taken by the man from Missouri; he ordered Hiroshima and Nagasaki; and it was, again, he who sacked MacArthur. Mr. Shastri may have to take similar momentous decisions; he will take them better if he remembers that Mr. Nehru's departure from the world scene warrants an immediate diminution of the scale on which India must hereafter operate both internally and externally. Mr. Nehru laid himself open to some justified criticism on the score that he tried to make the country fit his stature in which success was bound to be limited. The task of his successor is to cut according to the cloth. Mr. Shastri's first political problem may be what to do with the children of India's non-revolution.

"THE LAST DAYS OF NEHRU": I CAN SEE the book rushing out of a monster of a press somewhere in Britain. Author? It could be Leonard Mosley, who wrote vividly if not accurately of the twilight of the British Raj. It could also be Malcolm Muggeridge who insisted on calling Mr. Nehru the last Viceroy of India. Glib commentators have recalled, in discussing India's recent years, both Bahadur Shah and Chiang Kai-shek; some have

thought of Sun Yat-sen too. Here in Bengal we are used to thinking in terms of Permanent Settlement, a system more derided than assessed. In the days since Mr. Nehru's death I had been thinking of dubbing the interregnum "Impermanent Unsettledness"—a tribute to the country and its leadership with all its faults. I also thought of Pericles: "When I see these young dead I realise that the spring has been taken out of our year. But, friends, remember, this is also the high summer of Athenian democracy". Nobody will doubt the high summer in Delhi at this time of year; about Indian democracy it is too early to speak. As I think more of it, I think the seventeen years of Nehru can well be likened to Permanent Settlement. Until the afternoon of 27th May, it did seem permanent, didn't it? Settlement is only another name for stability, for which free India has rightly been praised. Students of Bengal's history know that Cornwallis's system of land tenure did considerable harm to agriculture; they cannot, however, forget the system's contribution to Bengali culture. To the tenor of life in Bengal the idle rich brought a certain elegance, a certain style, traces of which can still be seen in the State. My summing up, necessarily tentative, of the Nehru era would not be far different. I am glad to find that at least one artist has written of Mr. Nehru's patronage of the arts in free India; the various academies are only a reflection of the late Prime Minister's interest in the finer things of life. There is some criticism of the various national scientific laboratories, nobody can doubt that Mr. Nehru created them. Was there also an air of decadence about it all? Well, a certain kind of civilisation is in decay the world over; is it not?

THE RUSSIANS ARE NOW THE WORLD'S MOST enthusiastic cinema-goers. This interesting piece of information I gleaned from the recent U.N.E.S.C.O. publication, *World Communications*, and I have been pondering the reason for it ever since. It could be because the Russian people's other entertainment facilities have not been keeping pace with the growth of their incomes. Their newspapers, I know, are simply not worth reading, except to learn what the Russian Government is thinking. Their television? Well, I do not know; but I suspect it is as dominated officially as many people would like the infant Indian television service to be. That leaves only the cinema for entertainment. And if there is one fact which, rightly or wrongly, stands out from the available evidence, it is that people increasingly look for some of this elusive quality in all the mass media of communications. Which explains why the

British are still the world's most avid newspaper readers; whatever they lack in other respects, Britain's newspapers are the world's liveliest. At present the British take 51 copies of newspapers for each 100 of the population, compared with only one in Africa. The trouble is, of course, that newspapers are traditionally the first victims of any government's desire to suppress free expression among its people, and their universal popularity has suffered accordingly. With radio and television, of course, it is usually a case of government monopoly right from the beginning, and because neither of these media requires for its appreciation a particularly high standard of literacy, it is scarcely surprising that unlike the Press the growth of their popularity should have exceeded that of the world's population. As a journalist I find this disquieting, because of all the mass media the Press is probably the least susceptible in the long run to complete government domination. I often say that the day I voluntarily leave this profession will be the one on which all its members become government public relations officers. It is alarming to think that apart from a few countries, of which India is happily one, this has already arrived.

IT IS UNLIKELY THAT ANY REGULAR READER OF THIS Diary will by now be in doubt as to what I think of Peace Corps, whether American or Russian. But a scheme I saw reported the other day, although with much the same stamp about it, has rather taken my fancy. I have said here before that one of the best contributions the United States could make to developing underdeveloped countries would be to export more of her private enterprise know-how; and this is what she is now planning to do. The scheme provides for the formation of a corps of retired U.S. business men to make available their money-making experience to up-and-coming entrepreneurs in developing countries. The first experiments are to be made in Latin America; later, if successful, the service may be extended to other parts of the world. It seems a very good idea, although I can foresee difficulties; perhaps the chief one is that anybody who has spent a lifetime in the jungle of American private enterprise is unlikely to be among the most diplomatic of human beings. Lack of tact can always constitute a problem, especially when dealing with people of a different nationality from one's own. But this might not be too much of a drawback in the kind of circles which are going to be interested in learning top-level American business methods; one might reasonably assume among them a certain appreciation of the value in business of a thick skin. The main advantage of the scheme, as I see it, is that it would at least be free of the problems associated with people who are usually too young or too academic to know what they are talking about, trying to impart knowledge to others who cannot understand them anyway. Which, of course, is what generally happens with Peace

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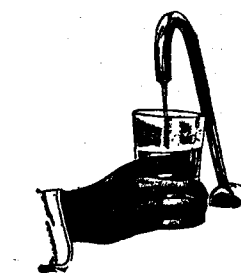
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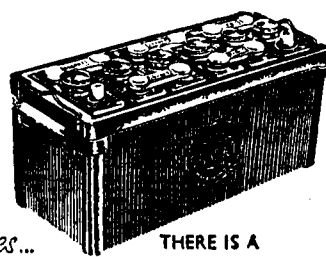
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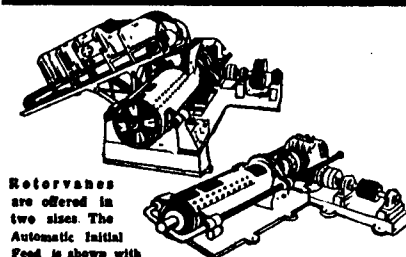
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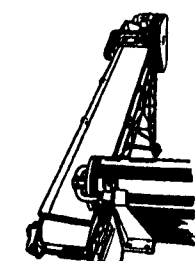
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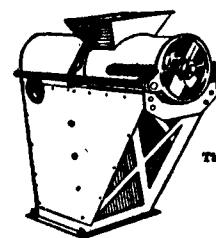
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CAPITAL, 4th June, 1964.

Corps. I have one suggestion to make. It is that a charge be made for all services rendered. That way they come to be regarded as investments and so will be put to the best possible use.

CRICKET USED TO BE PLAYED IN TOP HATS AND KNEE breaches. But I dare say that was before the days of the M.C.C., and it was certainly before those of the Tailor and Cutter. I see that this austere critic of men's fashions, for whom the ultimate sin is not to progress with the times, is currently backing the move for a change in the existing cricket "uniform". Why, it asks, should white shirt and flannels not be superseded by something more modern—and, it might have added, which the stylists of men's wear can transform into a better money-spinning proposition? It suggests shorts, in green or perhaps tartan, with matching accessories and other tricks to catch the eye. I cannot quite see it myself. All sports have an accepted outfit; to allow cricketers to indulge their own tastes would be to open the door on sartorial chaos. Besides, it would scarcely fit the image of this most sedate of sports. Tennis, perhaps, although not at Wimbledon, of course; but cricket, never. Mind you, there is room for improvement in the present outfit. Why, for instance, shorts cannot be worn in India's sunshine, or Australia's too for that matter, is a question many cricketers must have asked themselves, despite the obvious usefulness of flannels for hiding the goose pimples which are such an occupational hazard in Britain. I can see no reason either why it should not be possible to strip to the waist on a hot day. A cap is useful for keeping hair and sun out of the eyes, but a pull-over, as distinct from a buttoned cardigan, seems to me to be merely a nuisance when access to it can only be obtained head first. I suspect, too, that in this scientific age, some reduction could be made in the weight of a cricketer's impedimenta: pads and gloves are too ungainly and not sufficiently cool. But these points excepted, I still think there should be a measure of uniformity in cricketing clothing, and that it should remain predominantly white. There is, after all, the point to be remembered that against the usual green background of the cricket field, it is white which shows up best. Hence the sight screens. So far as I know nobody has yet suggested that liberties be taken with the colour of these, for fashion's sake or for any other reason.

BELEATEDLY, I HAVE BEEN READING DR. VERRIER Elwin's autobiography: *The Tribal World of Verrier Elwin* (Oxford University Press, Rs. 20) and what a wonderful book it is to read in anxious times as ours have been in the past ten days or so! Autobiographies are usually written by conceited people with more than a touch of exhibitionism in them. Dr. Elwin had neither. My particular reason for commending the book is that it contains aspects of India's recent history that could not have been revealed quite in this manner by any other man I can think of. And this social history needs to be recorded, for a generation is growing up which has no awareness at all of what the country has been through since the turn of the century. Towards the end of his life Dr. Elwin was involved in some controversy over attitudes to tribal life; but he was no stranger to controversy. When he and the Anglo-Catholic Church fell apart, a story told with wit but no frivolity, he was the subject of much disputation. His association with Mahatma Gandhi and the nationalist movement lost him many friends in his own community. He eventually became an Indian citizen, for he loved this country as nothing else. To Mr. Nehru Dr. Elwin was a friend, for the Prime Minister was a friend of the aboriginal tribes of India whose loss today is deeper than may be generally known. I knew Dr. Elwin only in Calcutta's sophisticated society where he discussed literature and such things. But, looking at him, I knew that, much as he enjoyed cultural discourses, his heart was in the tribal areas of India. I remember Dr. Elwin telling me, with that touch of sadness, that Mr. Nehru was in recent years so busy with other things that his interest in the tribals was not what it had been. With both Dr. Elwin and Mr. Nehru gone, will somebody have a thought to spare for the tribals? My reading of Dr. Elwin's book at this time was a tribute not only to the author but also, I suggest, to Mr. Nehru. And what a pleasure it has been to read the book!

THE DITCHER

CAPITAL, 4th June, 1964.

Guide for Investors

SUGAR SHARES DULL DESPITE RISE IN EX-FACTORY PRICES

(BY A SPECIAL CORRESPONDENT)

SUGAR shares are not only depressed, but are also difficult to deal in due to the absence of buyers. The index for ordinary sugar shares has dropped from 124.1 to 123.9 (1952-53 equals 100) over the past year. Investors have not been impressed by the latest increases in the ex-factory prices of sugar sanctioned by the Government of India. The rises are belated and inadequate. When the ex-factory prices were fixed at the beginning of the 1963-64 crushing season, the Government indicated its intention of adjusting them during the course of the season, after examining such factors as the duration of the season and recovery. Now that the season has come almost to an end, the prices have been adjusted.

The quantum of increase, meanwhile, has varied from area to area. In the case of factories situated in certain areas, the prices have been reduced. The new prices, in all cases, relate to the 1963-64 season. For many factories in U.P. the prices have been cut since the season has been short following the diversion of sugarcane supplies for manufacturing *khandasari* and *gur*. The results of sugar factories situated in northern India during the 1963-64 season have been poor. Since many companies whose shares are quoted in the Calcutta Stock Exchange are situated in northern India, sentiment in sugar shares has deteriorated.

The sugar output during the 1963-64 season has been higher around 2.5 million tons. But it has fallen much short of the target of 3.3 million tons. The shortage of cane supplies has been about the most important factor contributing to the shortfall in production. Furthermore, cane cultivation in northern India has suffered due to drought and bad weather. In any case the results of sugar factories situated in U.P. and Bihar during 1963-64 will, it is feared, be as poor as in 1962-63. The latest increases in the ex-factory prices of sugar are not expected to compensate the producers adequately for the rise in production costs.

Considering the shortfall in production in 1963-64, it is feared that the shortage of sugar will be aggravated unless vigorous measures are taken to increase production in the next season. If sugar mills are to be assured of an adequate supply of cane, two measures will be necessary. Firstly, the price of cane for the next season (1964-65) should be fixed now. Secondly, the ex-factory prices of sugar for 1964-65 should also be fixed in advance. In fixing the latter, attention should be given to safeguarding the interests of consumers. Production of several factories has become uneconomic due partly to their small size and partly to their outmoded equipment. It is, therefore, necessary to take active measures to amalgamate uneconomic factories into more viable units. Factories should be urged to install modern equipment and rationalise their processes of production. Since the resources of many sugar companies have been depleted by the past few years' unprofitable working, it is necessary to consider the grant of long-term loans by Gov-

ernment-sponsored financial institutions.

Jardine-Henderson Group
Jute Results

IN their reports for the year ended December 1963, the directors of the Jardine-Henderson group of jute mills point out that the working results of the Companies have been adversely affected by various factors. Production costs have been boosted to the extent of about Rs. 30 a ton, following the implementation of the award of the Wage Board. They have urged the Government of India to take steps to ensure that no further increase in labour emoluments takes place without a corresponding rise in productivity. Costs have also risen due to emergency risk insurance premiums and increased charges for electricity and lighterage. The production of the mills has been running at the maximum level due to the abolition of the Working Time Agreement. Although the supply of raw jute has been adequate, the quality has deteriorated. Since the mills have been forced to buy raw jute up to the purchase quotas issued by the Jute Commissioner, they have been obliged to provide finance and storage space for substantial stocks of raw jute. It has been estimated that the mills have to spend about Rs. 3 a maund for insurance and other charges alone.

Greater emphasis has been placed on quality control throughout the mills and on pre-shipment inspection of goods. The poor quality of raw jute has been causing difficulties. It has been pointed out that although the offtake of sacking has been sustained to some extent by rising domestic consumption, the total sale has steadily declined as a result of increasing production in Pakistan. Because of stiff competition, particularly from Pakistani mills, the margin of profit on hessian and sacking manufacture has shrunk. There are indications that more countries have begun to take interest in Indian jute goods and it is hoped that the efforts made by the Government and the Indian Jute Mills Association will succeed in creating new markets, particularly for sacking, to replace those already lost. But it is difficult to prevent a further loss of markets unless positive steps are taken to offset the large price advantage enjoyed by producers of other countries.

Kamarhatty Company Ltd has undertaken to install machinery to complete the modernisation of the preparing and spinning departments. The sewing capacity of the mills is being increased. Plans to construct two additional godowns for raw jute have been made. The net profit has dropped from Rs. 54.55 lakhs for 1962 to Rs. 43.90 lakhs for 1963, after providing Rs. 93.90 lakhs (against Rs. 88.62 lakhs) for depreciation. A sum of Rs. 1.75 lakhs has been transferred from labour superannuation and welfare reserve. The taxable ordinary dividend of 20 percent, including an interim of 5 percent, has been repeated. It amounts to an yield of 11.2 percent at the present price of Rs. 179 a share of Rs. 100 each. Development rebate reserve is allocated Rs. 15,325 (against Rs. 96,816) taxation Rs. 30.33

lakhs (against Rs. 23.50 lakhs), debenture stock sinking fund reserve Rs. 1 lakh (against Rs. 2 lakhs) and general reserve Rs. 5.27 lakhs (against Rs. 1.36 lakhs).

Kankannarrah Company Ltd has made a profit of Rs. 45.55 lakhs, against Rs. 59.39 lakhs, after transferring Rs. 72.31 lakhs (against Rs. 68.66 lakhs) to depreciation. The taxable ordinary dividend of 15 percent, including an interim of 5 percent, has been repeated. The yield works out to 10.8 percent at the present price of Rs. 139 a share of Rs. 100 each. A sum of Rs. 1.75 lakhs has been transferred from labour superannuation and welfare reserve. Debenture stock sinking fund reserve is allocated Rs. 1 lakh (against Rs. 2 lakhs), taxation Rs. 33.55 lakhs (against Rs. 10.09 lakhs), development rebate reserve Rs. 11,762 (against Rs. 4,706) and general reserve Rs. 5.64 lakhs (against Rs. 2 lakhs). The installation of additional machinery to complete the modernisation of the preparing and spinning departments has been planned. Orders for equipment have been placed. The sewing capacity of the mills is being increased.

Titagur, Victoria and
Samnuggur Jute

IN the chairman's statement to the shareholders of the Titagur Jute Factory Co. Ltd, the Victoria Jute Co. Ltd and the Samnuggur Jute Factory Co. Ltd, a guarded view about the prospects for 1964 has been taken. The abolition of the Working Time Agreement has created a feeling of uncertainty about the price outlook for jute goods. As far as these companies are concerned, the substantial stocks of raw jute held have been covered by sales at a modest margin of profit and profits for the first three months of 1964 have been below those for 1963. The results for 1963 should be considered satisfactory in view of the fact that the profit margins were squeezed by high prices of fibre, combined with increased wages in the latter part of 1963. The purchases of substantial stocks of raw jute and their storing have placed heavy financial burdens on the companies. Due to an abundant supply of jute goods, their prices have fallen. The price of hessian has dropped by about £11 a ton, while that of sacking has been barely maintained. The competition from the Pakistani mills, particularly for sack-

ing, has increased steadily. They enjoy an advantage of about £30 a ton, in comparison with the Indian mills.

The profit of Samnuggur Jute has amounted to £197,841 for 1963, against £175,821 for 1962, after transferring £232,672 (against £273,961) to taxation, £17,411 (against £34,680) to development rebate reserve and £60,000 (against £30,000) to depreciation. The taxable ordinary dividend has been raised from 10 percent to 13 percent, including an interim of 3 percent. General reserve is allocated £90,000 (against £65,000) and machinery reserve £60,000 (against nil). The carry-forward is £2,892, against £8,338 brought in. Further progress has been made with the installation of modern machinery and electrification equipment in the north mill in which all production has been concentrated. Due to the shortage of power supply, complete electrification may not be possible before 1965. The south mill has been partially leased to the Government for the storage of foodstuffs and the remaining space has been used to stock raw jute.

Titagur Jute has reduced the taxable ordinary dividend from 13 percent to 10 percent, including an interim of 3 percent. The profit has dropped from £211,646 to £70,811, after providing £108,075 (against £43,698) for taxation, £35,855 (against £19,148) for development rebate reserve and £60,000 (against £30,000) for depreciation. Modernisation of machinery reserve is allocated £35,000 (against £30,000), leaving a carry-forward of £3,525, against £9,976 brought in. Further progress with the installation of modern machinery and electrification equipment in No. 2 mill has been made. But complete electrification may not be achieved before 1965 due to the shortage of electric power. A unit for the manufacture of cotton bagging has been installed in No. 1 mill, and it is working profitably. Arrangements are being made to use the remaining space for the manufacture of wide hessian carpet-backing.

The profit of Victoria Jute has fallen from £173,749 to £48,412, after providing £135,212 (against £39,023) for taxation, £4,738 (against £7,920) for development rebate reserve and £45,000 (the same) for depreciation. The taxable ordinary dividend of 10 percent, including an interim of 3 percent, has been repeated. Machinery reserve is allocated £25,000 (against £20,000), leaving a carry-forward of £1,951, against £8,551 brought in. The installation of machinery in No. 2 mill has made further progress. The No. 1 mill is being used for the manufacture of cotton-bagging and other special fabrics.

Champdany Jute
Earns Less

IN their report for the year ended March 1964, the directors of the Champdany Jute Co. Ltd take a cautious view about the outlook during the current year. The price of raw

IMPERIAL
COMPRESSORS, HOISTS
TROLLEY JACKS, CAR WASHERS

Armstrong Smith Ltd.

jute has been steady while jute goods rates have tended to decline due to the high level of production by the mills following the abolition of the working time agreement. Although the abolition has resulted in a marked increase in the production of other mills, the output at the Wellington mills has shown little change because they have already been working at full capacity for a considerable time. Manufacturing costs have risen due to the implementation of the Wage Board award, combined with rising prices of power and essential stores. It is unfortunate that the productivity of labour has not shown any noticeable improvement in the meantime. The expansion of the broad looms plant has been undertaken and 48 broad looms have been installed. Although the prospect for carpet-backing cloth is good, its production is now more or less in balance with the world demand. So the price may tend to fall in the coming months.

The profit has dropped from Rs. 36.63 lakhs for 1962-63 to Rs. 30.39 lakhs for 1963-64, after transferring Rs. 12.66 lakhs (against Rs. 9.84 lakhs) to depreciation. The taxable ordinary dividend has been reduced from 40 percent to 35 percent, including an interim of 10 percent. The yield amounts to 15.6 percent at the present price of Rs. 22.37 a share of Rs. 10 each. Development rebate reserve is allocated Rs. 71,000 (against Rs. 3.76 lakhs) and general reserve Rs. 3 lakhs (against Rs. 12 lakhs). Taxation, including surtax on profits for Rs. 2 lakhs, absorbs Rs. 19.85 lakhs (against Rs. 11 lakhs). The carry-forward is Rs. 30,261, against Rs. 22,643 brought in. Sales rose from Rs. 3.39 crores to Rs. 3.80 crores while the stocks of jute goods declined from Rs. 6.82 lakhs to Rs. 6.05 lakhs.

Management Training in Union Carbide India

THE improved performance of Union Carbide India Ltd for 1963 has largely been due to operating efficiency, the improved use of capital equipment and the cost reduction programmes. Addressing the annual general meeting held recently in Calcutta, Mr. J. W. L. Russell, managing director, said that the improved performance will continue in future, considering that India's economy is developing. (A fuller version of his speech is printed on a later page in this issue of *Capital*.) The satisfactory results have been mainly due to the competent group of managerial and supervisory staff of the Company. They have helped develop the various products and methods of marketing. In spite of the shortage of managers and the competition to secure their services, Union Carbide India has not experienced any loss of senior and more capable employees due to the congenial atmosphere in the Company.

Union Carbide India has paid attention to the selection of the best possible human material. It has taken steps to use the skill and aptitudes of each individual to the best advantage and to assist him in the acquisition of new skill and ability. It has laid down that promotion from within the Company should take place whenever possible. This is why timed-training schedule has been fixed so that promotion may be given to fully-qualified executives to fill new positions as they arise.

The Company has concentrated on management training to enable the employees to discharge their duties competently. They have been given the opportunity to develop their skill and abilities so that they can fill responsible positions when they arise. Each manager has the responsibility of developing each of his subordinates. Each executive is first told what is

expected of him. At regular intervals, his actual performance is compared with that expected. From this comparison, a draft programme is drawn up so as to facilitate his progress. In addition to promoting management training for the Company's employees, Union Carbide India has supported the management training movement in India since its inception. It has attached great importance to training managers who are Indian nationals.

In every phase of operations, in manufacturing, in marketing and in administration, Indian managers are replacing internally-assigned executives. Mr. Russell pointed out that management development is more of an art than an exact science. So changes in the management training system of the Company will have to be made from time to time. He said that the cost of training managers should be overlooked since trained managers contribute to the increased efficiency of operations.

Martin Burn Light Railway Company Results

THE results of the light railway companies under the management of Martin Burn Ltd for the year ended March 1963 have been published. The Howrah-Sheakhalla Light Railway Co. Ltd has declared a taxable ordinary dividend of 4 percent to absorb Rs. 24,000, against a taxable dividend of 4.25 percent for 1961-62. Gross earnings have improved by Rs. 68,385 to Rs. 8.99 lakhs. Working expenses have amounted to Rs. 8.09 lakhs. The net earnings have, therefore, totalled Rs. 90,311, against Rs. 62,731. General reserve absorbs Rs. 15,000, leaving a carry-forward of Rs. 2,342.

The gross earnings of the Futwah-Islampur Light Railway Co. Ltd have amounted to Rs. 8.86 lakhs, against Rs. 8.51 lakhs and working expenses have totalled Rs. 8.60 lakhs, against Rs. 7.47 lakhs. As a result, the net earnings have amounted to Rs. 26,271. A sum of Rs. 6,000 has been transferred from contingency reserve. Bringing in Rs. 1,491 and making other adjustments the distributable amount is Rs. 21,501. The taxable ordinary dividend of Rs. 1.80 a share of Rs. 100 each has been repeated to absorb Rs. 20,695, leaving a carry-forward of Rs. 806.

The Howrah-Amra Light Railway Co. Ltd. has made gross earnings of Rs. 29.89 lakhs, against Rs. 29.80 lakhs. Working expenses at Rs. 26.81 lakhs show little change. The net earnings have, therefore, amounted to Rs. 1.83 lakhs. A taxable ordinary dividend of 4 percent has been declared to absorb Rs. 64,000, leaving a carry-forward of Rs. 6,372. The ordinary dividend amounted to 4.25 percent, subject to tax, for 1961-62.

The Arrah-Sasaram Light Railway Co. Ltd has declared a taxable ordinary dividend of 4 percent to absorb Rs. 86,772, leaving a carry-forward of Rs. 1,080. The dividend amounted to 5 percent for 1961-62. Gross earnings have amounted to Rs. 20.55 lakhs, against Rs. 30.04 lakhs and working expenses have totalled Rs. 17.25 lakhs (against Rs. 16.27 lakhs). Bringing in Rs. 2,918 and making other adjustments, the distributable amount is Rs. 87,852.

Indian Copper Fares Well

THE ordinary shares of Indian Copper Corporation Ltd have been subdued at Rs. 3.08 mainly due to the general apathy in the market following the sudden death of Mr. Nehru. The excellent results of the Company

for the year ended December 1963 have, meanwhile, been overlooked. The profit has improved from £1.35 million for 1962 to £1.38 million for 1963, out of which depreciation absorbs £170,000 (the same), decretal amount under kyanite suit compromise £21,694 (against £50,788), taxation £821,855 (against £742,378), development rebate reserve £26,597 (against £15,136) and general reserve £98,000 (against £195,000). Bringing in £570, there is a distributable balance of £247,299. A taxable ordinary dividend of 12 percent has been declared on the share capital which has been increased from £1.37 million to £2.06 million. A taxable ordinary dividend of 18 percent was paid for 1962. But the total amount of dividends paid for 1963 stands at the same figure of £246,834 as for 1962. The yield amounts to 5.2 percent at the present price of Rs. 3.08 a share of 2s.

Bright Prospects for Braithwaite

IN their report for the year ended December 1963, the directors of Braithwaite and Co. (India) Ltd point out that production during the current year is expected to show an improvement over that for 1962, due to the improved supply of raw materials. Production at the Clive works in 1963 was satisfactory in spite of the shortage of welding electrodes during the early part of year. The supply of steel has improved during recent months, so it has been possible to plan production for some months ahead. The additional area of land required for a steel stockyard has been secured from the Port Commissioners and it has greatly relieved congestion in the works.

Production at the Angus works was nearly double that for 1962, and the order-book is considered satisfactory. Import licences for equipment to complete the current expansion programme have been received and orders have been placed. The machinery is expected to be installed within the next year. The output of electric over-head travelling cranes has been satisfactory. The directors refer to the transfer of Rs. 8.09 lakhs from freehold-land to leasehold land in the balance-sheet. The sum was formerly paid towards the purchase of land at the Angus works. In May 1963, the Government gave notice to take possession of the land. But the directors have negotiated with the Government for a lease on payment of *salami* and an annual rent. The lease is renewable. So the original amount of Rs. 8.01 lakhs should be regarded as a part of the cost for obtaining the leasehold land. The Company's annual general meeting will be held on 18th June and has not been held already as was in last week's *Capital*.

Clive Row Investment Raises Dividend

CLIVE Row Investment Holding Co. Ltd has raised the taxable ordinary dividend from 7.5 percent to 8 percent for the year ended December 1963. The yield amounts to 9.6 percent at the present price of Rs. 8.37 a share of Rs. 10 each. The profit has amounted to Rs. 14.89 lakhs for 1963, against Rs. 15.09 lakhs for 1962. Taxation absorbs Rs. 3.50 lakhs (against Rs. 4.70 lakhs), leaving a carry-forward of Rs. 2.75 lakhs, against Rs. 2.45 lakhs brought in. Investment income amounted to Rs. 16.49 lakhs, against Rs. 16.47 lakhs and commission on some underwriting of new issues amounted to Rs. 6,000, against Rs. 43,000. The Company disposed of its small holding in North West Coal Company Ltd and a debenture in the

Royal Calcutta Golf Club was re-deemed at par. There was a profit of Rs. 464 on these transactions, and this has been transferred to capital reserve.

Nagri Farm Tea Repeats

THE revenue profit of the Nagri Farm Tea Co. Ltd (a Darjeeling garden) has dropped from Rs. 6.06 lakhs for 1962 to Rs. 1.26 crores 1963, after providing Rs. 1.68 lakhs (against Rs. 28,790) for depreciation. The taxable ordinary dividend of 35 percent has been repeated to absorb Rs. 1.05 lakhs. The yield amounts to 11.7 percent at the present price of Rs. 29.87 a share of Rs. 10 each. Taxation absorbs Rs. 70,000 (against Rs. 5.65 lakhs), building reserve Rs. 25,000 (against Rs. 1.75 lakhs), general reserve Rs. 1.25 lakhs (against Rs. 1 lakh) and development rebate reserve Rs. 1.12 lakhs. The carry-forward is Rs. 52,703, against Rs. 1.47 lakhs brought in. The crop declined from 214,750 kilograms to 207,707 kilograms, and the average sale price declined from Rs. 9.03 a kilogram to Rs. 7.66 a kilogram. The 1964 crop has been estimated at 223,900 kilograms at a cost of Rs. 6.35 a kilogram.

Hoolungoree Tea Cuts Dividend

HOO LUNG OOREE Tea Co. Ltd (an Assam garden) has earned a profit of Rs. 76,061 for the year ended December 1963, compared with a profit of Rs. 4.52 lakhs for 1962, after transferring Rs. 95,363 (against Rs. 1.63 lakhs) to depreciation and Rs. 64,312 to depreciation under-provided on block assets sold. The taxable ordinary dividend has been reduced from 20 percent to 15 percent. The yield works out to 7.5 percent at the present price of Rs. 200 a share of Rs. 100 each. Taxation is allocated Rs. 95,000 (against Rs. 2.13 lakhs), capital reserve Rs. 12.47 lakhs and development rebate reserve Rs. 500 (against Rs. 9,500).

The carry-forward is Rs. 8,314, against Rs. 58,569 brought in. The transfer of a sum of Rs. 12.47 lakhs to capital reserve has been due to the sale of the Company's Konikor Dalm division. A provision of Rs. 64,312 has to be made for certain assets, which realised less than their written-down value. The second instalment of Rs. 8 lakhs under the sale agreement, together with interest, was duly received on 30th December, 1963, leaving a balance of Rs. 5 lakhs, together with interest thereon due for payment on or before 31st December, 1964. The major part of the capital expenditure for Rs. 1.96 lakhs during 1963, represents the cost of expanding the Company's tea area. The crop for 1964 has been estimated at 2,900 quintals.

Debentures from Tata Mills and Ahmedabad Advance

THE preliminary results of the Ahmedabad Advance Mills and Tata Mills for the year 1963 had been released along with the announcement of dividends. They did not present the full picture although they clearly indicated that both the mills had fared badly during the year. The full accounts show that the gross profit of Ahmedabad Advance has declined from Rs. 23.97 lakhs to Rs. 16.94 lakhs, and that of the Tata Mills from Rs. 39.15 lakhs to Rs. 32.53 lakhs. The profits have fallen in spite of larger sales. The directors attribute the fall in profits to the continuation of the voluntary cloth price control

scheme, unremunerative export prices and higher costs of cotton, stores and other items of production. Trading conditions were dull until about the middle of 1963 mainly because of the Chinese aggression, but thereafter the off-take of cloth was good. Both the mills are said to be concentrating more on the production of bleached, printed and finished cloth with a view to improving their earning capacity. The directors have criticised the existing control over cloth prices which is said to have made cloth production uneconomical because costs have been rising whereas prices have been pegged at the levels obtaining some years ago.

The Ahmedabad Advance Mills installed during 1963 new plant and machinery of the value of about Rs. 23 lakhs, the important additions being a sanforiser, auto weft winder, felt calender, hot flue, super cotton cleaner, auto jiggers and automatic looms. Towards the end of the year, the value of the works under construction and machinery received at the mills but awaiting installation was Rs. 18 lakhs. As against the paid-up capital of Rs. 60 lakhs, the Company's gross block at the end of 1963 amounted to Rs. 2.66 crores which has been written down to Rs. 1.45 crores. Over the past five years, the Company's fixed assets have gone up by about Rs. 76 lakhs, largely on account of renovation and rehabilitation and this has been financed mainly from retained profits and borrowings. The Company needs further funds for renovation and rehabilitation. The directors have decided to increase the authorised capital from Rs. 60 lakhs to Rs. 1.10 crores by the creation of 50,000 equity shares of Rs. 100 each. Out of this, 10,000 shares are being issued by way of bonus on the basis of one share for every five shares held by capitalising reserves in the share premium account. The Company has also announced one-for-four right shares issue. It is also proposed to issue additional debentures of the nominal value of Rs. 70 lakhs and from that issue to pledge debenture of Rs. 40 lakhs with a bank against an additional demand cash credit of Rs. 35 lakhs. The debentures will rank *pari passu* with the existing 5 percent debenture 1966-71 of Rs. 30 lakhs.

New plant and machinery installed by Tata Mills during 1963 amounted to Rs. 29 lakhs. Important additions included super cleaners combers, a curing unit, a needling unit for the non-woven plant, high-speed drawing frames and dyeing jiggers. These will enable the mills to produce better quality of cloth at more profitable rates. Towards the end of the year, the value of works under construction and machinery received at the mills but awaiting installation was Rs. 27 lakhs. Further orders have also been placed for additional machinery of the value of about Rs. 9 lakhs in 1964. The Company had earlier received permission to instal 13,640 spindles, against its request for 20,000 additional spindles to balance production. Last year, the Company received further permission to instal another 6,336 spindles, being 74 percent of the total sanctioned spindle capacity. Of the 192 automatic looms sanctioned by the Government, 144 looms are under installation. During 1963, various non-woven products which would meet with the needs of the sugar, dairy, garment, laundry industries were further experimented with and in some cases, satisfactory results were obtained after considerable development work.

As against its paid-up capital of Rs. 65.58 lakhs, the gross block of Tata Mills at the end of 1963 was valued at Rs. 3.78 crores, which had been written down to Rs. 2.22 crores. Additions to fixed assets made over the past five years amount to Rs. 1.37 cro-

res, largely on account of rehabilitation and renovation. This has been financed mainly from retained profits and borrowings. The Company needs further funds for renovation and rehabilitation. It has already announced the issue of rights shares on the basis of one share for every three held. It is also proposed to issue additional debentures of the nominal value of Rs. 60 lakhs and from that issue to pledge debentures of the nominal value of Rs. 40 lakhs with a bank against an additional demand cash credit of Rs. 35 lakhs. The debentures will rank *pari passu* with the existing 5 percent debentures 1966-71 of Rs. 39.51 lakhs.

Concord of India Pays the Same

THE Concord of India Insurance Co. Ltd has repeated the taxable ordinary dividend of 20 percent for the year ended December 1963. The yield works out to 10 percent at the present price of Rs. 10 a share of Rs. 10 each on which a sum of only Rs. 5 has been paid-up. A sum of Rs. 4.38 lakhs has been transferred from the profit and loss account to the appropriation account. Bringing in Rs. 32,703, there is a distributable balance of Rs. 4.70 lakhs. General reserve is allocated Rs. 1.75 lakhs (against Rs. 50,000), leaving a carry-forward of Rs. 25,429. In the fire account, net premiums, after deducting all re-insurances, amounted to Rs. 38.59 lakhs and claims paid and outstanding totalled Rs. 19.02 lakhs.

After transferring a surplus of Rs. 2.60 lakhs to the profit and loss account, the fire insurance fund stands at Rs. 19.30 lakhs. In the accident account, net premiums, after deducting all re-insurances, amounted to Rs. 29.58 lakhs and claims paid and outstanding totalled Rs. 18.45 lakhs. After transferring a surplus of Rs. 3.92 lakhs to the profit and loss account, the accident and miscellaneous insurance funds have been placed at Rs. 14.79 lakhs. In the marine revenue account net premiums, after deducting all re-insurances, amounted to Rs. 17.65 lakhs and claims paid and outstanding totalled Rs. 13.40 lakhs. After transferring a deficit of Rs. 1.81 lakhs to the profit and loss account, the marine insurance fund stands at Rs. 17.64 lakhs. The fire, accident and marine insurance funds total Rs. 51.74 lakhs, showing a rise of Rs. 87,481 over those for 1962.

Colour-Chem Pays More

THE preliminary report on the working of Colour-Chem Ltd for the year ended March 1964, shows good improvement over the previous year's performance. The gross profit has gone up by nearly 39 percent from Rs. 1,224 crores to Rs. 1,639 crores. The dividend has been stepped up from 12 percent to 16 percent. What is more, the entire dividend is expected to be exempt from tax as it is being paid out of the tax-free reserves exempt under Section 84 of the Income Tax Act. The necessary application is being sent to the income tax authorities to seek confirmation on this point. After providing Rs. 9.36 lakhs (against Rs. 10.79 lakhs) for depreciation, Rs. 90.50 lakhs (against Rs. 64.29 lakhs) for taxation, the net profit for 1963-64 amounts to Rs. 69.51 lakhs, against Rs. 47.34 lakhs in the preceding year.

Allocation to general reserve has been raised from Rs. 26 lakhs to Rs. 41 lakhs, and dividend equalisation reserve gets Rs. 8 lakhs, against Rs. 6 lakhs. The provision for development rebate reserve is higher at

Rs. 55,722 (against Rs. 4,782) and gratuity reserve receives Rs. 52,300 (against Rs. 42,700). After providing Rs. 19.28 lakhs for special reserve, there remains a sum of Rs. 16,332 to be carried forward, against Rs. 1,134 brought in. The directors have transferred a sum of Rs. 20 lakhs from the special reserve to the dividend reserve which is to be used for the payment of the proposed dividend. The Rs. 100-paid share of Colour-Chem is currently quoted around Rs. 320, offering a tax-free return of about 5 percent.

Carron Tea Pays Nil

THE Carron Tea Co. Ltd (a Doars garden) has incurred a loss of Rs. 37,664 for the year ended December 1963, against a revenue profit of Rs. 97,006 for 1962, after providing Rs. 57,212 (against Rs. 56,556) for depreciation. Taxation absorbs Rs. 8,150 (against Rs. 27,500). A sum of Rs. 356 has been transferred from revenue reserve. The dividend has been passed, but a balance of Rs. 2,776 has been carried forward. The crop dropped from 280,187 kilograms for 1962 to 268,883 kilograms for 1963 and the average sale price fell from Rs. 4.70 a kilogram to Rs. 4.30 a kilogram. The 1964 crop has been estimated at 295,000 kilograms at a cost of Rs. 13.27 lakhs. The directors have mentioned that the start of the new season has been satisfactory.

Satgram Collieries Pays the Same

THE profit of Selected Satgram Collieries Ltd has risen from Rs. 10.14 lakhs for 1962 to Rs. 13.63 lakhs for the year ended December 1963. The taxable ordinary dividend of 10 percent has been repeated. It amounts to a yield of 8.5 percent at the present price of Rs. 118 a share of Rs. 100 each. Land and mining reserves have been allocated Rs. 50,000, special reserve Rs. 87,000, bad and doubtful debts reserve Rs. 25,000. Taxation reserve absorbs Rs. 10,000, general reserve Rs. 70,000 and development reserve Rs. 6.61 lakhs, leaving a carry-forward of Rs. 1,672. Raisings moved up from 551,413 tons to 649,513 tons and despatches from 526,368 tons to 637,946 tons. The directors think that with a fuller utilisation of the capital equipment, the Company should reduce the cost of production in the near future.

Good Results from Svadeshi Mills

UNLIKE Ahmedabad Advance and Tata Mills, which fared badly in 1963, the working results of Svadeshi Mills, belonging to the same group show an appreciable improvement over the previous year's performance and the dividend has been stepped up by Rs. 2 a share. The turnover is up by about 14 percent from Rs. 5.06 crores to Rs. 5.77 crores, and the profit after providing for depreciation and managing agents' commission, shows an increase of about 44 percent from Rs. 37.84 lakhs to Rs. 54.63 lakhs. The omission of the figures for managing agents' commission and depreciation in the preliminary report was hard to understand.

Allocations include taxation Rs. 23 lakhs (against Rs. 18 lakhs), development rebate reserve Rs. 5 lakhs (against Rs. 2.75 lakhs), gratuity reserve Rs. 50,000 (against Rs. 75,000), general reserve Rs. 6 lakhs (against nil) and dividend reserve Rs. 21.10 lakhs (against Rs. 16.50 lakhs). The

dividend has been raised from Rs. 17 to Rs. 19 a share, which restores the cut effected in 1962. Equity dividend absorbing Rs. 19 lakhs and preference dividend amounting to Rs. 1.07 lakhs are to be paid out of the dividend reserve. After making all the appropriations, there remains a surplus of Rs. 11,562 to be carried forward, against Rs. 8,176 brought in.

Shree Gopal Paper to Expand

SHREE Gopal Paper Mills Ltd has produced satisfactory results for the year ended December 1963, in spite of the rising production costs. Results have been satisfactory partly due to the improved efficiency and various other economies effected by the Company. Output rose from 35,126 tons for 1962 to 37,331 tons for 1963. Attention has been concentrated on producing quality writing and printing papers. In view of the substantial rise in the prices of chemicals, the directors are considering extending the capacity of the existing electrolytic bleach plant. It is proposed to extend the plant for producing 30 tons of caustic soda and chlorine a day. The existing output amounts to 1.5 tons of caustic soda, with almost an equivalent quantity of chlorine a day. The Company has applied to the Government to expand the existing output capacity for paper by 7,000 tons a year through the installation of balancing equipment. The scheme has been approved by the authorities. The Company has been asked to negotiate with the Industrial Credit and Investment Corporation of India and the Industrial Finance Corporation to import equipment for Rs. 35.5 lakhs. The *vanaspati* unit has worked satisfactorily. Its output has amounted to 4,285.43 tons, compared with 3,861.77 tons.

The profit has risen from Rs. 1.13 crores to Rs. 1.30 crores, after providing Rs. 67.35 lakhs (against Rs. 58.10 lakhs) for depreciation and Rs. 1.80 lakhs (against Rs. 2.90 lakhs) for development rebate reserve. A sum of Rs. 73,296 has been written back towards excess dividend provided earlier. The taxable ordinary dividend has been increased from 17.67 percent to 18 percent which works out to a yield of 7.2 percent at the present price of Rs. 24.87 a share of Rs. 10 each. Taxation reserve is allocated Rs. 57.25 lakhs, against tax provision for Rs. 60 lakhs, capital reserve Rs. 10,923 (against Rs. 6,177) and general reserve Rs. 42.50 lakhs (against Rs. 34 lakhs). The carry-forward is Rs. 43,420, against Rs. 73,294 brought in.

Ogale Glass Fares Well

OGALE Glass Works Ltd reports encouraging results for 1963. Sales have increased by about 16 percent from Rs. 88.81 lakhs to Rs. 1,029 crores, and the gross profit has risen by nearly 21 percent from Rs. 8.52 lakhs to Rs. 10.34 lakhs. The dividend has been maintained at 8 percent—40p a share—but it is payable on the increased capital of Rs. 25.75 lakhs, against Rs. 22.50 lakhs in 1962. Appropriations include depreciation Rs. 4.72 lakhs (against Rs. 3.28 lakhs), development rebate reserve Rs. 44,061 (against Rs. 43,395) and taxation Rs. 3.15 lakhs (against Rs. 2.40 lakhs), leaving a net profit of Rs. 1.48 lakhs against Rs. 1.93 lakhs. With Rs. 65,222 brought forward and adding Rs. 2,333 being excess provision for the dividend, the disposable surplus amounts to Rs. 2.16 lakhs. The proposed dividend will absorb Rs. 2.06 lakhs (against Rs. 1.80 lakhs), leaving a

balance of Rs. 9,536 to be carried forward.

The directors state that production on the automatic press at the Pimpri unit was started in March 1964. The working results of this unit for 1963 show a revenue deficit of Rs. 25,784, after providing Rs. 1.30 lakhs for depreciation and Rs. 50,820 by way of interest charges on the I.F.C. and bank loans. The Company has fully repaid the first loan taken from the I.F.C. A second rupee and dollar loan amounting to Rs. 7.23 lakhs has been obtained and used for the Pimpri unit. A further loan of Rs. 7.50 lakhs has been sanctioned by the Corporation, but it has not yet been availed of. The Company has on hand expansion schemes, part of which has already materialised. Last year, the Company offered 100,000 equity shares of Rs. 5 each at par, but quite a large number of these shares remained unsubscribed. The Company is now approaching the shareholders to take up these shares in order to expedite development work.

Investa Machine Tools Disappoints

INVESTA Machine Tools and Engineering Co. Ltd reports extremely disappointing results for 1963. In spite of an improvement in the turnover from Rs. 58.92 lakhs to Rs. 63.40 lakhs, the gross profit has declined from Rs. 9.84 lakhs to a mere Rs. 3.99 lakhs, which is hardly sufficient even to make full provision for depreciation for the year. The directors have been obliged to withdraw a sum of Rs. 1.33 lakhs from the general reserve. The provision for depreciation amounts to Rs. 4.99 lakhs (against Rs. 4.58 lakhs) and secretaries and treasurers receive their minimum commission of Rs. 25,000 (the same). No provision has been made for development rebate which had received Rs. 3.39 lakhs in 1962. After making these appropriations, there remains a surplus of Rs. 9,345 to be carried forward, against 1,664 brought in. The Company has passed the dividend on preference shares with the result that the preference dividend is in arrear for 15 years. Last year, the Company cleared arrears of preference dividend for 1947 and 1948.

Progress of Premier Fertilisers

THE working of Premier Fertilisers Ltd for the year ended December 1963, has resulted in a profit of Rs. 52,803 before providing for depreciation. The profit for the previous year was Rs. 7,069, after providing Rs. 5,446 for depreciation. The directors consider the working results encouraging, as it was the first year of operation and as the Company had to face an uphill task in the marketing sphere. Adding to the year's profit a sum of Rs. 56,804.10 brought forward, the total comes to Rs. 1,09,607.10. As this amount is small, compared with the amount of depreciation necessary to be provided for 1963 (which works out to Rs. 9,64,479), no depreciation has been provided and the profit has been carried forward.

The directors state that the provision to enable the Company to claim development rebate concerning fixed assets will be made in due course when a better profit is earned. The report says that production started from the end of January 1963. Being a new plant the initial teething troubles were there, and, therefore, increased production could be started only by about May 1963, and the rated capacity was attained in stages thereafter. In the sphere of sales, the report adds that in spite of severe

competition and in spite of the Company entering the field for the first time, it was able to market over 50 percent of the superphosphate produced. The sales of fertiliser mixture were encouraging. The Company has worked out plans to increase both production and sales of superphosphate and mixtures during 1964. In 1964, the Company opened a mixing-cum-sales unit in Tiruchirappalli and Tirunelveli in addition to those already functioning in Cuddalore, Madurai, Coimbatore and Bangalore. The directors expect better results this year.

Mysore Electro Chemical Share Offer

THE Mysore Electro Chemical Works Ltd, Bangalore, manufacturers of M.E.C. batteries will be shortly approaching the market with a share offer in accordance with the desire to increase its capital by Rs. 25 lakhs. The issue will be for Rs. 25 lakhs, of which Rs. 10 lakhs will be offered to the public. The Industrial Finance Corporation, New Delhi, is underwriting the issue in full. Preference shares worth Rs. 5 lakhs are fully subscribed by the Company's West German collaborators, Messrs Accumulatorenfabrik Sonnenschein. Shares worth Rs. 10 lakhs are being reserved for subscription by the directors and their friends.

The Mysore State Finance Corporation has sanctioned a loan of Rs. 14.30 lakhs to the Company for completing its expansion scheme. Apart from increasing the capacity for the manufacture of batteries—automotive, heavy duty, tractor, stationary, etc.—the Company will also launch a programme for producing special types of batteries for electronic flashes and other electronic equipment. Many items in the above list are special patents of the West German collaborators.

A Good Year for Dalmia Cement

DALMIA Cement (Bharat) Ltd has done well in 1963. Due to the reduced provision for taxation, the net profit has risen from Rs. 45.53 lakhs for 1962 to Rs. 57.65 lakhs for 1963. General reserve absorbs Rs. 26.50 lakhs. The Company has maintained the taxable ordinary dividend at 12 percent. In his chairman's speech at the annual general meeting held in Dalmiapuram, Madras, last Monday, Mr. V. H. Dalmia said that an increase in the dividend would have compelled the Company to pay a bigger dividend tax. (A fuller version is printed on a later page in this issue of Capital.) The ploughing-back of profits has been justified on the ground that it will reduce the liability of the Company for the surtax on profits.

Mr. Dalmia referred to the shortage of cement. In spite of all efforts, the shortage is likely to remain acute up to at least 1966. In that year, the installed capacity may amount to 14.2 million tons and the actual output to 11.6 million tons. So the proposal of the Government to remove or relax the control on ex works cement prices should be implemented without delay in order to encourage production. It is hoped that the cement industry in general will benefit from the limestone-prospecting efforts of the Cement Corporation of India which the Government of India has decided to establish for increasing production. The Government should also investigate the prospect of manufacturing blended cement by an admixture of fly ash and other pozzolanas. If the production incentive scheme is suitably modified, the output will be further boosted. The chairman said that the present system of computing pack-

ing charges had involved the Company in a loss of Rs. 3.27 lakhs for 1963, since the prices of second-hand bags had risen considerably. So the formula for fixing packing charges should be modified. The Company has also suffered losses due to the inadequate subsidy allowed in the case of coal transported by sea-cum-railway routes.

There has been increasing competition in world markets in exporting iron ore. The Company has taken active steps to reduce the mining and transport costs for its iron ore. It has finalised plans for laying a ropeway from the mines to the rail-head and for introducing substantial mechanisation in the mines. Due to a recession in the dead-burnt magnesite industry, the results of the Dalmia Magnesite Corporation, a subsidiary, have been affected. The requirements of the steel industry for dead-burnt magnesite may decline due to the improvement in the quality of indigenous refractories and because of technological changes in steel-making. Mr. Dalmia, therefore, hopes that the Government will not allow any further expansion in the production of dead-burnt magnesite. The Dalmia Magnesite Corporation, meanwhile, is trying to export magnesite. Dalmia Cement proposes to convert the deferred shares into ordinary ones at an early date. The conversion, it is reliably learnt, will not attract capital gains tax which will have to be paid when the converted shares are sold.

Share Offer by Vibgyor

VIBGYOR Ltd is offering 14,890 equity shares of Rs. 100 each at par to raise part of the funds required for financing its expansion schemes which are estimated to cost about Rs. 26.5 lakhs. The Company which is at present engaged in the distribution of paints and allied products, civil and construction engineering works and in painting and decoration, proposes to set up a fully equipped steel fabrication unit and undertake heavy engineering construction work in bridges, dams, buildings, etcetera.

Incorporated in September 1951 as a private limited company, Vibgyor was converted into a public limited company on 31st December, 1963. The authorised capital is Rs. 50 lakhs of which Rs. 30 lakhs has been issued. The subscribed capital amounts to Rs. 15.11 lakhs. It is now proposed to issue equity shares worth Rs. 14.89 lakhs, of which shares of the value of Rs. 12.75 lakhs have been underwritten. The subscription list will open on 8th June, and will close on 18th June or earlier, but not before 12th June. The Company's turnover has been increasing year after year and it is now said to have on hand contracts amounting to over Rs. 2 crores, comprising civil engineering works connected with thermal power stations, housing colonies and factories, etcetera. The Company has been paying dividends regularly and the last dividend was 8 percent for 1962-63. The board of directors consisting of ten members has the Maharaja Fatesingh Rao P. Gaekwad of Baroda, as its chairman.

Highland Produce Pays the Same

ARISE in the tea crop and maintenance of the ordinary dividend at 15 percent feature the working results of Highland Produce Co. Ltd for the year ended December 1963. The net profit for the year amounts to Rs. 7,64,876.28 after providing Rs. 1,01,972.62 for depreciation, compared with the previous

year's net profit of Rs. 7,30,177 after providing Rs. 89,092 for depreciation. With the amount of Rs. 15,645.05 brought forward, the total available for appropriation comes to Rs. 7,80,321.33. Out of this, the directors have provided Rs. 3,50,000 for taxation (against Rs. 3,25,000). A sum of Rs. 25,000 is transferred to reserve for development rebate (against Rs. 31,500). A sum of Rs. 75,000 is transferred to general reserve (against Rs. 100,000). The dividend on 6 percent cumulative preference shares (gross 6.76 percent) amounts to Rs. 20,280. The dividend at 15 percent on equity shares amounts to Rs. 2,70,000. The balance of Rs. 40,041.33 is carried forward.

The tea crop for the year amounted to 685,000 kilograms (against 670,200 kilograms). The all-in-cost of production was higher at Rs. 3.80 a kilogram, against Rs. 3.67 a kilogram. The average sale price for tea amounted to Rs. 4.62 a kilogram, against Rs. 4.39 a kilogram. The cardamom crop amounted to 22,510 kilograms, against 26,690 kilograms. The estimated tea crop for 1964 is put at 655,000 kilograms. The cardamom crop is estimated at 22,500 kilograms. The directors say that the policy of fine plucking for tea has been continued.

Virudhunagar Textile Maintains Dividend

A STEEP fall in the profit is reported by Virudhunagar Textile Mills Ltd for the year ended December 1963. The equity dividend is maintained at 6 percent (the same). As there were no signs of improvement in the market conditions and as the accumulation of stock continued, the Company had to stop working 56 looms for about five months during the year in order to avoid further accumulation of cloth. Thus the fall in production, increase in excise duty, increase in yarn ceiling prices without corresponding increase in cloth prices, payment of emergency risks insurance premium, levy of surcharge on electricity charges, all these factors contributed to the steep fall in profit.

The profit for the year amounted to Rs. 51,972, after providing Rs. 77,315 for depreciation, compared with the previous year's profit of Rs. 4,27,477 after providing Rs. 86,972 for depreciation. With the amount of Rs. 79,706 brought forward, the total available for appropriation comes to Rs. 1,31,678. Out of this, the provision for taxation amounts to Rs. 31,000 (against Rs. 2,50,000). The dividend on 5 percent tax free preference shares amounts to Rs. 15,659. The dividend at 6 percent on equity shares amounts to Rs. 73,098. The dividend at 6 percent on deferred shares amounts to Rs. 463. The balance of Rs. 11,458 is carried forward. Sales of cloth during the year amounted to Rs. 54,34,753, against Rs. 51,88,325.

Pathemara Tea Skips Dividend

THE Pathemara Tea Co. Ltd (a Cachar garden) has earned a profit of Rs. 68,688 for the year ended December 1963, compared with a loss of Rs. 49,484 1962, after providing Rs. 32,427 (against Rs. 32,205) for depreciation. General reserve is allocated Rs. 1 lakh, leaving a carry-forward of Rs. 35,010. The dividend has again been passed. The crop amounted to 225,257 kilograms, against 213,805 kilograms. The average price rose from Rs. 4.21 to Rs. 4.63 a kilogram. The crop for 1964 has been estimated at 230,000 kilograms at a cost of Rs. 10.08 lakhs.

The Stock Markets

LYONS RANGE CAUTIOUS ON CABINET UNCERTAINTIES

Wednesday Evening.

THE Calcutta stock market reopened last Monday after having closed due to Mr. Nehru's death. The earlier nervousness following his death has abated, and there has been a fair recovery because of short-covering, combined with replacement purchases. Towards the close, operators have turned cautious and activity is restrained. Although the election of Mr. Lal Bahadur Shastri as the Prime Minister has been welcomed, a good deal of uncertainty prevails concerning the formation of the new Central Cabinet. There is little doubt that Mr. Shastri will pursue Mr. Nehru's economic policy, but it remains to be seen whether he will take vigorous steps to accelerate growth.

The clearing on Wednesday passed off smoothly, and the carry-forward charges have been more or less the same as they were in the previous settlement. Turnover has largely centred on clearing shares, but selected cash scrip have also improved in sympathy with the general trend. Lyons Range is worried by the growing shortage of funds. The concern has been the greater because the Reserve Bank has decided to ask companies to furnish returns about the deposits they have accepted from the public. It is possible that some restrictions will be placed on accepting such deposits in due course. Reports that the Aid-India Club has pledged substantial non-project aid to India, have created little cheerfulness. The disappointment stems largely from the slow growth of industrial development. The Government's decision to ban forward trading in various commodities like groundnut, groundnut oil and linseed has caused some jitters.

Indian Iron have recovered mainly due to short-covering. But investors are inclined to wait until the two steel companies declare their dividends. Indian Iron has produced 108,073 tons of pig iron for May, compared with 111,269 tons for April. The output of steel ingot has declined from 82,319 tons to 81,394 tons and that of salable steel from 62,656 tons to 61,337 tons. Despatches of salable steel have improved from 51,565 tons to 59,630 tons. Among engineering shares, Indian Standard Wagon, Quest, Keen, Williams, Jessop and Texmaco have slightly recovered. Binani Metal have been steady on interested support. Jay Engineering have not responded to the calling off of the strike.

In the miscellaneous section, attention is largely confined to clearing shares which have recovered. Good-Year India and Indian Oxygen are quiet. Scattered interest has been shown in Metal Box and Alkali Chemical. Among managing agency shares, Martin Burn and Jardine Henderson have been steady. Bank shares have been neglected, so nominal business has been transacted. Electric company shares are subdued and scattered business has passed in Calcutta Electric. In paper shares, Orient have recovered on short-covering. India Paper Pulp have been steady on the prospects of a bonus issue. Sugar shares have been freely offered without attracting support. In cotton mills, Jay Shree Textiles have been steady on issuing rights ordinary shares in the proportion of one new share for every three held at par. J. K. Rayon have gained fractionally, but Elgin have been subdued. Coal

shares have lacked interest and only scattered business has been done.

Although the prices of selected jute shares have improved on balance, support has generally been lacking. Birla, New Central, Champdany, Kinnison and Barnagore have been transacted. The downward drift in jute goods prices has disturbed sentiment. Business in tea shares is restricted due to the disappointment about the latest dividend announcements. There was some business in Teliapara, Hasimar and Tezpore.

Government securities have been fully steady. There has been good support particularly from banks for short- and medium-dated stocks. It looks as if commercial banks have been shifting their funds into gilt-edged securities. The price of 3 percent Conversion Loan 1966 has been quoted around Rs. 63.85.

Bombay

SMART RECOVERY IN DALAL STREET TURNOVER IN CLEARING SHARES RESTRAINED

Wednesday Evening.

THE Bombay stock market has started the new account in a steadier mood after remaining closed as a mark of respect to the memory of Mr. Nehru. When the news of his death reached Dalal Street last Wednesday after official trading, sentiment in the curb deteriorated sharply and share prices tumbled due to nervous liquidation. With the election of Mr. Lal Bahadur Shastri as the leader of the Congress Parliamentary Party, there has been a smart recovery in Dalal Street. Bears in particular have rushed in to cover their open positions, but bulls have meanwhile been cautious. Operators are inclined to await the formation of the new Central Cabinet. Turnover in clearing shares has been restrained. Business in cash shares has been fairly satisfactory, and the prices of selected scrip have gained on balance.

Tata Steel ordinary were quoted around Rs. 145.25 and investors keenly await the declaration of the dividend for 1963-64. Among engineering shares, Tata Locomotive, Mukand Iron and Premier Construction have recovered. In motor-vehicle shares, Hindustan Motors have gained on short-covering, while Premier Automobiles have been sluggish.

Century have been an outstanding feature in the cotton mill section and the scrip has smartly recovered due to the talk of a bonus issue. Bombay Dyeing, Kohinoor, Svadeshi and Gokak have improved. India United ordinary, Simplex and Tata Mills have been steady. Standard have nevertheless been quiet on pressure, while Morarjee have improved.

Miscellaneous shares have slightly gained in sympathy with the general trend. In sugar shares, Belapur, Walchandnagar Industries and Phaltan have attracted scattered support. Among steamship companies, Scindia Steam have gained considerably due to brisk short-covering. Be Be Petrol have been steady among mining shares due to the prospect of the Company receiving war damages in the near future. Cement shares have been quietly steady. Associated

Cement and Digvijay have changed hands.

Among chemical shares, Polychem have been a firm feature due to the publication of satisfactory results. Tata Chemical have gained fractionally. In rayon shares, National Rayon have recovered on short-covering. Voltas and Tata Oil have been steady. Scattered business has passed in Bank of India and Central Bank. Among electric companies, Ahmedabad and Tata Hydro have been steady.

Madras

SHARES RECOVER AFTER EARLIER DECLINE

FIRMER BOMBAY ADVICES HELP SENTIMENT

Tuesday Evening.

THE Madras stock market has recovered during the past week after an earlier decline due to the death of Mr. Nehru. The improvement is largely due to firmer advices from Dalal Street. Business has, nevertheless, been restricted because operators and investors are inclined to keep their commitments light until the new Central Cabinet is formed. Prices of clearing shares have gained on short-covering, while interest has largely been confined to only selected cash shares.

Turnover in Government securities has been small. Prices of selected State Government loans have been fully steady. In banks, Indian Overseas have changed hands at Rs. 138 and Indian at Rs. 151. United India, among insurance companies, have been quoted at Rs. 6.40 on paying a taxable ordinary dividend of 10 1/2 percent. In electric companies, Naga-patnam have been steady at Rs. 10.87 and Kumbakonam at Rs. 11.75. Sugar shares have lacked interest, and their prices have tended to decline. Deccan have been available at Rs. 11.52 and Jeypore at Rs. 16.50. E.I.D. have been quoted at Rs. 34.50 and Madura have been easier at Rs. 9.44.

In planting shares, Blue Mountain have been transacted at Rs. 2.37 and Cochin Malabar at Rs. 6.40. Consolidated Coffee have dropped to Rs. 21.80 and Ouchterlony to Rs. 3.45. Business in Periakaramalai has been done at

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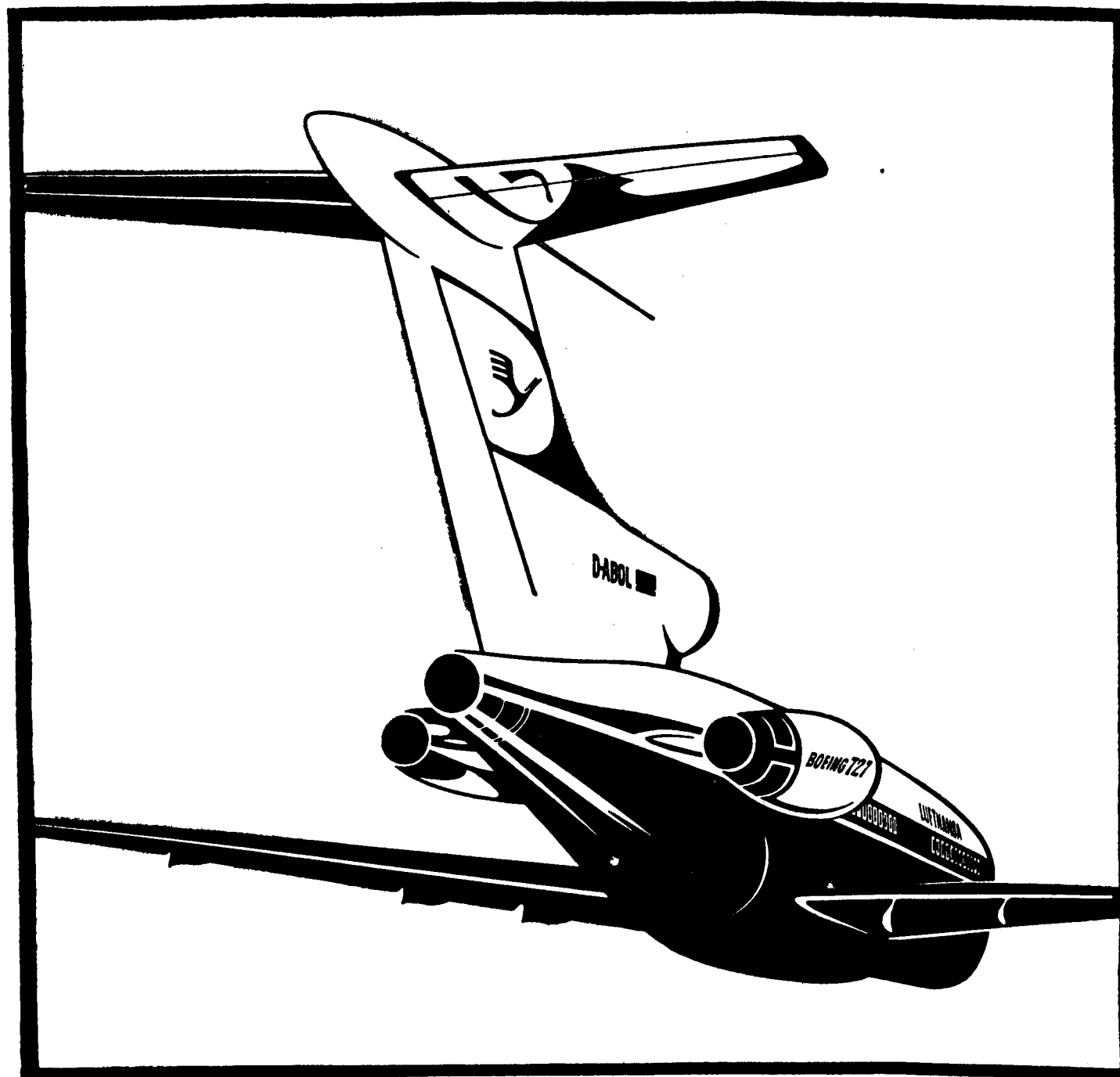
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Rs. 3.47. Gokul have been bought at Rs. 2.03 on declaring a taxable ordinary dividend of 7½ percent. Nilambur have been taken at Rs. 12.75 on paying a taxable ordinary dividend of 12½ percent. Nonsuch have been steady at Rs. 22.50. Peermade at Rs. 21.25 and Stanes Amalgamated at Rs. 13.75. Business in Twyford has passed at Rs. 8.55 due to the payment of a taxable ordinary dividend of 7½ percent. Manar have come to hand at Rs. 1.93 on declaring a taxable ordinary dividend of 5 percent. Warthyhully have been transacted at Rs. 2.97 on paying an interim taxable ordinary dividend of 5 percent.

Among textile shares, South India Viscose have recovered to Rs. 117.25 and Travancore Rayon to Rs. 20.85. Lakshmi have been done at Rs. 131 and Madura at Rs. 32.75. Anglo-French have been quoted at Rs. 153 and Ramakrishna at Rs. 217.80. Business has been done in Bangalore Woollen at Rs. 248 and in Buckingham at Rs. 270. Mettur have been steady at Rs. 277.50 while Kothari have been available at Rs. 8.87. Sarada have been quoted at Rs. 96 and Vasanta at Rs. 234.

In miscellaneous shares, Aluminium Industries have gained at Rs. 19.72 and Ashok Leyland at Rs. 6.79. In cement shares, Dalmia have been wanted at Rs. 13.15 and India Cement at Rs. 5.50. Mettur Chemical have been bought up to Rs. 13.25, while F.A.C.T. have been offered freely down to Rs. 5. Seshasayee Paper have reacted to Rs. 7 and Tube Investment to Rs. 201. United Electrical have been quoted at Rs. 9.01 on declaring a taxable ordinary dividend of 8 percent. Spencer have been steady at Rs. 21.65 on paying an interim taxable ordinary dividend of 6 percent. T. Stanes have come to hand at Rs. 30.15 and Textool at Rs. 152.50. Parry's Confectionery have been quiet at Rs. 2.80 and Madras Rubber have been freely sold at Rs. 13.03.

THE WEEK'S TRANSACTIONS

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

CLEARED SECURITIES

Birla Jute—29/62—30/25—29/62—29/87—(28/69).
 Dunlop Rubber—Rs. 33/75—34/00—33/37—33/56—(31/56).
 Guest, Keen, Williams—Rs. 23/56—23/62—23/19 S.T.—23/25—(33/00).
 Hindustan Motors—Rs. 17/91—18/00—17/75—17/78—(16/78).
 Howrah Jute—Rs. 15/75—16/00—15/50—15/50—(19/75).
 Indian Aluminium—Rs. 29/81—30/31—29/69—29/87—(34/25).
 Indian Copper—Rs. 3/18—3/26—3/18—3/20—(4/37).
 Indian Iron—Rs. 24/22—24/34—24/10—24/16—(22/62).
 J. K. Cotton—Rs. 10/69—10/81—10/69—10/69—(12/75).
 Jaipur Udyog—Rs. 10/87—11/06—10/73—10/94—(11/50).
 Kesoram Industries—Rs. 24/81—25/31—24/75—24/87—(21/75).
 Orient Paper—Rs. 35/10—35/55—35/10—35/25—(34/75).
 Orissa Cement—Rs. 13/06—13/12—13/06—13/06—(13/84).
 Rohtas Industries—Rs. 11/00—11/15—10/75—11/12—(11/50).
 Shree Gopal—Rs. 25/00—25/00—24/75—24/87.
 Textile Machinery—Rs. 27/25—27/50—27/15—27/25—(23/35).

GOVERNMENT SECURITIES

3 % Loan (1986)—Rs. 63/87—63/87—63/80—63/80.
 4 % " (1970)—Rs. 99/06—99/06—99/06—99/06.

4 % " (1972)—Rs. 98/90—98/90—98/90—98/90.
 4 % Andhra (1968)—Rs. 98/85—98/85—98/85—98/85.
 4 % Madras (1968)—Rs. 98/90—98/90—98/90—98/90.
 4½ % West Bengal (1974)—Rs. 99/45—99/45—99/45—99/45.
 4½ % Loan (1973)—Rs. 99/96—99/96—99/96—99/96.
 4½ % U.P. (1972)—Rs. 97/85—97/85—97/85—97/85.

RAILWAY

Dehri Rohtas—Rs. 11/50—11/50—11/50—11/50.

BANKS

Hindusthan Commercial—Rs. 11/12—11/12—11/12—11/12—(13/94).
 Punjab National—Rs. 18/50—18/62—18/44—18/44.
 United Bank of India (Rs. 10/- paid)—Rs. 7/50—7/56—7/50—7/53—(7/31).

COTTONS

Bharat Commerce—Rs. 21/00—21/00—21/00—21/00—(22/50).
 Elgin—Rs. 17/81—17/94—17/75—17/94—(18/06).
 New Victoria—Rs. 1/37—1/37—1/25—1/25—(1/62).
 Orissa—Rs. 7/06—7/06—6/87—7/06—(9/00).
 Swadeshi (P.O.)—Rs. 6/62—6/62—6/62—6/62—(7/06).

COALS

Bengal—Rs. 236/00—236/00—236/00—236/00—(286/00).
 Ghusick & Muslia—Rs. 13/50—13/50—13/50—13/50—(14/25).
 West Ghusick—Rs. 14/25—14/25—14/25—14/25—14/25.

JUTES

Barnagore—Rs. 216/00—220/00—216/00—220/00—(192/00).
 Chitavalsab—Rs. 7/62—7/62—7/62—7/62—(10/50).
 Dalhousie (Pref.)—Rs. 91/00—91/00—91/00—91/00—91/00.
 Howrah (7% Pref.)—Rs. 93/00—93/00—92/50—92/50.
 Kanknarrath—Rs. 138/00—140/00—138/00—140/00—(141/00).
 Naihati—Rs. 85/00—85/00—70/00—70/00—(81/00).
 New Central—Rs. 10/50 S.T.—11/12—10/50 S.T.—11/00—(13/12).
 Presidency—Rs. 4/28—4/34—4/28—4/34.
 Reliance (Pref.)—Rs. 116/00—116/00—116/00—116/00—116/00.

CEMENTS

Assam Bengal—Rs. 4/75—6/00—4/75—5/81—(3/03).
 Dalmia (Bharat)—Rs. 13/31 S.T.—13/37 S.T.—12/37 x.d.—12/44—(13/06).
 Sone Valley—Rs. 4/19—4/37—4/19—4/25—(4/50).

CHEMICAL

Chemicals & Fibres—Rs. 11/69—11/75—11/62—11/65.

ELECTRICS

Benares—Rs. 12/25—12/25—12/25—12/44—(12/44).
 Calcutta—Rs. 14/25—14/56—14/25—14/37—(14/25).
 Do. (Pref.)—Rs. 7/87—7/87—7/78—7/78—(8/06).
 Upper Jumna—Rs. 20/87—20/87—20/87—20/87—(16/00).

ENGINEERINGS

Binani Metal—Rs. 12/75—12/87—12/75—12/87—(10/19).
 Britannia Eng.—Rs. 9/69—9/69—9/69—9/69—(9/87).
 Bhartia Electric Steel—Rs. 14/75—14/75—14/75—14/75—(14/37).
 Burn & Co.—Rs. 267/00—267/00—267/00—267/00—(463/00).
 Calcutta Steel—Rs. 14/69—14/69—14/69—14/69—(13/00).
 Indian St. Wagon—Rs. 33/37—33/62—33/37—33/37—(33/00).
 Jessop & Co.—Rs. 20/37—20/81—20/37—20/81—(22/00).
 Jay Engineering—Rs. 17/62—17/75—17/44—17/44.
 Marshalls—Rs. 3/12—3/12—3/12—3/12—(2/84).
 National Screw & Wire—Rs. 10/12—10/12—10/12—10/12—10/12.
 National Iron—Rs. 5/75—5/81—5/75—5/81.
 Sen-Raleigh—Rs. 13/37—13/50—13/19—13/25).

MISCELLANEOUS

American Refrigerators—Rs. 7/19—7/25—7/12—7/25.
 Angelo Brothers—Rs. 23/25—23/31—23/25—23/31—(21/12).
 Asian Refractories—Rs. 11/50—11/56—11/50—11/56—(7/12).

Asiatic Oxygen—Rs. 9/87—9/94—9/75—9/75.
 British Paints—Rs. 20/50—20/50—20/50—20/50.
 Calcutta Tramways—Rs. 10/19—10/25—10/12—10/25—(10/69).
 Dunlop Rubber (2nd Pref.)—Rs. 65/50—66/00—65/00—65/00.
 East Anglia—Rs. 6/31—6/37—6/31—6/37.
 Electric Construction—Rs. 12/75—12/81—12/75—12/81—(12/12).
 Hindusthan Twyford—Rs. 11/94—12/19—11/94—12/19—(13/94).
 Hindustan Aluminium—Rs. 12/37—12/44—12/06—12/25—(12/28).
 Hindusthan Development—Rs. 3/94—4/00—3/81—4/00—(4/19).
 Indian Oxygen—Rs. 23/75—23/87—23/75—23/87—(29/12).
 J. K. Synthetics—Rs. 11/44—11/50—11/25—11/31—(10/31).
 Jardine Henderson—Rs. 74/00—74/00—74/00—74/00—(86/50).
 Jaysree Tea Industries—Rs. 14/37—14/44—14/25—14/31—(15/75).
 Martin Burn—Rs. 26/37—26/37—26/25—26/25.
 Mahindra & Mahindra—Rs. 15/60—15/60—15/60—15/60.
 Metal Box—Rs. 30/81—31/37—30/69—31/37—(49/87).
 Metal Distributors—Rs. 9/06—9/06—9/06—9/06—(4/87).
 National Tobacco—Rs. 11/06—11/12—11/06—11/12—(11/69).
 National Rubber—Rs. 11/31—11/37—11/31—11/37.
 Union Carbide—Rs. 29/87—30/00—29/87—30/00.
 Universal Cables—Rs. 10/50—10/56—10/44—10/44—(9/75).
 Walford Transport—Rs. 3/25—3/31—3/19—3/19—(3/60).
 Do. (P.O.)—Rs. 2/87—2/87—2/81—2/87—(2/37).

OIL

Indo-Burmah—Rs. 20/69—20/69—20/69—20/69.

PAPERS

Sirpur—Rs. 11/31—11/37—11/19—11/37—(11/87).
 Seshasayee—Rs. 7/25—7/31—7/25—7/28.
 Straw Products—Rs. 9/00—9/06—9/06—9/06—(9/00).
 Titagur—Rs. 14/06—14/19—14/00—14/00—(16/00).

SHIPPINGS

India Steamship—Rs. 6/31—6/37—6/19—6/31—(6/44).
 Do. (Pref.)—Rs. 61/50—61/50—61/50—61/50.

SUGARS

Raza Buland—Rs. 10/25—10/25—10/25—10/25—(9/37).
 United Provinces—Rs. 11/25—11/25—11/25—11/25—(10/62).

TEAS

Chamong—Rs. 8/69—8/69—8/69—8/69.

Dauracherra—Rs. 15/00—15/00—13/94—14/00—(7/56).
 Dhelakhat—Rs. 20/75—20/75—20/75—20/75.
 Hanuman—Rs. 10/06—10/06—10/60—10/06.
 Hasimara—Rs. 12/25—12/37—12/25—12/37—(12/31).
 New Chumta—Rs. 18/87—19/00—18/87—19/00—(24/62).
 Telapara—Rs. 150/00—156/50—145/00—156/50—(99/00).
 Tezpur (Pref.)—Rs. 7/56—7/62—7/56—7/62.

DEBENTURES

6½ % Dunlop Rubber—Rs. 99/00—99/00—99/00—99/00.
 7 % Kesoram Ind.—Rs. 99/50—99/50—99/50—99/50.

London

WEAK POUND FORCES DOWN SHARES

OILS EASE ON DEATH OF NEHRU

London, 3rd June.

THE stock market lost further ground during the past week. Business was quiet throughout, and the level of activity was at the lowest for many months. Selling was not on a heavy scale by any means, but buyers held off and prices drifted lower. Fears of further measures to strengthen the economy increased by the news of the tightening labour situation, while towards the end of the period, the weakness of sterling further upset the sentiment due to continued political uncertainties. Against this background, the steady flow of excellent company news failed to stem the drift to lower levels. After holding steady, values turned easier under the influence of sterling weakness. Insurance and property shares followed the general trend and recorded small losses. Rolls Royce and English and Overseas were again lower. There were occasional exceptions to the general trend assisted by higher interim statements of individual companies. Mining shares remained quiet, but prices as a whole held reasonably steady. Oils eased on news of Mr. Nehru's death and subsequently fluctuated narrowly. Tea also eased, but later rallied. Dollar stocks lost ground with Wall Street.

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ROLE OF THE RESERVE BANK IN CO-OPERATIVE CREDIT

(BY A SPECIAL CORRESPONDENT)

The Reserve Bank has been assigned an important rôle for developing the co-operative credit structure. Apart from giving loans to apex co-operative banks, it has helped land mortgage banks by subscribing for their debentures. But the Bank should be given some powers over co-operative credit banks similar to the ones it now has over commercial banks.

ON Sunday, the Governor of the Reserve Bank, Mr. P. C. Bhattacharyya, addressed the concluding session of the Asian Regional Training Workshop on Co-operative

Management in Bombay. The objective of the workshop has been to organise courses in the management of self-help and co-operative projects. According to the Reserve Bank

Governor, the supply of credit to agriculturists in co-operative farms was started in India over half a century ago. The movement owed its birth and development to the zeal

CAPITAL, 4th June, 1964.

and initiative of some public men, who created consciousness among people for co-operation by their own selfless service. The basis of the scheme was, firstly, the integration of co-operative credit with co-operative marketing and processing, and secondly, a fusion of the co-operative credit structure itself with the general programme of agricultural development. The scheme has been fashioned primarily in the context of Indian conditions, but its basic structure and principles are likely to hold good for other similarly placed countries.

State Partnership

An important feature of the Indian scheme is State partnership in the co-operative organisation. There is no contradiction between State partnership and co-operation. During the initial stages, any co-operative unit with limited means finds it difficult to get on its feet unless a minimum amount of resources is placed at its disposal. The Government of India has, therefore, taken up a programme of assisting the growth of the co-operative movement through State participation in share capital and by granting loans and subsidies to co-operative institutions. The partnership with the State would be for a minimum period. Once the co-operatives expand their membership and increase in their strength, the State will withdraw from the scene.

The Reserve Bank has been assigned a crucial rôle for developing the co-operative credit structure. The Reserve Bank had a two-fold task in this direction, firstly, to provide short-term, medium-term and long-term financial assistance and, secondly, to help the co-operative institutions to improve their efficiency and remove their structural weaknesses. As for the first aspect, the progress achieved during the last several years has been remarkable. The Reserve Bank was giving loans to apex co-operative banks below Bank rate.

The total amount of loans outstanding at the end of each year rose from Rs. 3.10 crores in 1950-51 to Rs. 125 crores in 1963. The total amount of medium-term loans increased from Rs. 20 lakhs in 1954-55 to Rs. 10.60 crores in 1962-63. Long-term loans were granted to enable State Governments to participate in the share capital of co-operative credit institutions at all levels. Till 31st March, 1963, an aggregate amount of Rs. 31.20 crores was given for this purpose. Besides, the Reserve Bank has been assisting land mortgage banks by contributing to their debentures. During 1962-63, the Bank contributed Rs. 3.20 crores to such debentures. Recently, it set up an Agricultural Refinance Corporation. In quantitative terms, the progress, therefore, is impressive.

Training of Personnel

As for improving the efficiency of these organisations, the Reserve Bank now functions only as an adviser. It has initiated measures for the training of personnel at different levels. The Bank has a full-fledged Agricultural Credit Department to supervise the granting of financial assistance to co-operative farms. As co-operation is a State subject under the Indian Constitution, the Reserve Bank takes administrative action through the Registrars of Co-operative Societies. It is the "dyarchy" in the co-operative sphere which is partly responsible for the weak administrative structure of co-operative societies. The Reserve Bank should be given some powers over co-operative credit banks as it now has over commercial banks.

The co-operative movement in India is like an inverted pyramid which is spoon-fed from the above. A few years ago, when Mr. H. V. R. Iengar was the Governor of the Reserve Bank, he said at the Tamilnad Co-operative Conference that "the success of the co-operative

CAPITAL, 4th June, 1964.

effort in this country is inter-dependent on the prosperity of the agricultural sector and its ability to create adequate savings." India's agricultural production still remains low. As long as this situation prevails, the movement will have to depend for its progress on official financial support.

In other words, the superstructure of the movement will continue to remain on weak foundations. The co-operative organisations have also become a happy hunting ground for selfish middlemen and this will continue until co-operation really takes deep roots in the soil. What is urgently needed is to strengthen the movement from within and from down below even if this means an immediate sacrifice of the ambitious quantitative goals.

THE CALCUTTA MONEY MARKET

MODERATE DECREASE IN ADVANCES

Wednesday, 3rd June.

THERE has been a moderate fall in the aggregate level of advances in the Calcutta money market during the past week. The requirements of the jute, cotton and sugar mills are slightly down, and so are those of the iron, steel and engineering units. The credit given to the foodgrains and seeds trade is unchanged. In the interbank market, conditions are tight because of quarterly tax payments and the call rate rose sharply from 4 percent to 6 percent. It has softened to 5½ percent towards the close.

The exchange market has been fairly active, with a good supply of gunny bills and a moderate supply of tea bills. The demand for remittances has been excellent. In the London market, sterling has suffered slight losses against all important currencies except the Dutch guilder.

SILVER WAS STEADY IN CALCUTTA in the past week. The price advanced from the previous week's level of Rs. 261.75 to Rs. 262.25, quoted today. The London and New York prices stood at 111½d and 129.3 cents.

In sympathy with silver, gold was also steady. The price of 14-carat registered a rise from Rs. 71.25 to Rs. 72.75.

DURING THE WEEK ENDED 20TH MAY, Government of India Treasury bills for Rs. 18,65,25,000 were sold in favour of the Reserve Bank.

TENDERS FOR RS. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 2nd June. The total amount offered was Rs. 2 crores. Tenders at Rs. 99.250 percent were accepted in full. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 3 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 8th June.

IT IS STATED THAT 91-DAY INTERMEDIATE Treasury bills will be sold from 3rd June to 6th June at Rs. 99.266 percent. Sales can be stopped at any time without notice if the Government thinks it necessary. These bills sold from 27th May to 30th May amounted to Rs. 5 lakhs.

THERE WAS A DROP OF RS. 16.24 CRORES to Rs. 2,526.52 crores in active notes during the week ended 29th May, 1964, according to the return of the Reserve Bank of India. The total

note issue was Rs. 3 lakhs larger at Rs. 2,564.76 crores. Notes held in the Banking Department consequently rose by Rs. 16.27 crores to Rs. 38.24 crores. Deposits of the Government of India dropped by Rs. 1.38 crores to Rs. 53.57 crores and those of State Governments by Rs. 1.62 crores to Rs. 17 crores. Balances of scheduled banks at Rs. 88.47 crores showed a rise of Rs. 3.14 crores. Balances held abroad declined by Rs. 1 crore to Rs. 12.13 crores. Investments at Rs. 235.70 crores showed a rise of Rs. 3.52 crores. Loans to scheduled banks declined from Rs. 43.28 crores to Rs. 32.45 crores, of which advances against usance bills amounted to Rs. 5.88 crores (Rs. 7.39 crores). Ways and means advances stood at Rs. 57.59 crores, against Rs. 54.32 crores.

THE RETURN OF THE STATE BANK OF India for the week ended 22nd May, 1964, shows a drop of Rs. 4.88 crores to Rs. 610.10 crores in total deposits. Investments in Government securities are up by Rs. 1.97 crores to Rs. 232.56 crores, while other authorised investments remain unchanged at Rs. 9.44 crores. Advances, including loans, cash credits, overdrafts and bills discounted and purchased have declined by Rs. 3.27 crores to Rs. 376.54 crores. Cash and balances are, in consequence, shown at Rs. 22.32 crores or Rs. 2.14 crores less.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 22nd May, 1964, shows Demand and Time liabilities at Rs. 1,243.50 crores (Rs. 48.77 crores on account of borrowings from banks) and Rs. 1,308.84 crores (Rs. 12.14 crores), compared with Rs. 1,238.93 crores (Rs. 37.58 crores) and Rs. 1,302.83 crores (Rs. 12.07 crores), respectively, in the previous week. Cash has fallen by Rs. 1.13 crores to Rs. 62.11 crores, while balances with the Reserve Bank have increased by Rs. 38 lakhs to Rs. 83.28 crores. There is an increase of Rs. 2.87 crores to Rs. 620.58 crores in investments. Advances and bills discounted at Rs. 1,850.32 crores show a rise of Rs. 12.69 crores. The ratios to total liabilities of cash and balances and of advances and discounts are, in consequence, shown at 5.7 percent and 72.5 percent, against 5.7 percent and 73.3 percent.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 5-6-64

Issue Date	Maturity Date	Amount (000's Rs.)	Average Acceptance Rate
5-6-64	12-9-64	2,00.00	Rs. 3.000%
29-5-64	5-9-64	2,00.00	Rs. 3.000%
22-5-64	25-8-64	2,00.00	Rs. 3.000%
15-5-64	18-8-64	2,00.00	Rs. 3.000%
8-5-64	11-8-64	2,00.00	Rs. 3.000%
1-5-64	4-8-64	2,00.00	Rs. 3.000%
24-4-64	27-7-64	2,00.00	Rs. 3.000%
17-4-64	20-7-64	2,00.00	Rs. 3.000%
10-4-64	13-7-64	2,00.00	Rs. 3.000%
3-4-64	6-7-64	2,00.00	Rs. 3.000%
26-3-64	29-6-64	2,00.00	Rs. 2.750%
20-3-64	23-6-64	2,00.00	Rs. 2.500%
13-3-64	16-6-64	2,00.00	Rs. 2.350%

(Monthly Maturities)

Month	Amount (000's Rs.)
June, 1964	6,00.00
July, 1964	8,00.00
August, 1964	8,00.00
September, 1964	4,00.00
Total	26,00.00

CLEARING HOUSE RETURNS

Week	Calcutta	Bombay
29-5-64	70.93	82.63
22-5-64	83.84	1,19.96
15-5-64	86.75	1,16.79
8-5-64	94.46	1,36.44

RESERVE BANK

ISSUE DEPARTMENT		Week Ended		
(In '00's of Rupees)		29-5-64	22-5-64	31-5-63
Liabilities—				
Reserve Fund	...	38,24.07	21,96.90	37,05.97
Notes in Circulation	...	25,28,51.97	25,42,75.83	22,81,44.43
Total Notes Issued	...	25,64,76.04	25,64,72.73	23,18,50.40
Assets—				
A. Gold Coin and Bullion	...	1,17,76.10	1,17,76.10	1,17,76.10
Foreign Securities	...	1,03,45.69	1,03,45.69	1,09,08.43
Total of A	...	2,21,21.79	2,21,21.79	2,26,84.53
B. Rupee Coin	...	1,01,27.58	1,01,23.97	1,14,22.29
Rupee Securities	...	22,42,26.67	22,42,26.97	19,77,43.58
Total	...	25,64,76.04	25,64,72.73	23,18,50.40

BANKING DEPARTMENT

Liabilities—				
Capital Paid-up	...	5,00.00	5,00.00	5,00.00
Reserve Fund	...	80,00.00	80,00.00	80,00.00
National Agricultural Credit (Long Term Operations) Fund	...	73,00.00	73,00.00	61,00.00
National Agricultural Credit (Stabilisation) Fund	...	8,00.00	8,00.00	7,00.00
Deposits—				
(a) Central Govt.	...	53,58.84	54,95.28	73,75.77
2. State Govts.	...	16,99.95	18,61.67	11,60.84
(b) Banks—				
(i) Scheduled Banks	...	88,46.96	85,33.39	78,41.43
(ii) State Co-operative Banks	...	2,79.77	2,11.23	2,26.66
(iii) Other Banks	...	35.74	62.93	4.31
(c) Others	...	1,58,38.35	1,57,83.66	1,68,96.34
Bills Payable	...	39,64.68	35,90.64	34,41.52
Other Liabilities	...	81,83.41	81,57.39	81,64.71
Total	...	6,08,06.00	6,02,96.39	6,04,11.98
Assets—				
Notes	...	38,24.07	21,96.90	37,05.97
Rupee Coin	...	7.92	4.12	2.66
Small Coin	...	5.88	5.39	2.83
National Agricultural Credit (Long Term Operations) Fund				
(a) Loans and Advances to—				
(i) State Govts.	...	28,30.56	28,30.57	27,17.01
(ii) State Co-operative Banks	...	8,16.17	8,19.04	8,90.16
(iii) Central Land Mortgage Banks	...	...	...	...
(b) Investment in Central Land Mortgage Bank	...	3,59.36	3,50.36	2,84.88
National Agricultural Credit (Stabilisation) Fund				
Loans and Advances to State Co-operative Banks	...	...	...	...
Bills Purchased and Discounted—				
(a) Internal	...	...	...	...
(b) External	...	...	...	...
(c) Govt Treasury Bills	...	41,09.39	49,68.94	47,80.45
Balance Held abroad	...	12,15.79	13,13.14	8,34.41
Loans and Advances to Govt.	...	57,58.59	54,32.48	45,54.27
Loans and Advances to—				
(i) Scheduled Banks	...	32,45.48	43,28.38	17,60.00
(ii) State Co-operative Banks	...	1,16,52.36	1,14,79.00	1,12,86.68
(iii) Others	...	1,98.20	1,90.45	2,99.42
Investments	...	2,35,70.06	2,32,17.93	2,54,42.77
Other Assets	...	32,12.47	31,50.69	38,40.47
Total	...	6,08,06.00	6,02,96.39	6,04,11.98

SCHEDULED BANKS

(In 000's of Rupees)		Week Ended		
		22-5-64	15-5-64	24-5-63
(I) Demand Liabilities—				
(a) Demand Deposits:				
(1) From Banks	...	63,26.19	63,86.48	50,65.99
(2) From others	...	10,65,34.43	10,71,09.30	8,88,93.44
(b) Borrowing from Banks	...	48,76.74	37,57.98	34,45.72
(c) Other	...	66,13.07	66,38.88	59,87.75
(II) Time Liabilities—				
(a) Time Deposits:				
(1) From Banks	...	23,95.69	24,93.53	24,71.55
(2) From others	...	12,61,40.27	12,54,22.16	12,17,25.28
(b) Borrowing from Banks	...	12,13.77	12,06.65	21,20.02
(c) Other	...	11,43.92	11,59.91	10,23.28
(III) Borrowing from State Bank—				
(a) Demand Liabilities	...	12,66.81	12,30.51	6,37.98
(b) Time Liabilities	...	10,80.00	10,55.00	10,49.30
(iv) Borrowing from Reserve Bank	...	48,44.48	68,65.73	9,71.85
(v) Cash	...	62,11.49	63,24.33	52,65.40
(vi) Balances with the Reserve Bank	...	85,27.77	82,90.45	79,42.92
(vii) Balances with other Banks in current account	...	22,69.02	21,62.44	19,59.21
(viii) Money at call and short notice	...	55,51.75	49,16.80	53,81.02
(ix) Investments in Central and State Govt. Securities	...	6,20,58.28	6,17,70.83	6,30,24.79
(x) Loans, Cash Credits and Overdrafts	...	15,56,87.65	15,60,72.99	13,09,60.09
(xi) Due from Banks	...	12,45.09	15,26.13	8,16.16
(xii) Interest Bills purchased and discounted	...	2,12,96.69	2,21,30.55	1,89,58.53
(xiii) Foreign Bills purchased and discounted	...	68,02.31	65,70.94	54,16.80
(xiv) Total of X, XI and XII	...	18,50,31.64	18,63,00.61	15,61,51.59

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UNION CARBIDE INDIA LIMITED

MR. J. W. L. RUSSELL'S ADDRESS

The following is the full text of Mr. J. W. L. Russell's address to the shareholders at the 29th Annual General Meeting of the Company held in Calcutta on 15th May, 1964:

Improved Performance

You will have noted from the Annual Report for 1963 that your Company has again enjoyed a successful year. This continually improved performance can be attributed to a number of factors such as an improvement in operating efficiencies, the improved utilisation of capital equipment and cost reduction programmes. In a developing economy, such as that which prevails in India today, there is no reason why this improved performance should not continue over the years to come.

There is another and a vital factor in this improved performance which I would like to single out for special attention. In the final analysis no business, industry or group of people can achieve its objectives unless a clear appreciation exists as well as a recognition of the worth of the individual members of the enterprise. The degree of success achieved depends largely upon the degree to which the individual is encouraged and stimulated to participate in the work of the group.

It follows that those who manage, those who encourage individuals to participate, are of the greatest importance to the success of your Company. Your Company is indeed fortunate in having a very talented and competent group of managerial and supervisory staff. Over the past few years your Company has grown at a very rapid rate. This has been made possible by the efforts of this group who have successfully coped with the many problems which have arisen. On the balance sheet you see recorded the profits made by your Company from the manufacture and sale of its various products. What does not appear on the balance sheet is the devotion, skill and abilities of the managerial staff who have developed the products and the methods of marketing.

Recruitment of Managerial Staff

Competent and experienced managers are not plentiful in India today and this condition while posing many knotty problems, is in itself a sign of the vigorous and healthy growth of Indian business and industry. It is because of this growth that there is now considerable competition within both the public and private sectors for the limited supply of managers of good calibre and potential. Despite such competitive conditions, your Company has not experienced to any degree, the loss of senior and more capable employees, which it is considered is due to the congenial atmosphere which has been created over the years amongst the employees resulting from your Company's philosophy towards work and management.

In essence, this philosophy states that, in order to develop and retain the body of managerial skills required for present and future operations, it is necessary to select the best possible human material, to utilise the knowledge, skills and aptitudes of each individual to best advantage, to foster the development of these and to assist in the acquisition of new skills and abilities. It goes without saying that a fair and adequate remuneration policy forms an integral part of this concept. Generally rising costs and the enhanced impact of taxation on this group of employees have given an

increased importance to this last factor. This is receiving very careful attention by the management of your Company.

The settled policy of your Company calls for promotion from within its own ranks whenever possible. This calls for a timed training schedule so that, as plans for expansion progress, promotion may be given to fully qualified executives in order to fill new positions as they arise. As a corollary, this policy also requires recruitment at the lowest level of management. Exceptions must, of course, be made from time to time in order to meet special circumstances as, for example, when venturing into new fields of activity, fields which require special skills and techniques not represented amongst existing staff. In such cases there is no hesitation in bringing in new skills, techniques and disciplines from outside your Company. One important advantage which is enjoyed in this connection is the ability to "borrow" from your Company's overseas associates, highly skilled technical and professional experts to help in the initial stages of these projects, who also act as instructors for their Indian colleagues.

Recruitment for the managerial group at whatever level involves a very careful selection process. Each applicant is interviewed by a group of senior managers who look not only for the evidence of the applicant's suitability and qualifications for the particular position but also for those basic traits of character which will enable him to rise within the managerial levels. An essential feature of this procedure is that it is a two-way communication process. It is just as important that the applicant should learn, through these interviews, as much about your Company, its practices and policies as is learned from him concerning his abilities and potential. Naturally, this is a time-consuming process and senior managerial time is a scarce commodity but the time and effort thus invested has paid rich rewards in the calibre of the employees.

Management Training

Managerial training in your Company has a twofold object: firstly, to enable the individual to discharge his assigned duties to the best advantage to himself and to your Company, and secondly to enable him to increase his skills and abilities to the greatest extent possible so that, as expansion takes place and new and more responsible positions are created, trained, qualified employees are advanced to fill these. Since each manager has as one of his most important responsibilities, the development of each of his subordinates, there are no gaps in the programme.

In practical operation this is, in the case of your Company, a process of communication and is, in its essentials, simplicity itself. The executive is first told what is expected of him. Then, at regular intervals his actual performance is compared with that expected and from this comparison a draft programme is drawn up so designed as to facilitate his progress. Finally, this is discussed with the individual thereby enlisting his co-operation in the preparation of his own annual development programme. The process might be likened to the art of the navigator of a ship at sea who, by determining the ships exact position and comparing this with that predicted, takes such action in changing course or speed as

may be required to correct any deviation from the planned progress in order to bring the ship to her destination at the appointed time. In essence this is a simple matter. In practice it is not quite so simple. Before a man can be told what is expected of him, the aims of the entire organisation must first be clearly established. From this, the objectives of each Division, Department and section can be formulated. Only when this has been done can the manner by which the individual is expected to contribute to the accomplishment of the task of the unit be stated. This is termed the Position Description system. Each managerial position is covered by a Position Description which sets forth the duties inherent in the position. Each of these Descriptions is in turn supplemented by a statement of Position Objectives, setting forth the results which the position-holder is expected to achieve and, as appropriate, the time by which they should be achieved. In preparing these, a conscientious effort is made to avoid specifying or indicating how the desired result should be achieved. Within the general administrative framework of your Company a wide area of freedom is allowed for experimentation and innovation and is considered to be a basic requirement for healthy managerial development.

At regular intervals each managers' actual performance is measured against his Position Objectives. This Appraisal is performed by the manager's immediate superior, assisted by two other managers senior to the one under appraisal. Based on this comparison an assessment of present performance and potential is made along with forecast of his progress over the next five years. The group also at this time prepares a tentative training programme for the person appraised, designed to foster demonstrated strengths and to help overcome deficiencies. The future, as well as the present, managerial needs of your Company are, of course, considered in drawing up each programme.

Finally, and this is of utmost importance, the main points of the appraisal, the good and the bad, are discussed privately by the manager appraised and his immediate superior in the organisation. The object of this Post-Appraisal conference is to give each manager an opportunity to see himself as others see him and to work out with him his own detailed development programme.

The development programme, as finally worked out, reflects the requirements of the individual and your Company. It can cover a period of months or years. It may, for example, call for intensive training in a particular branch or subject of a profession or for reassignment in order to broaden experience, for the acquisition of detailed knowledge of a particular process or product or for a grasp of the broad principles of management itself. While I will not burden you this afternoon with statistics your Company has vigorously supported the Management Training movement in India since its inception. It has assisted in the formation of several professional associations in the field and your Company's executives have served as guest speakers, lecturers and as members of directing staffs. Encouragement is given to managers to contribute material to the growing number of professional publications devoted to Manage-

CAPITAL, 4th June, 1964.

ment. In addition, of course, your Company has regularly sponsored its managers to membership in the course offered. A close association with similar bodies in the U.K. and U.S.A. exists and, as appropriate, executives have been sent for training to these. Your Company's overseas associates have been most co-operative in making their plans and research laboratories available for this purpose.

Indianisation

In applying this programme your Company realises the vital importance of placing first priority on those of its managers who are Indian nationals. This programme is succeeding. In every phase of operations, in manufacturing, in marketing and in Administration, Indian managers are replacing internationally-assigned executives. In these positions they are doing well. The single and temporary exception to this is in the Chemicals Expansion project. In this case experts have been "borrowed" from your Company's overseas associates who will not only assist in the initial stages of the project but who will also impart their special skills and techniques to their Indian counterparts. I do not anticipate any reversal of the present trend of "Indianizing" our management.

In all of this there is nothing mysterious or esoteric. What has been attempted is to apply good sense and simple justice in order to benefit both your Company and the individual.

I do not wish to imply that the system which I have described is a perfect one. Management development, even in the most advanced industrial countries is still more of an art than an exact science. Changes have been made in our system. I have no doubt that other changes will be made in future which will reflect changes in the structure, operations and needs of your Company. What I do state is that the programme I have described enables your company to base its managerial planning on reasoned, objective opinion. It serves as a constant reminder to executives at all levels that one of their chief responsibilities is the development of their subordinates. Although a staff service is provided to assist in the administration of the programme, responsibility is clearly defined as that of each senior to his subordinates. The plan has been well publicised and since there are no tricks, no hidden mysteries it has met with ready acceptance at all levels and has been no small factor in the development of that Company loyalty to which I referred earlier and which is regarded as the chief factor of success.

The question might be raised—and it is a fair question—what does all this training and development cost your Company? This has cost nothing when the entire picture is considered, i.e., the amount of money spent in training managers versus the return in the form of increased efficiency of operations and the cost reductions effected which can be attributed to the training programmes. In fact the programme has, after defraying all costs, produced an appreciable part of the profits shown on the balance sheet. This, of course, merely bears out the truth of the statement to which the management of your Company wholly subscribes, that executive talent is the most valuable asset, an asset which will continue to be fostered and safeguarded.

It is a far cry from the golden age of the Greek philosophers to the problems of industry in today's world, but the management of your Company believes that the axiom laid down almost twenty-five centuries ago, that "Man is the measure of all things" remains, and will remain, a sound guide to your Company's policy.

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

CAPITAL, 4th June, 1964.

DALMIA CEMENT (BHARAT) LIMITED

CHAIRMAN, MR. V. H. DALMIA'S REVIEW

The following is a summary of the speech of the Chairman, Mr. V. H. DALMIA delivered at the Twelfth Annual General Meeting of the Company held at Dalmiapuram (Madras State) on 1st June, 1964.

Gentlemen:

I extend to you a very cordial welcome on the occasion of the Twelfth Annual General Meeting of your Company.

We are meeting today under the shadow cast over the length and breadth of our land by the sad and sudden passing away of our great leader, Pandit Jawaharlal Nehru, who, as the first Prime Minister of India has guided and shaped the destinies of our country since Independence. Not only was he the architect of modern India, but he was an acclaimed and accepted leader in the international sphere and particularly in the resurgence that has emerged in Asia and Africa. Above all else, he was a man of peace, who had dedicated his life to the ideal of the brotherhood of man and to the principle that all differences between men and nations be resolved by peaceful means. His loss will be mourned not only in the country of his birth but throughout the world where men of peace and goodwill meet. His passing away leaves a vacuum in our country which may perhaps never quite be filled. There could be no better tribute to his memory than our resolution to move together steadfastly forward in furtherance of his dream of a peaceful prosperous and united India.

The Gross Profit

The Annual Accounts and the Directors' Report for 1963 have already been circulated and I am sure you must have noted that the excellent results obtained in the previous year have been maintained. Though the gross profit is slightly lower at Rs. 134.05 lakhs compared to Rs. 148.62 lakhs in the previous year, on account of reduced provision for taxation, the net profit available for appropriation is higher at Rs. 57.65 lakhs compared to Rs. 45.53 lakhs in the last year. Rs. 28.50 lakhs have been appropriated to the General Reserve and a dividend of 12% subject to tax has been recommended on the Ordinary shares. Some shareholders have represented that the distribution of the net profit by way of dividend should have been increased and that it was unnecessary to make any large allocation to General Reserve. It would have been easy for your Directors to give in to the temptation of increasing the dividend, but on a long term view, they came to the conclusion that it was desirable to maintain a steady dividend and to build up the reserve position of the Company by adequate appropriations whenever the profits made that possible. More reserves would reduce Surtax liability in future years, whereas higher dividend would have meant more dividend tax and thus further drain on the Company's coffers.

Cement continues to be in very short supply throughout the country due to the slower rate of growth of the industry and partly to the more rapidly increasing demand. In 1963, the installed capacity reached 10.12 million tonnes against 9.72 million tonnes in the previous year, an increase of only 4%. Despite all efforts, it is likely that at the end of 1965-66, the installed capacity will be about 14.2 million tonnes with a production of 11.6 million tonnes as against the original Third Plan target of 15.24 million tonnes and 13.2 million tonnes, respectively. The demand for 1965-66 at a growth rate of 10-12% per annum was estimated

at 13.2 million tonnes. Later trends have however, indicated a faster rate of increase in demand. It is conceivable, therefore, that at the end of the Third Plan, the gap between demand and supply may be about two million tonnes per annum. The industry has read with much interest Press report about Government having under consideration a proposal to remove or relax the control on ex-Works cement prices allowed to the producers. Details of this proposal are not yet known but it is hoped that Government will see fit to accord this much needed relief to the industry which would then be better placed to find resources for its future expansions. The industry will watch with interest the progress of the Cement Corporation of India which the Government of India have decided to establish for increasing cement manufacturing capacity in the public sector. The industry hopes it will be allowed to benefit from the limestone prospecting efforts of the Corporation, which, as reported, will be one of its principal tasks. Manufacture of blast furnace slag cement has registered some ex-



Mr. V. H. Dalmia

pansion, but, so far, manufacture of blended cements by admixture of fly ash and other pozzolanas has not made much headway. I hope the Government will take more energetic steps in regard to the latter to mitigate the present scarcity.

Capacity Utilisation

Mainly due to better supply of coal and better rail transport facilities, the capacity utilisation of the cement industry in 1963 at 92.5% was the highest during the past decade. The incentive given by Government to the industry last year to increase production contributed to this to some extent. If the incentive is continued, it would be desirable that the incentive formula for higher production of cement from year to year should be linked with the average of the last three years' production and not, as was done last year, to the highest production achieved by a factory during any one year of the preceeding three years.

The formula adopted by the Government of India for computing the quarterly packing charges resulted in 1963 in a loss of Rs. 3.27 lakhs to your Company. Despite belated revision of the ratio of second-hand to new bags from 1:1 to 1:2, the loss still persists as the prices of new and second-hand bags in Government's formula for fixing packing charges are not in line with the actual procurement prices. Whereas the formula assumes that the price of second-hand bags is 65% of that of the new bags, the actual ratio may be 85%. It is hoped that the Government, while computing packing charges in future,

would take a more realistic view and give due regard to the factual position as represented by the industry.

Since last year, the position of the raising and distribution of coal has improved further, and, by and large, the cement industry is happily placed in regard to the procurement of its coal requirements. The Government have, therefore, decided that further conversion from coal firing to oil firing in cement factories situated at long distances from the Bengal-Bihar coal fields was not necessary, and your Company's proposal to resort to oil firing has been dropped. Movement of Bengal-Bihar coal by the rail-cum-sea route to certain industrial consumers in Western India has been discontinued. The bottle-neck of transport from the Bengal-Bihar Collieries via Waltair to the South, however, persists and your Company and certain other consumers of Bengal-Bihar coal are still compelled to obtain their supplies by the rail-cum-sea route. Though the coal subsidy is intended to equate, approximately, the cost of sea-borne coal with coal carried by the all-rail route, the subsidy actually paid leaves a substantial shortfall which has not been remedied so far despite your Company and others representing about this shortfall to the Government of India ever since the announcement of the subsidy formula in August, 1961. In your Company's case, for the coal received via Cuddalore Port, the shortfall ranged from Rs. 7.45 to Rs. 12.17 per tonne. The present shortfall is Rs. 9.54 per tonne which works out to about Rs. 6 lakhs per annum.

Railway Freight

Among the important items contributing to the shortfall in the coal subsidy are inadequate allowance for railway freight and handling charges. In the case of your Company, the element of railway freight from collieries to Calcutta Docks allowed in the formula left a shortfall of Rs. 0.70 per tonne in 1961, which has now risen to Rs. 3.50 per tonne. Similarly, the shortfall of Rs. 0.84 in 1961 in the element for freight from the port of unloading to the consuming centre rose to Rs. 2.41 in April, 1964. As against the provision of only Rs. 0.20 per tonne for shipping and handling charges at Calcutta Port, actual expenses vary from Rs. 2/- to Rs. 5/- per tonne. While representations have been made to Government for full compensation for the railway freight and other charges in the subsidy formula, it is regrettable that no increase has so far been granted even to cover the increases in the railway freight structure effected by Government itself. Presently your Company loses about 5% in unloading and handling at Cuddalore Port which aggregates to about 3,000 tonnes per annum and is equivalent to about Rs. 2.40 lakhs. As this loss is due to the compulsion under which your Company has to take supplies by the rail-cum-sea route, Government has been requested to compensate adequately for it. There is no provision in the ex-Works retention price allowed to the cement producers for the substantial shortfall in the coal subsidy as the cost of production was computed by the Tariff Commission on the assumption that under the subsidy scheme, coal moved by the sea-cum-rail route would be made available to the consumers more or less at the same rate as if it had moved by the all rail route. I hope the Government will make good this serious inadequacy in the subsidy, retrospectively, which discriminates unfavourably against those consumers, such as your Company, who are compelled to take Bengal-Bihar coal by the sea-cum-rail route.

There are indications of recovery from world-wide recession in the steel industry, referred to by me last year. Certain experts estimate the steel production to rise to 1200 million tons in 1961 against 400 million tons in 1961, for which the 1961 iron ore production of 500 million tons will have to be trebled during the same period of 30 years. On this basis, it is being planned to raise India's annual iron ore exports to 30 million tons by 1970 from 16 million tons targeted for the end of the Third Plan. There is, however, severe competition for iron ore in the International Markets, as a result of which in 1963, the Minerals & Metals Trading Corporation of India Ltd. had to concede reduction of Sh. 7 in the price of the basic grade iron ores to be supplied to Japan. This competition is likely to continue for some time and it is heartening to note that Minerals & Metals Trading Corporation of India Ltd. is actively seized with the need of reducing the end-costs of Indian ores to their foreign buyers. Among the measures planned are more mechanisation of mines, rationalisation of transport and development of Indian ports. I am happy to say that the Government of India has recently approved a Scheme costing about Rs. 1.5 crores for developing Cuddalore Port through which your Company's ore is being exported. I request the authorities to plan and execute this development speedily and in such a manner as would enable progressively higher loading rates being achieved without having to wait for the completion of the work.

Your Company realises the need of reducing mining and transport costs for its Iron Ore and is now finalising plans for laying a ropeway from the mines to the rail-head and for introducing a substantial degree of mechanisation in the mining. We hope, in this manner to further in some small degree the Minerals & Metals Trading Corporation of India Ltd.'s efforts to reduce their procurement cost of high grade Iron ore. We also hope that we will have their sustained support, which is so necessary, in the formulation and implementation of these plans.

Since last year, there has been a further recession in the dead-burnt magnesite industry, which is reflected in the results of Messrs. Dalmia Mag-

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nesite Corporation, in which your Company is a partner. This is due to steel production having fallen short of the Third Five Year Plan target while the dead-burnt magnesite industry increased its capacity in anticipation of the steel target being achieved. This difficult position is likely to continue until 1967/68 when the Third Five Year Plan target of 10 million tons of steel production may be achieved. Even, if the target under consideration of 18 million tons of steel production for 1970-71 is reached, the increase in consumption of dead-burnt magnesite by the steel industry may be comparatively negligible as improvements in the quality of indigenous refractories and steel making techniques are reducing considerably consumption of refractories per tonne of steel production and as in new steel making processes, such as the LD process which will mainly be adopted for further expansions of India's steel industry, use of conventional refractories including basic will be replaced to a great extent by tarred Dolomite. Moreover, as the Dead-burnt Magnesite Industry can increase its capacity within about 1/3rd of the time required by the steel industry, I would earnestly urge the Government to defer for the time being any proposals for expansion in Dead-burnt Magnesite Industry, including the reported setting up of a Dead-burnt Magnesite plant in the public sector based on the Almora deposits of raw magnesite, until future consumption trends of Dead-burnt magnesite justify such expansion.

Exporting Dead-burnt Magnesite

Efforts to export dead-burnt magnesite from India have not met with much success due to severe competition, both in terms of price and quality, from foreign manufacturers and particularly the producers of sea-water magnesite, and to very unfavourable freight rates applied to cargoes from Indian ports. We hope Government will be able to reduce the discriminatory freight rates and extend special

export incentives to the industry to increase foreign exchange earnings and to enable the industry to utilise its idle capacity. Dalmia Magnesite Corporation, nevertheless, continue to make strenuous efforts to export.

The Scheme for conversion of the Deferred shares of the Company into Ordinary shares has been sanctioned by the Madras High Court and will take effect from the date to be fixed by your Board for this purpose. The implementation of the Scheme had been kept in abeyance on account of the apprehension that Capital Gains Tax might be attracted in the hands of the shareholders since the Central Board of Revenue had taken the view that the conversion amounted to a transfer and thus attracted the incidence of the said tax. I understand that there has been some rethinking on the part of the Government of India on this question and that it has now been decided that no tax should be levied at the time of conversion of shares of one

class into another. As a result, Capital Gains Tax would be levied only when the converted shares are disposed of. As soon as this position is confirmed by the Government, the Scheme would be implemented and I expect that this would be done in the course of this year.

I am happy to report that the relations between the management and the employees of the Company continue to be cordial. I would like also to congratulate Shri M. Palaniandi, President of the Dalmia Cement National Workers' Union, Dalmiapuram, on his selection by the National Productivity Council for training in Industrial Relations in the United States of America. In the end, I wish to express our appreciation of the sincere and devoted services rendered to the Company by all the executives, staff and workers.

N.B.—This does not purport to be a report of the proceedings of the General Meeting.

London

THE CITY VIEW OF INDIA AFTER NEHRU

(FROM OUR LONDON CORRESPONDENT)

It will probably come as a surprise to some, if not all, that the City of London reacted immediately to the news of Pandit Jawaharlal Nehru's death. With British interests as involved as they are in India's industrial development, it is natural that efforts are being made to assess the probable reactions to the passing of a man who dominated the Indian scene as much as did its Prime Minister and acknowledged leader for the past 17 years. The immediate effect of the news being released was a lowering of prices of oil, tea and rubber shares on the London stock market, it being felt that these interests might suffer either from a leftward shift in domestic policy or from a deterioration of Government as such. The precaution was deprecated by those City men who had intimate connections with India and they discounted the fears of the others, holding that it was much more likely, as one expressed it, that "things may well jog along much as they have done up to now."

On the other hand, it is interesting to find that in many quarters much more serious thought has been given to what may happen in India after the close of the Nehru era. The financial columns of the *Guardian* offer a comprehensive, if brief, review of City thinking on the subject when it points out that Mr. Nehru had not always been admired or liked in the City of London. His insistence on creating a "socialist pattern of society" in India led naturally to open conflict with established British business interests. The nationalisation of life insurance, the squeezing out of British managing agencies in the tea and rubber industries; the penal taxation of foreign companies and the hostile attitude to the oil companies—all these were often laid at the door of the late Mr. Nehru.

But a growing number of men in banking and industry came to accept the Age of Nehru as one of the facts of life. If progress along the lines of the four great development plans was halting and often disappointing, it was still progress. And there has been enough scope for British private enterprise to attract hundreds of firms into new and developing ventures in India. Many have found that when they got frustrated in wrangles with bureaucracy a direct appeal to the Prime Minister often produced a fair solution. For all the arguments of the past, the loss of a world figure and the end of an era are profoundly felt.

C.D.C. Finances Inadequate

The inadequacy of the financial margin on which the Commonwealth Development Corporation has to work on money lent by the Treasury is criticised by the Corporation in its report for 1963, which has just been published. This margin, it states, has narrowed year by year as the cost of Treasury money creeps inexorably upwards; 5.2 percent in 1963 compared with 4.7 percent in 1960. "It is a weakness of the arrangements as they stand," states the report, "that they do not give sufficient margin against the commercial and other risks which must be run by a concern engaged in the sort of business that C.D.C. must undertake if it is to fulfil the duty laid on it by Parliament."

Apart from this complaint, the Corporation reports with enthusiasm on

the prospects opened by the Commonwealth Development Act, 1963, which from July of last year restored the full scale of operations made possible when its predecessor, the Colonial Development Corporation, was set up in 1948. Until the Act was passed, the Corporation's activities had been steadily contracting, but now the volume of investment should be increased.

During 1963, the Corporation committed itself to support ten new projects of a capital value of £6.58 million, and approved plans for more investment in existing projects to a total of £3.86 million. In 1962, new commitments totalled £1.6 million and support for existing projects totalled £1.88 million. By the end of 1962, the Corporation had invested £91.8 million and committed itself to support schemes of a capital value of £119 million. The commitments were spread in this way: the Caribbean Islands (£20.6 million), east Africa (£22.98 million), central Africa (£24.3 million), High Commission Territories (£20.5 million) and west Africa (£13.1 million).

The operating surplus for the year was £4.75 million—£391,000 more than in 1962, but smaller than the increases in 1962 and 1961. The Corporation's investments carry no obligation to "Buy British," but its operations, the report states, assist Britain's balance of payments; net remittances of funds back to the U.K. in 1963 were £3.6 million, and in addition, there were £9.3 million worth of direct export orders in Britain from C.D.C. projects.

The report states that the Corporation encourages smallholder farming and has developed the idea of a large plantation or farm managed on commercial lines and surrounded by small farmers, the whole being under the joint control of the Government of the country and of the Corporation. The Corporation has also made an agreement with earlier associates for a third housing scheme in Jamaica; nearly 2,000 houses will now be able to be bought on instalments at a price

cheaper than those of the houses built under the earlier schemes.

Upward Export Trends

British exports continue on a rising trend. This is the considered view of the Board of Trade after a full analysis of the April statistics. The Board remains unperturbed by last month's drop in exports after the record February and March figures. No particular significance can be attached to month-by-month changes in this variable series, it states, pointing out that exports for February to April, seasonally adjusted, averaged £359 million a month, or 5 percent more than in the preceding three months. The statisticians admit, however, that the run of monthly figures leaves some uncertainty about the underlying rate of growth and that this comparison of three monthly periods may exaggerate it.

A major part of the wide fluctuation in recent months has been in the exports of engineering goods, which account for 45 percent of total exports. The Board points out that, besides the notoriously erratic ships and aircraft, these exports include a substantial amount of machinery, much of which contains items of high value which are delivered as large units and not evenly month by month. Taking the first four months of this year together to allow for these variations, exports of engineering products were at about the same rate as in the fourth quarter of 1963. Exports of motor-cars showed little change after their substantial rise last year. Against this, exports of other manufactured goods continued to increase and exports of non-manufactures ceased to fall.

The sterling area and E.F.T.A. are the only markets where exports have increased in the last few months. Exports to the Common Market have remained flat since the middle of 1963; sales to West Germany appear to be rising again, but exports to Italy and France have fallen this year. Exports to the United States have also fallen after the rise in 1963

while exports to Latin America and to Russia and eastern Europe have continued to decline.

The man comfort to be drawn from recent trade figures, therefore, is that imports have been growing less quickly in recent months. The seasonally adjusted average for February to April of £453 million is only 3 percent more than in the previous three months. The Board of Trade says this slower growth is probably associated with smaller increases in stockbuilding after the jump in the closing months of last year.

The detailed figures show imports of food falling back in the last three months, but imports of industrial materials still rising. The big increase here was in semi-manufactures, up £11 million a month. Imports of chemicals continued to grow and there were increases over a wide range of other semi-manufactured goods. Imports of iron and steel, at £12 million a month, were particularly large, more than twice what they had been a year earlier. But the steel-makers seem reasonably sure this will not continue.

Finished goods are also coming in in growing quantities. They accounted for an extra £8 million (15 percent) in February to April compared with November-January. Imports of machinery continued to rise and increases were widely spread among consumer goods, including a sharp rise in the imports of motor-cars and motor-cycles, which, at £4½ million a month, were half as much again as in the second half of 1963.

Western Europe (both Common Market and E.F.T.A.), north America and the non-sterling primary producers have reaped the main benefit of this rise in British imports. Excepting those from Australia, imports from the sterling area have continued the decline begun in the second half of last year.

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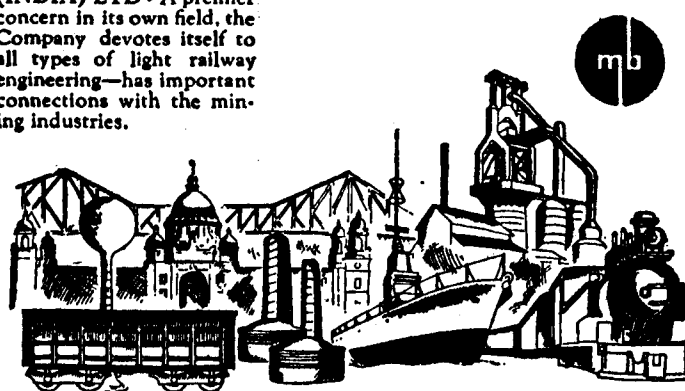
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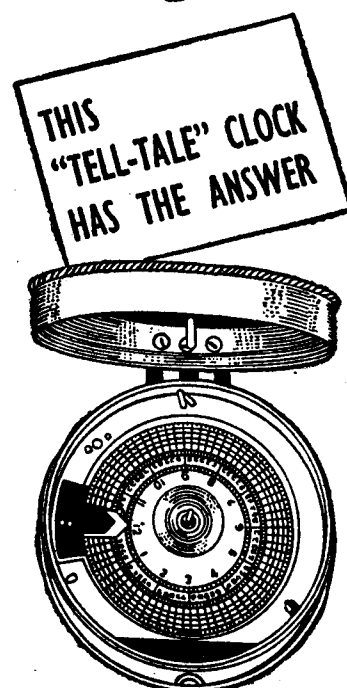
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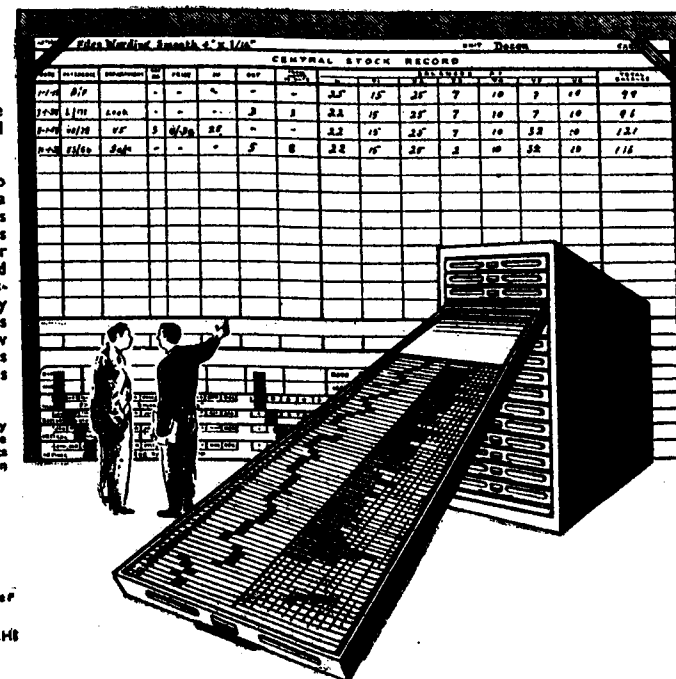
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Jute

COMPULSORY FIBRE PURCHASES STRAIN RESOURCES OF MILLS

WITH the lifting of the current quota of 190,000 bales, jute mills will have absorbed 7.08 million bales which is equivalent to 94.4 per cent of the estimated 1963-64 crop of 7.5 million bales. The completion of these quotas helped to maintain fibre prices around the operational minimum levels. But it is pointed out that mills' resources have been strained to the utmost by these purchases. Finding storage space too has been a problem. Stock purchases by the J.B.S.A. have also made increased demands on mills for storage space. This apart, incidental charges such as interest and insurance have amounted to about Rs. 3 a maund.

The latest reports of well-run jute mill companies refer to the excessively large supply of offgrade jute, which is suitable for producing only heavy goods. With the gradual shift in the pattern of production, Indian mills want selected-grade fibre for manufacturing hessian, carpet-backing cloth and other specialty fabrics. Since quality jute was in short supply, mills had to pay high prices with a consequent rise in production costs. Although steps have been taken to improve the quality of the fibre, they have not yielded tangible results so far. Understandably, the industry wants the minimum price of fibre to be fixed in relation to the grade in maximum use and not Assam Bottoms. It is felt that such a change will offer incentives to cultivators to produce better-quality jute.

Decline in Raw Jute Arrivals

The total arrivals of raw jute in Calcutta and mill stations during the ten-month period ended April 1964 were lower at 6,097 million bales, compared with 6,330 million bales for the comparable period of the previous season. Of these, 5,986 million bales (against 6,089 million bales) were of Indian origin and 110,260 bales (against 241,710 bales) of Pakistani origin.

Imports during April 1964 declined to 459,570 bales from 504,000 bales in the previous month. Of these 450,520 bales (against 489,600 bales) were of Indian origin, and 9,050 bales (against 14,400 bales) were from Pakistan. In April 1963, the total arrivals were 487,340 bales—467,380 bales of Indian origin and 19,960 bales from Pakistan.

Rise in Fibre Exports

Exports of raw jute from India rose by 127 per cent from 11,272 tonnes in 1962-63 to 25,657 tonnes in 1963-64. The foreign exchange earned also increased from Rs. 1.27 crores to Rs. 2.91 crores. Russia was the largest consumer of Indian jute absorbing as much as 21,476 tonnes, valued at Rs. 2.48 crores, during 1963-64. A bumper crop and the removal of the export duty on fibre explain the larger shipments of the commodity.

Despite the likelihood of a plentiful crop during the next season, the prospects of fibre exports are poor since India is hardly in a position to spare selected-grade fibre, which is in good demand abroad. Besides, jute prices are pegged at a high level in India. So Indian exporters cannot compete with their counterparts in Thailand and Pakistan.

New Uses for Jute

The Fabric Research Laboratories of Dedham, Massachusetts, U.S.A., has been exploring the prospects of using jute goods in the reinforcement

of rigid plastics. Pilot plant experiments in Calcutta have yielded satisfactory results. F.R.L. has been commissioned by the I.J.M.A. to carry on a two-year product development programme in the U.S.A. to evolve new uses for jute fibre and gunnies.

Hard plastics manufactured with jute or gunnies as the reinforcing material may be used as counter-tops, insulation panels for trailers and trucks and in various building jobs. It is also proposed to explore the possibilities of using jute as a membrane in the production of plastic pipes. The primary task of F.R.L. is to experiment on the production of decorative and coated fabrics, tarpaulins and industrial textiles. The programme also includes the development of other new uses such as jute fibre and fabric impregnated with resins to mould shells for luggages and as a substitute for fibre-glass.

Spurt in Pakistani Output

A sharp increase in the production and stocks of gunnies has been reported by the Pakistan Jute Mills Association for March. The rise is attributed to a longer working month and a small decline in despatches. The output of jute goods rose from 25,709 tons in February to 29,851 tons in March. Sacking rose from 17,053 tons to 20,623 tons and hessian from 7,076 tons to 8,267 tons, while miscellaneous goods declined from 980 tons to 961 tons. In March 1963 Pakistani mills produced 26,155 tons of jute goods—7,526 tons of hessian, 17,752 tons of sacking and 877 tons of other goods. For the nine-month period ended March 1964, the total output was higher at 244,618 tons, against 221,281 tons for the comparable period of 1962-63. The output of hessian increased by 6,418 tons to 69,082 tons of sacking by 15,289 tons to 166,785 tons and of miscellaneous goods by 1,630 tons to 8,751 tons.

P.J.M.A. member-mills reported a decline in jute goods despatches from 27,418 tons in February to 26,799 tons in March 1964. Export shipments fell

from 21,467 tons to 20,481 tons, while internal offtake rose fractionally by 367 tons to 6,318 tons. For the nine-month period ended March 1964, the total offtake was higher at 236,358 tons, against 214,459 tons for the corresponding period of the previous season.

Pakistani gunny stocks increased to 43,598 tons at the end of March from 40,645 tons at the close of the previous month. Stocks of sacking rose from 25,123 tons to 27,275 tons, of hessian from 14,098 tons to 14,820 tons and of other goods from 1,424 tons to 1,503 tons.

THE JUTE MARKETS

Manufactured Goods: Dull conditions prevailed in the Calcutta gunny market during the past week. Following the death of Mr. Nehru, there was a complete suspension of activities earlier in the week. A short-lived firmness induced by due-date covering in the spot and hedge markets was noticed on Saturday. But weak holders emerged as keen sellers to lighten their commitments. Mills also appeared to be concerned over the growing accumulation of stocks due to sluggish overseas and Government offtake. In the futures market, tired long liquidation and intermittent bear-selling caused a severe setback. Except for a shortage of lighters, conditions in the Calcutta port were considered satisfactory. In the absence of any overseas business or enquiry worthy of mention, the Indian Government tenders for about 7,000 bales of B Twills for June delivery failed to prop up sentiment. So prices drifted downwards in both hessian and sacking. Towards the close, lower levels attracted some short-covering, helping prices to regain some lost ground. Fluctuations were wide. Turnover was small in the spot market, and moderate in the hedge market. The closing undertone was easy.

Wednesday's quotations were as follows:

	June	July-Sept.	Oct.-Dec.
40in. 71oz.	32.60	32.90	33.25
40in. 8oz.	35.25	—	—
40in. 10oz.	43.95	44.50	44.90
B Twills	111.25	111.35	112.10
Cornsacks	112.75	113.00	113.50
Heavy Cees (Plain)	113.50	111.50	112.00
A Twills	134.50	135.00	136.25
Liverpools	125.50	125.50	125.50

Raw Jute: Subdued conditions prevailed in the raw jute market during the past week. Mills and mill agents were practically absent from the market. With the gradual shrinkage in fresh arrivals, small holders of selected-grade fibre were not inclined to part with their limited stocks at current prices, while mills tried to complete as much of their quota as possible with such jute. Holders of lower grade jute and mesta appeared to be concerned over the slow offtake. They were inclined to discount the rates below the derivative levels. But little business transpired in such fibre. A routine turnover was reported in marginal lots of better-grade jute around previous levels, generally for short and near positions. In the hedge market, Upper Assam White Bottoms for June and September suffered a major drift after wide fluctuations due to tired long liquidation combined with a fair amount of short-selling. Towards the close, lower prices attracted modest short-covering, helping to retrieve a part of the losses. Turnover was fairly heavy and the undertone hesitant at the close.

Wednesday's quotations were as follows:

	Landed at Mills (Basic Bottoms)		T.S.D. Minimum Prices	
	Current Prices			
	Rs. A Qtl.	Rs. A Ma.	Rs. A Qtl.	Rs. A Ma.
Assam-Agartala Jute	83.05	31.00	85.74	32.00
Northern Jute	80.38	30.00	83.05	31.00
Western Desal Jute	75.02	28.00	77.70	29.00
Selected Daissee	89.25	33.50	91.09	34.00
Assam-Agartala Tossa	85.74	32.00	88.41	33.00
Mesta:				
Assam-Northern	69.66	26.00	75.02	28.00
Local Daissee	69.66	26.00	73.68	27.50
Bihar Dist.	66.98	25.00	68.32	25.50

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THE U.K. JUTE MARKETS

FIBRE INACTIVE

(FROM OUR DUNDEE CORRESPONDENT)

THERE was change in the raw jute market in Pakistan during the past week. Offers were being made at the previous levels by most sellers, but some of the cheaper parcels were taken up by spinners and these were not now available. Very little buying interest was shown by Dundee spinners as they had already secured a large quantity of jute from the present crop. Any business passing in the fibre was confined to spot parcels.

Offers of new crop were being more freely made, but both buyers and sellers were unwilling to operate to any extent because of the uncertainty of the future. No announcement was made by Pakistan about the trading policy for the 1964-65 season. There is the question of minimum export prices and the granting of trading licences. The quality of the various grades of jute during the past season has been very high and it is not known if this will continue in the future.

Old crop offers were still irregular with the lowest rates at £134 for Mill Firsts, at £109 for Mill Lightnings, at £95 10s for Mill Hearts and at £81 10s for Grade Hearts, c.i.f. U.K., for June shipment. Grade Tossa-2/3 ranged from £123 10s and Grade Tossa-4 from

£105 10s. Outport Tossa-2/3 was named at £93 10s and Outport Tossa-4 at £84 for June shipment. Many sellers were asking considerably more than the above rates, but the marks in question were usually well above the recognised quality standard of the grade.

Offers of new crop were also irregular with the lowest rates for groups at £94 for Mill Hearts and at £81 for Grade Hearts, for August-September shipment. The quantity of new crop jute purchased by the U.K. was very small for this time of year. Cuttings were steady at £59 for S.N.C. and at £51 for N.C. Mesta was unchanged at £85 for A, at £75 for B, at £66 10s for C and at £48 10s for cuttings, c.i.f. U.K., for June-July shipment.

Only a few offers of Siam jute were being made here. Prices were at £75 10s for grade A, at £69 for grade B and at £65 for grade C, delivered mill Dundee for June shipment.

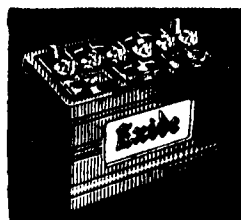
Prior to Mr. Nehru's death, the Calcutta goods market was very quiet and prices of hessians were at the lowest point touched for almost four years. Since then, the markets have been closed. At the beginning of the week, prices were at 67s 2d for 40in. 10oz. and at 50s for 7½oz. a 100 yards f.o.b. Calcutta for May shipment, at 67s 8d and 50s 4d June and at 68s 5d and 50s 6d July-September. B Twills were at 174s 6d, 173s 9d and 173s 9d for the respective shipment periods.



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Books

FACTORS PROMOTING PRODUCTIVITY

Productivity and Economic Growth. By Kehar Sangha. (Published by Asia Publishing House, Calicut Street, Ballard Estate, Bombay 1. Price Rs. 14, pages 121.)

Dr. Kehar Sangha's book adds nothing new either to the subject of productivity or to that of economic growth. The introductory chapter deals with productivity, productivity classification and factors affecting productivity. The general level at which the thoughts in the book flow is reflected in the introductory chapter. Dr. Sangha points out that productivity is classified as actual productivity, potential productivity, volume productivity and real productivity. The factors that affect it are stated as technical progress, quality of labour force, capital intensity, availability of raw materials and the socio-economic organisation.

The second chapter deals with the choice of the input factor. The chapter appears to emphasise that "productivity" refers to labour productivity. The arguments in favour of "labour" as a basis of reference in popular discussions on productivity are given as the availability of employment statistics, the assumption that the quality of a machine unquestionably reflects the rôle of labour (mental as well as physical) in the creation of the machine, the standard of living of a nation is limited eventually by the income created by each hour of work, and the labour force in any country is one of the most important resources. After advancing a case for using the term productivity for labour productivity, Dr. Sangha concludes the chapter after writing a few lines on capital productivity.

The third chapter is on methodology and measurement of productivity. The important items discussed are productivity indices, index numbers, gross national product index, value added and industrial and agricultural production indices. A few lines are written on the problems of productivity measurement and on the use of productivity ratios for economic decisions. Two observations made in this chapter are worth quoting: "It is a well-known fact that net national product (N.N.P.) ultimately depends upon the number of man-hours expended in producing that amount of output and services" (page 25). And on page 26: "It would scarcely be an exaggeration to say that higher output a man-hour was the chief determinant of the growth in real G.N.P." It is indeed true that there is not a single, strictly defined and standard method to find reliable estimates of productivity of a factor. But it is doubtful if any significant contribution has been made by Dr. Sangha on this topic.

The chapter on sharing gains in productivity begins with a historical note on wage theories. The discussion then runs on the following aspects: wages and national income, wages and value added, some devices of sharing gains, the case of controlled economies and free-market economies, wages and prices, escalator clause, improvement factor, reduction in working hours and redistribution of income. Nothing new emerges out of the discussion.

In the fifth chapter, Dr. Sangha has tried to analyse the relationship of productivity with other economic variables. He has considered productivity and employment, productivity

and inflation, productivity and the theory of factor proportions and capital productivity and population. He has also touched upon the input-output analysis.

The last chapter deals with productivity in underdeveloped countries. The first section is concerned with the listing of the general features of underdeveloped nations and the second section, with the aspect of development. As in the previous chapters, except for giving a sketch of what is known, nothing new has been noted in this chapter also. The book may not be of much use to students or research workers, as most of the concepts briefly mentioned in it are available in better and popular textbooks. However, Dr. Sangha has to be complimented for his courage to step into a most delicate field of current economic research.

SHIPPING JOURNAL

Shipping and Port Review: Annual 1964. (Edited and published by E. H. Tippoo, 8 Dharamtala Street, Calcutta 13. Price Rs. 12, pages 214.)

This issue has given extensive coverage to the Shipping and Shipbuilding Conference held some months ago in Calcutta. The publication is profusely illustrated and carries the speeches made at the Conference as also some other interesting articles. It is attractively got up.

JOURNAL ON MINERALS

Minerals and Industries. Edited by Arun Roy Chaudhury. (Published by J. N. Sen Gupta, 12 Stephen Court, 18 Park Street, Calcutta 16. Price Rs. 6, pages 89.)

This is a relatively new quarterly journal on a subject of major economic importance. The issue carries an interview with Jan Tinbergen, a leading economist, on the "Problem of Underdevelopment". There are also interesting articles on the uses of minerals as plant nutrients, and as fillers for industrial purposes, the transport of coal in pipelines and polymers.

The publication gives statistics relating to India's mineral output, exports and imports. A separate section carries quotations, both in Indian and U.S. markets. The articles are illustrated with maps and pictures. The journal aims at high production standards.

SUPER PROFITS TAX

The Law and Practice of Super Profits Tax. By S. V. Ghatalia. (Published by the Allied Publishers Private Ltd, 15 Graham Road, Ballard Estate, Bombay 1. Price Rs. 25, pages 339.)

A levy like the super profits tax is unprecedented in its character and has no parallel in any other country. It is a legislation which creates a notional base for a standard return irrespective of the correct yield which should accrue according to the economic structure obtaining in the country. In the latest Central Budget, the tax has been abolished. Nevertheless, Mr. Ghatalia's book will be found useful by legal practitioners and accountants.

Commodity Markets

OUTLOOK FOR TEA PRICES

(BY A SPECIAL CORRESPONDENT)

THE north Indian crop continues to make satisfactory progress and was 10 million lbs up by 15th May. The second auction was held in Calcutta on 25th May, but it was a small affair consisting of only 11,173 packages mostly from Darjeeling. But there was a fair demand for leaf teas.

On 26th May, 690,000 lbs of leaf tea were offered at the Cochin auctions which showed a further seasonal decline in quality and there was a marked falling off in demand: except for the best qualities, prices were easier with low mediums showing a decline; even tippy grades were easier. The comparison of prices with those of last year is as follows:

	1964	1963
Low Medium	Rs. 4.30-60	Rs. 4.00-4.20
Medium	Rs. 4.60-80	Rs. 4.25-4.75
Good Medium	Rs. 4.90-5.35	Rs. 4.50-5.10
Nitigri B.O.P.	Rs. 4.60-7.10	Rs. 4.50-7.20

The Gillanders Arbuthnot group of tea companies report somewhat disappointing results. The Williamson Magor tea results show that East India Tea worked at a loss, but Dimakusi increased dividend from 25 percent to 30 percent, while Bishnauth reduced the distribution from 20 percent to 14 percent. Of tea companies managed by the Octavius Steel Company, Hattikhira reports a small profit, but pays no dividend and Loobah advises similar results, both being Cachar or Sylhet estates, Borpukhuri, an Assam Company, incurred a loss and carries forward a debit. Those results for 1963 working when average prices were normal, make it difficult to forecast profitable working for many gardens in north India during 1964.

It is too early in the season to estimate the future price trend, but it may be remarked that accounts recently published for the Mimm tea company were disappointing. This is one of the oldest established Darjeeling quality producers, and the results compared very poorly with the 1962 accounts. This is important as there has been general expectation that quality producers will continue to do well in any case.

There seems to be little doubt that more tea will come on offer during 1964. There are also new areas to be fed, but it has to be noted they are new areas, not recently established markets, and although this correspondent expects the produce to be cheap this year, that is no guarantee that new markets will, in fact, materialise. As far as India is concerned, there has been a steady change from orthodox to C.T.C. manufacture and a recent report that demand for these grades is expected to be keen comes from authoritative sources.

For a long time, the trade has advocated propaganda to increase internal consumption. In this, Pakistan has fortunately shown the way by consuming about all its production of round 50 million lbs.

As already pointed out in these columns, Africa, Russia and even Persia and Turkey will be adding to supplies this season, so it is to be hoped the call for development of consumption in India has not come too late. To ship more tea in order to earn less foreign exchange has been recognised by the trade as a futile policy. The next few months will show if consumption is keeping pace with the supply.

The annual tea report of Messrs W. S. Cresswell and Co. Private Ltd says: "A disturbing feature of

the year was the failure for the first time in many years for internal consumption in India to record a gain. Final export figures are estimated at 363 million lbs from north India and 95 million lbs from south India, leaving an estimated 300 million lbs for internal requirements, compared with 288 million lbs from the 1962 crop.

With reference to new markets in Europe this firm notes: "The trade and industry were much encouraged by the news that the European Common Market countries had abolished the external tariff on entry of teas in member countries, but there still remain high internal taxes on teas which we hope the countries concerned may soon agree to reduce or abolish".

They further add: "Shipments to eastern Europe were more than double those of the previous season, but exports to West Germany, the Netherlands and the rest of Europe were a little lower, and shipments to Turkey were very much lower. (It has already been noted by his correspondent that Turkey is now entering the market as a producer.)

The importance of the India's off-take in relation to world consumption is well known to the trade and on this subject, Messrs W. S. Cresswell write: "The most realistic basis for calculating the consumption of tea in India is to deduct shipments from the crop taking the period 1st April to 31st March in the case of south India, and 1st July to 30th June for north India. This calculation will show the approximate amount of each season's crop retained in India, the figures for the last four seasons being as follows:

Tea retained in India (In million lbs)	
1960-61	268
1961-62	328
1962-63	288
1963-64	300 estimated

"Consumption in 1961-62 was estimated at 295 million lbs, and in 1962-63 at 310 million lbs, the increase being found from the very large carry-over from the previous season. Had consumption shown a further increase in 1963-64 we would have expected a much larger retained figure than 300 million lbs, or alternatively very high prices at the close of the season, and it, therefore, seems likely that there has been some falling off in the level of consumption in this country, during the 1963-64 period. This assumption fits in with reports from the distributive side of the trade, which indicate that poor agricultural crops in many of the tea drinking areas combined with a general rise in the cost of living and a sugar shortage in certain areas, have checked the growth of internal sales. While we are naturally much concerned at this setback to the steady expansion of the internal market, we hope it will be only a temporary phenomenon and that consumption in India will resume its upward swing in 1964-65."

U.K. tea stocks recorded a small decline from 139,991,656 lbs to 138,680,860 lbs during the week ended 22nd May. This was due to deliveries being 8,327,996 lbs, against landings of 7,017,200 lbs, but as the summer months are now on the way, deliveries around 8½ million lbs do not suggest a particularly strong demand. Prices during the week averaged 47.06d a lb, against 47.63d in the previous week and 46.53d a year ago.

COMPANY AND PUBLIC NOTICES

CAPITAL LIMITED

NOTICE is hereby given that an Annual General Meeting of CAPITAL LIMITED, will be held at the Bengal Chamber of Commerce & Industry, Calcutta, on Saturday, the 27th June, 1964, at 10-25 A.M., to transact the following business:—

1. To consider and approve the Audited Accounts of the Company for the year ended 31st December, 1963, and to receive the Directors' and Auditors' Reports thereon.
2. To appoint Auditors and to fix their remuneration.

As Special Business

3. To appoint a Director in place of Mr. D. C. W. Watkin, who retires, and in this connection to consider and, if thought fit, to pass with or without modification, the following resolution of which a notice has been received by the Company from a member under Section 237 of the Companies Act, 1956, and which will be proposed as an ordinary resolution:—

"Resolved that Mr. D. C. W. Watkin be and is hereby appointed a Director of the Company whose period of office shall be liable to termination by retirement of Directors by rotation."

By Order of the Board,

CAPITAL LIMITED,

P. C. GANGULI,

Secretary.

Registered Office:

5, Mission Row,
Calcutta, 30th May, 1964.

Note: (a) A member entitled to attend and vote at this meeting may appoint a proxy to attend and vote instead of himself. A proxy need not be a member of the Company.

(b) The explanatory notes in connection with the Special business to be transacted at the meeting, are being circulated to the members.

THE INDO-BURMA PETROLEUM COMPANY LIMITED

Registered Office:

Gillander House, Netaji Subhas Road,
CALCUTTA-1.

NOTICE is hereby given that the Preference Register of Members of the Company will be closed from the 17th June, 1964 to 2nd July, 1964, both days inclusive for payment of the dividend for the half year ending 30th June, 1964, on the 2nd July, 1964, at the rate of Rs. 2.914 per share (being the stipulated dividend of Rs. 3.50 per share increased by 11% to Rs. 3.885 less Rs. 0.971 being Income Tax at the Company's rate of 25%) subject to tax being deducted therefrom in accordance with the provisions of Section 194 of the Income Tax Act, 1961.

By Order of the Board,

STEEL BROTHERS AND COMPANY
LIMITED,

Managing Agents.

Gillander House,
Netaji Subhas Road,
Calcutta-1.

29th May, 1964.

SHREE GOPAL PAPER MILLS

LIMITED

NOTICE

NOTICE is hereby given that the 27th Annual General Meeting of the Shareholders of the Company will be held at the Registered Office of the Company at "Thapar House", 25, Brabourne Road, Calcutta, on Friday, the 26th June, 1964 at 3 P.M.

AGENDA:

1. To receive and adopt the Directors' Report and the Audited Accounts of the Company for the year ended 31st December, 1963.
2. To declare dividends on Preference and Ordinary Shares.
3. To elect directors in place of those who retire by rotation.

(a) Shri R. P. Agrawal and Seth R. S. Khemka being longest in Office retire by rotation and being eligible offer themselves for re-election.

(b) Diwan Anand Kumar is due to retire by rotation and being 70 years of age, a notice has been received from a Shareholder of the Company proposing his re-election. A special notice is hereby given for passing the following resolution with or without modification as an ordinary resolution.

"That Diwan Anand Kumar, who is 70 years of age, be and is hereby re-elected a director of the company and that the age limit as specified under Section 280 of the Companies Act, 1956 shall not apply to him."

NOTES:

(i) The Share Transfer Books of the Company will remain closed from the 17th June, 1964, to 26th June, 1964, both days inclusive.

(ii) A member entitled to attend and vote at the meeting, is entitled to appoint a proxy to attend and vote, instead of himself and the proxy need not be a member of the Company.

(iii) Explanatory note pursuant to Section 173 of the Companies Act 1956 in respect of the item No. 3 (b) as referred to above has been sent to all the Shareholders along with the notice.

By Order of the Board,

KARAM CHAND THAPAR & BROS.
PRIVATE LIMITED,
Managing Agents.

Registered Office:

"Thapar House",
25, Brabourne Road,
Calcutta-1.
The 25th May, 1964.

THE ONDAL COAL COMPANY LIMITED

NOTICE is hereby given that an Annual General Meeting of THE ONDAL COAL COMPANY, LIMITED, will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta, on Friday, the 26th June, 1964, at 11-15 A.M., for the following purposes:—

1. To consider and adopt the Audited Accounts of the Company for the year ended 31st December, 1963, and to receive the Directors' and Auditors' Reports thereon.
2. To declare the Dividends recommended by the Directors.
3. To appoint a Director in place of a retiring Director.
4. To appoint Auditors and fix their remuneration.

The Share Transfer Registers of the Company will be closed from the 17th to the 26th June, 1964, both days inclusive.

By Order of the Board,
PRAN PRASHAD,
Chairman.

Chartered Bank Buildings,
Calcutta, 21st May, 1964.

NOTES:

- (a) A member entitled to attend and vote at this meeting may appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.
- (b) The Dividends, if declared, will be paid on or after 15th July, 1964, to those shareholders to whom the Company's books on the 26th June, 1964, or to their mandatees. No application for Dividend Warrants will be necessary.

THE KARANPURA DEVELOPMENT COMPANY LIMITED

NOTICE is hereby given that an Annual General Meeting of THE KARANPURA DEVELOPMENT COMPANY LIMITED, will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta, on Monday the 29th June, 1964, at 10-40 A.M. for the following purposes:—

1. To consider and adopt the Audited Accounts of the Company for the year ended 31st December, 1963, and to receive the Directors' and Auditors' Reports thereon.
2. To declare Dividends recommended by the Directors.
3. To appoint Auditors and fix their remuneration.

AS SPECIAL BUSINESS

4. To appoint a Director in place of Mr. B. P. Ray, who retires, and in this connection to consider and, if thought fit, to pass with or without modification, the following resolution of which a notice has been received by the Company from one of its members under Section 257 of the Companies Act, 1956, which will be proposed as Ordinary resolution:—

"That Mr. B. P. Ray be and is hereby appointed as a Director of the Company."

The Share Transfer Registers of the Company will be closed from the 17th June, 1964 to the 29th June, 1964, both days inclusive.

By Order of the Board,

BIRD & CO. (PRIVATE) LTD.,
Secretaries & Treasurers.

Chartered Bank Buildings,
Calcutta, 21st May, 1964.

NOTES:—

- (a) A member, entitled to attend and vote at this meeting, may appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.
- (b) The Dividends, if declared, will be paid on or after the 18th July, 1964, to those members, whose names appear in the companies' Books on 29th June, 1964, or to their mandatees. No application for dividend warrants will be necessary.
- (c) The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, is being sent to all members.

THE KARANPURA DEVELOPMENT COMPANY LIMITED

AT a meeting of the Board of Directors held on Thursday, the 21st May, 1964, the following dividends were recommended for declaration at the Annual General Meeting to be held on Monday, the 29th June, 1964, subject to deduction of tax.

On Ordinary Shares at 3 per cent per annum.

On Founders' Shares at 9 per cent per annum.

By Order of the Board,

BIRD & CO. (PRIVATE) LIMITED,
Secretaries & Treasurers.

Registered Office:

Chartered Bank Buildings,
Calcutta, 21st May, 1964.

W. H. TARGETT & COMPANY LIMITED

NOTICE is hereby given that an Annual General Meeting of W. H. TARGETT & COMPANY LIMITED, will be held at the Bengal Chamber of Commerce & Industry, Calcutta, on Saturday, the 27th June, 1964, at 10-30 A.M. to transact the following business:—

1. To consider and approve the Audited Accounts of the Company for the year ended 31st December, 1963, and to receive the Directors' and Auditors' Reports thereon.
2. To declare the Dividend recommended by the Directors.
3. To appoint Directors in place of retiring Directors.
4. To appoint Auditors and to fix their remuneration.

As Special Business

5. To consider, and if thought fit, to pass with or without modification, the following resolution of which a notice has been received by the Company from one of its members in terms of Section 257 of the Companies Act, 1956, and which will be proposed as an ordinary resolution:—

"Resolved that Mr. D. L. V. Rowe be and is hereby appointed a member of the Committee of Management of the Company whose period of office shall be liable to termination by retirement of Directors by rotation."

The Share Transfer Register of the Company will be closed from 13th June, 1964 to 27th June, 1964, both days inclusive.

By Order of the Board,

W. H. TARGETT & CO. LIMITED,
P. C. GANGULI,
Secretary.

Registered Office:

5, Mission Row,
Calcutta, 30th May, 1964.

- Notes: (a) A member entitled to attend and vote at this meeting may appoint a proxy to attend and vote instead of himself. A proxy need not be a member of the Company.

- (b) The Dividend, if declared, will be paid on or after 8th July, 1964, to those Shareholders so entitled whose names appear in the Company's books on the 27th June, 1964, or to their mandatees. No application for Dividend Warrants will be necessary.
- (c) The explanatory notes in connection with the Special Business to be transacted at the meeting, are being circulated to the members.

STATE BANK OF INDIA

NOTICE is hereby given that the Principal Register and the Branch Registers of the State Bank of India will be closed for transfer of shares from Monday, the 15th June, 1964 to Tuesday, the 30th June, 1964, both days inclusive.

N. A. KRISHNAN,
Managing Director,
Bombay, the 12th May, 1964,
22nd Vysk. 1886 (Saka)

THE STANDARD COAL COMPANY LIMITED

NOTICE is hereby given to the members of the abovenamed Company that an Annual General Meeting of the Company will be held at the Registered Office, Chartered Bank Buildings, Calcutta, at 12 noon on Friday, the 26th June, 1964, for the following purposes:

1. To consider and adopt the Profit and Loss Account of the Company for the year ended 31st December, 1963, and the Balance Sheet as at that date and to receive the Directors' and Auditors' Reports thereon.
2. To declare the Dividend recommended by the Directors.
3. To appoint Auditors and fix their remuneration.

AS SPECIAL BUSINESS

4. To consider and, if thought fit, to pass with or without modification, the following resolution of which a notice has been received by the Company from one of its members in terms of Section 257 of the Companies Act 1956, and which will be proposed as an ordinary resolution:—

"RESOLVED that Mr. P. C. Ganguli be and is hereby appointed a Director of the Company whose period of office shall be liable to termination by retirement of directors by rotation."

The Share Transfer Register of the Company will be closed from 15th June, 1964 to 26th June, 1964, both days inclusive.

By Order of the Board,

F. W. HEILGERS & CO. (PRIVATE) LIMITED,
Secretary.

Registered Office:

Chartered Bank Buildings,
Calcutta, 22nd May, 1964.

NOTES:

- (a) A member entitled to attend and vote at this meeting may appoint a proxy to attend and vote instead of himself. A proxy need not be a member of the Company.

- (b) The Dividend, if declared will be paid on or after 10th July, 1964 to those shareholders so entitled whose names appear in the Company's Books on the 26th June, 1964 or to their mandatees. No application for Dividend Warrants will be necessary.

- (c) The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of Special Business set out above is being sent to the Shareholders.

ORISSA CEMENT LIMITED

THE Fourteenth Annual General Meeting of the shareholders of the Company will be held at Rajgangpur, the Registered Office of the Company on 29th June, 1964 at 2-00 P.M. Notices of the meeting setting out the Agenda and Explanatory Statement on the special business to be transacted thereat have been sent by post.

By Order of the Board,
S. C. AGGARWAL,
Secretary.

Dated: 12th May, 1964.

KUMARDHUBI FIRECLAY & SILICA WORKS LIMITED

NOTICE is hereby given to the members of the abovenamed Company that an Annual General Meeting of the Company will be held at the Registered Office, Chartered Bank Buildings, Calcutta, on Monday the 29th June, 1964 at 11-00 A.M. for the following purposes:—

1. To consider and approve the Audited Accounts of the Company for the year ended 31st December, 1963, and to receive the Directors' and Auditors' Reports thereon.
2. To declare the Dividends recommended by the Directors.
3. To appoint a Director in the place of a retiring Director.
4. To appoint Auditors and fix their remuneration.

AS SPECIAL BUSINESS

5. To consider and, if thought fit, to pass the following resolution which will be proposed as a special resolution:—

"THAT Article 161 of the Articles of Association of the Company be amended by deleting the word 'three' in line 4 and substituting therefor the word 'Six'."

The Share Transfer Registers of the Company will be closed from 15th June, 1964 to 29th June, 1964, both days inclusive.

By Order of the Board,
BIRD & CO. (PRIVATE) LIMITED,
Managing Agents.

Registered Office,

Chartered Bank Buildings,
Calcutta, 25th May, 1964.

NOTES:—

- (a) A member entitled to attend and vote at this meeting may appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.
- (b) The Dividends, if declared, will be paid on or after 6th July, 1964, to those Shareholders so entitled whose names appear in the Company's books on the 29th June, 1964, or to their mandatees. No application for Dividend Warrants will be necessary.
- (c) The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, is being sent to all members.

BALMER LAWRIE & CO. LTD.

NOTICE is hereby given to the members of the above-named Company that the Annual General Meeting will be held at the Registered Office of the Company, 21, Netaji Subhas Road, Calcutta, on Monday, 29th June, 1964 at 3-30 P.M. to consider the Accounts of the Company for the year ended 31st December, 1963, and to transact other ordinary business.

NOTICE is also hereby given that the Transfer Books and Register of Members of the Company will be closed from 9th June, 1964 to 29th June, 1964, both days inclusive.

By Order of the Board,
D. MANSON,
Managing Director.

21, Netaji Subhas Road,
Calcutta, 13th May, 1964.

Note:—A member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote in his stead. Such proxy need not be a member of the Company.

SHAW WALLACE & COMPANY, LIMITED

NOTICE is hereby given that the Eighteenth Annual General Meeting of the Members will be held at the Registered Office of the Company, 4, Bankshall Street, Calcutta on the 29th June, 1964 at 3 p.m. for the following purposes:—

1. To consider the Profit & Loss Account for the year ended 31st December, 1963, the Balance Sheet as at that date and the Reports of the Directors and the Auditors.
2. To declare a Dividend on the Ordinary Shares.
3. To appoint Auditors and to fix their remuneration.
4. To elect Directors in the places of two Directors retiring.
5. AS SPECIAL BUSINESS to consider and, if thought fit, to pass, with or without modification the following Resolution:—

As an Ordinary Resolution—

"That approval be and is hereby accorded to purchase the undernoted shares:—

- (a) 12 Ordinary Shares of Rs. 100 each in Matheson, Bosanquet & Co. Ltd. at a cost of Rs. 6,792 and 120 Ordinary Shares of Rs. 10 each in The Wallwood Plantations & Agency Ltd. at a cost of Rs. 2,100.
- (b) 19 Ordinary Shares of Rs. 100 each in Matheson, Bosanquet & Co. Ltd. at a cost of Rs. 9,956 and 190 Ordinary Shares of Rs. 10 each in The Wallwood Plantations & Agency Ltd. at a cost of Rs. 3,335."

The Share Transfer Register of the Company's Ordinary Shares will be closed from 20th June to 29th June, 1964, both days inclusive.

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

By Order of the Board,

D. A. HOUGHTON,
Calcutta Director & Secretary.

4, Bankshall Street, Calcutta
Dated 6th May, 1964.

Note: An Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 in respect of the Special Business to be transacted at the Meeting has been included in the Notice issued to the Members.

SWADESHI COTTON MILLS COMPANY LIMITED

Registered Office:
Swadeshi House, Civil Lines,

KANPUR,

NOTICE

NOTICE is hereby given that the 43rd Annual General Meeting of the Members of the Swadeshi Cotton Mills Company Limited will be held at the Registered Office of the Company at Swadeshi House, Civil Lines, Kanpur, on Saturday, the 27th June, 1964 at 2-30 p.m. to transact the following business:—

1. To receive and consider the Audited Profit & Loss Account for the year ended 31st December, 1963 and the Balance Sheet as on that date

and Report of the Directors and of the Auditors thereon.

2. To sanction the declaration of Dividend.
3. To elect a Director in place of Shri M. R. Jaipuria, who retires by rotation and is eligible for re-election.
4. To elect a Director in place of Shri Banwarilal Jaipuria, who retires by rotation and is eligible for re-election.
5. To appoint Auditors in place of those retiring and to fix their remuneration.

SPECIAL BUSINESS

6. To consider and if thought fit to pass with or without modification the following as a Special Resolution:—

"RESOLVED that the existing Clauses 27 and 64 of the Articles of Association of the Company, be amended by adding the following sentences in the manner following:—

- (i) Clause 27—After the first sentence ending with the word 'certificate' and before the second sentence beginning with the word 'Provided'—

"They may, however, in their absolute discretion, wholly or partially waive payment of the fees aforesaid, generally or in any particular case or cases, as they may think fit."

- (ii) Clause 64—After the last sentence—

"They may, however, in their absolute discretion, wholly or partially waive payment of the fees aforesaid, generally or in any particular case or cases, as they may think fit."

NOTICE is also hereby given that the Share Transfer Books and the Register of Members of the Company will remain closed from 17th June to 27th June, 1964, both days inclusive.

Warrants for Dividend when sanctioned will be posted to the respective members at their registered addresses or in accordance with their mandates after 27th June, 1964. Members are requested to advise immediately change, if any, in their address.

By Order of the Board,

For SWADESHI COTTON MILLS COMPANY LIMITED,
M. L. BAGLA,
Secretary.

Dated, 29th May, 1964.

Notes:—(1) The relative Explanatory Statement, pursuant to Section 173 of the Companies Act, 1956, has been forwarded to the members of the Company.

- (2) A Shareholders entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.
- (3) For the special attention of:

Mrs. Isabel Dorother Kapur and Mr. Narayandas Kapur legal representatives of Late Mr. P. D. Kapur of 51, Lancaster Grove, Swiss Cottage, London (N.W.3).

BRIDGE & ROOF CO. (INDIA) LTD.

NOTICE is hereby given to the members of the above-named Company that the Annual General Meeting (being the eightieth Ordinary General Meeting of the Company) will be held at the Registered Office of the Company, 21, Netaji Subhas Road, Calcutta, on THURSDAY, 25TH JUNE, 1964 at 3-30 p.m. to consider the Accounts of the Company for the year ended 31st December, 1963, and to transact other ordinary business and the undernoted special business:—

SPECIAL BUSINESS:

NOTICE is also hereby given of the following resolution which will be proposed as an Ordinary Resolution, of which Special Notice dated 22nd May, 1964 as required by Section 257 (1) of the Companies Act 1956, has been received:—

"That Mr. H. K. FitzGerald be and is hereby appointed a Director of the Company."

NOTICE is also hereby given that the Transfer Books and Register of Members of the Company will be closed from 19TH JUNE, 1964 to 25TH JUNE, 1964, both days inclusive.

By Order of the Board,

BALMER LAWRIE & CO. LTD.,
D. MANSON,
Managing Director,
Secretaries.

21, Netaji Subhas Road,
Calcutta, 25th May, 1964.

Note:—A member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote in his stead. Such proxy need not be a member of the Company.

An Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 has been forwarded to the members of the Company.

NAGA HILLS TEA COMPANY, LIMITED

NOTICE is hereby given that the Forty-Sixth Annual General Meeting of NAGA HILLS TEA COMPANY, LIMITED will be held at the Registered Office of the Company, No. 19, R. N. Mukherjee Road (5, Mission Row), Calcutta-1, on Monday the 29th June, 1964 at 3-30 P.M. to transact the following business:—

1. To receive and adopt the Directors' Report and audited Accounts for the year ended 31st December, 1963.
2. To declare dividend.
3. To elect Directors in place of those retiring.
4. To appoint Auditors and to fix their remuneration.

The Register of Members and the Share Transfer Books of the Company will be closed from 22nd June to 29th June, 1964, both days inclusive.

By Order of the Board,

DHANUKA INDUSTRIES LIMITED,
Secretaries & Treasurers,
Calcutta, the 30th May, 1964.

N.B.:—1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.

2. Dividend, as recommended by the Directors, if approved at the Annual General Meeting will be paid to those whose names are on the Company's register on the 29th June, 1964 or to their mandatees.

BRITISH PAINTS (INDIA) LIMITED

REGISTERED OFFICE:
32, CHOWRINGHEE ROAD,
CALCUTTA.

NOTICE

NOTICE is hereby given that the Fortieth Annual General Meeting of the Shareholders of the Company will be held at the Registered Office of the Company on Friday, 26th June, 1964, at 11-30 A.M., to transact the following business:—

A. As Ordinary Business

1. To receive the Report of the Directors and to adopt the Audited Accounts for the year ended 31st December, 1963.
2. To declare a Dividend.
3. To elect Directors in place of Mr. J. T. Adamson and Mr. B. Gill.
4. To appoint Auditors and to fix their remuneration.

B. As Special Business

To consider and if thought fit, pass the following Resolutions with or without modification:—

(i) As a Special Resolution No. 1:

"That in view of the proposal contained in the succeeding Ordinary Resolution that Mr. Clifford James Harben be appointed a Director of the Company, consent be and is hereby accorded to Mr. Clifford James Harben holding and continuing to hold an office or place of profit under the Company as Works Director or such other office or place of profit as the Directors may from time to time decide, upon such terms as to remuneration as approved by the Central Government and set out in the Resolution of the Board of Directors passed on the 13th November, 1963, a copy of which has been signed by the Chairman and laid on the table for the purpose of identification."

(ii) As an Ordinary Resolution:

"That approval of the Central Government having been obtained to the appointment of Mr. Clifford James Harben as a Director and due notice in writing signifying the intention of a Member to propose him as a Director having been left at the Registered Office of the Company, pursuant to Section 257 of the Companies Act, 1956, Mr. Clifford James Harben be and is hereby appointed as Director of the Company with effect from 1st January, 1964."

(iii) As a Special Resolution No. 2:

"That Mr. F. C. H. Rustonjee be and is hereby appointed as an Alternate Director for Mr. J. T. Adamson and that it is hereby declared that the age limit laid down in Section 280 of the Companies Act, 1956, shall not apply to him."

(iv) As a Special Resolution No. 3:

"Resolved that the Articles of Association of the Company be altered

in the following manner:—

By inserting the words 'without payment', between the words 'entitled' and 'to' appearing in the first line in the Article 13."

(v) As a Special Resolution No. 4:

"Resolved that the Articles of Association of the Company be amended by altering Article 14, so as to read as follows:—

If any Certificate be defaced, torn or old, decrepit, worn out or when the space on the reverse for recording transfer have been fully utilised, then upon production of such Certificate to the Directors, they may order the same to be cancelled and may issue a new Certificate in lieu thereof and if the Certificate be lost or destroyed, then, upon proof thereof to the satisfaction of the Directors and to such reasonable terms, if any, as to evidence and indemnity and the payment of out-of-pocket expenses incurred by the Company in investigating evidence, as the Directors think fit, a new Certificate in lieu thereof may be issued to the party entitled to such lost or destroyed certificate."

(vi) As a Special Resolution No. 5:

"Resolved that Article 15 be substituted by the following Article:—

For every Certificate issued in the last preceding Article, the Company shall charge no fee."

(vii) As a Special Resolution No. 6:

"Resolved that Article 41 be amended so as to read as follows:—

For the registration of each transfer and for each registration of transmission under the transmission clause, the Company shall charge no fee."

By Order of the Board,

S. R. ROY,
Director Secretary.

Dated at 32, Chowringhee Road, Calcutta-16, the 25th day of May, 1964.

N.B. 1. The Share Transfer Books of the Company will be closed from the 12th June, 1964 to the 28th June, 1964, both days inclusive.**2.** A Member entitled to attend and vote is entitled to appoint a Proxy to attend and vote instead of himself, and the Proxy need not be a Member.**3.** Subject to the confirmation of the Members in the Annual General Meeting, the related Dividend Warrants in respect of the Shares registered in the Books of the Company on the date of this Meeting will be ready for despatch on the 2nd day of July, 1964, to the Holders thereof.

The explanatory statement as required by Section 173 (2) of the Companies Act, 1956, in regard to the special business cited above has been forwarded to Members together with a copy of this notice.

NEW INDIA INVESTMENT CORPN. LTD.

NOTICE is hereby given that the twenty-seventh Ordinary General Meeting of the Shareholders of New India Investment Corpn. Ltd., will be held at the Registered Office of the Company at 9, Brabourne Road, Calcutta at 4-15 P.M. on Monday the 29th June, 1964, to transact the following business:—

1. To receive & adopt the Directors' Report and Audited Profit & Loss Accounts & Balance Sheet for the year ended 31-12-63.
2. To declare dividends as recommended by the Directors.
3. To elect Directors in place of these retiring.
4. To appoint Auditors & to fix their remuneration.

The share transfer register of the Company will be closed from 23rd to 29th June, both days inclusive.

By Order of the Board,

Sd/- RAMDUTT RAMKISSENDASS,
Secretaries & Treasurers.

Calcutta
29th May, 1964.

NOTE: (a) A member entitled to attend & vote is entitled to appoint a proxy to attend & vote instead of himself & a proxy need not be a member.

(b) The dividend if declared will be paid on or after 10th July, 1964 to these shareholders whose names appear on Company's books on 29th June, 1964 or to their mandatees. No application for dividend warrants will be necessary.

OCTAVIUS STEEL & CO. LIMITED

NOTICE is hereby given that the Forty-third Ordinary General Meeting of the Shareholders of the Company will be held at the Registered Office, No. 14, Old Court House Street, Calcutta, on Tuesday, the 23rd June, 1964 at 12 noon for the following purposes:—

1. To receive and adopt the Directors' Report and the audited Accounts for the year ended 31st December, 1963.
2. To declare a dividend.
3. To elect a Director in place of the retiring Director.
4. To elect Auditors for the ensuing year and to fix their remuneration.

The Share Transfer Book of the Company will be closed from 16th June, 1964 to 23rd June, 1964, both days inclusive.

By Order of the Board,

B. GHOSE,
Secretary.
14, Old Court House Street,
Calcutta, 29th May, 1964.

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

CAPITAL, 4th June, 1964.

BRITISH INDIA ELECTRIC CONSTRUCTION CO. LTD.

NOTICE is hereby given to the members of the above-named Company that the Annual General Meeting (being the eightieth Ordinary General Meeting of the Company) will be held at the Registered Office of the Company, 21, Netaji Subhas Road, Calcutta, on THURSDAY, 25TH JUNE, 1964 at 3-45 p.m. to consider the Accounts of the Company for the year ended 31st December, 1963, and to transact other ordinary business.

NOTICE is also hereby given that the Transfer Books and Register of Members of the Company will be closed from 11TH JUNE, 1964 to 25TH JUNE, 1964, both days inclusive.

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

Managing Director,
Managing Agents.
21, Netaji Subhas Road,
Calcutta, 25th May, 1964.

Note:—A member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote in his stead. Such proxy need not be a member of the Company.

THE ONDAL COAL COMPANY LIMITED

AT a meeting of the Board of Directors held on Thursday, the 21st May, 1964, the following dividends were recommended for declaration at the Annual General Meeting to be held on Friday, the 26th June, 1964, subject to deduction of tax.

On 6½% Cumulative Preference Shares at 8.45 per cent (being dividend at the stipulated rate of 6½% per annum increased by 30% thereof, in accordance with the provisions of the Preference Shares (Regulation of Dividends) Act, 1960).

On Ordinary Shares at the rate of 5 per cent per annum.

By Order of the Board,
PRAN PRASHAD,
Chairman.

Registered Office:
Chartered Bank Buildings,
Calcutta, 21st May, 1964.

THE BORREA COAL COMPANY LIMITED

AT a meeting of the Board of Directors held on Thursday, the 21st May, 1964, the following dividends were recommended for declaration at the Annual General Meeting to be held on Friday, the 26th June, 1964, subject to deduction of tax.

On 6½% Cumulative Preference Shares at 8.45 per cent (being dividend at the stipulated rate of 6½% per annum increased by 30% thereof, in accordance with the provisions of the Preference Shares (Regulation of Dividends) Act, 1960).

On Ordinary Shares at the rate of 15 per cent per annum.

By Order of the Board,
F. W. HEILGERS & CO. (PRIVATE) LTD.,
Secretaries & Treasurers.

Registered Office:
Chartered Bank Buildings,
Calcutta, 21st May, 1964.

CAPITAL, 4th June, 1964.

THE BORREA COAL COMPANY LIMITED

NOTICE is hereby given that an Annual General Meeting of the BORREA COAL COMPANY LIMITED, will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta, on Friday, the 26th June, 1964, at 10-30 A.M., for the following purposes:—

1. To consider and adopt the Audited Accounts of the Company for the year ended 31st December, 1963, and to receive the Directors' and the Auditors' Reports thereon.
2. To declare the Dividends recommended by the Directors.
3. To appoint Auditor and fix their remuneration.
4. AS SPECIAL BUSINESS

To appoint a Director in place of Mr. B. P. Ray, who retires, and in this connection to consider and, if thought fit, to pass with or without modification, the following resolution of which a notice has been received by the Company from one of its members under Section 257 of the Companies Act, 1956, which will be proposed as Ordinary Resolution:—

"That Mr. B. P. Ray be and is hereby appointed a Director of the Company."

The Share Transfer Registers of the Company will be closed from the 17th to the 26th June, 1964, both days inclusive.

By Order of the Board,
F. W. HEILGERS & CO. (PRIVATE) LTD.,
Secretaries & Treasurers.

Chartered Bank Buildings,
Calcutta, 21st May, 1964.

Notes:—

- (a) A member entitled to attend and vote at this meeting may appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.
- (b) The Dividends, if declared, will be paid on or after 15th July, 1964, to those Shareholders so entitled whose names appear in the Company's book on the 26th June, 1964, or to their mandatees. No application for Dividend Warrants will be necessary.
- (c) The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 is being sent to all members.

THE SENDRA COAL COMPANY LIMITED

AT a meeting of the Board of Directors held on Monday, the 25th May, 1964, the following dividends were recommended for declaration at the Annual General Meeting to be held on Friday, the 26th June, 1964, subject to deduction of tax.

On Ordinary Shares at the rate of 3 per cent per annum.

By Order of the Board,
F. W. HEILGERS & CO. (PRIVATE) LTD.,
Secretary.

Registered Office:
Chartered Bank Buildings,
Calcutta, 25th May, 1964.

THE SENDRA COAL COMPANY LIMITED

NOTICE is hereby given that an Annual General Meeting of THE SENDRA COAL COMPANY LIMITED, will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta, on Friday, the 26th June, 1964 at 11-25 A.M. for the following purposes:—

- (1) To consider and adopt the Audited Accounts of the Company for the year ended 31st December, 1963 and to receive the Directors' and Auditors' Reports thereon.
- (2) To declare the Dividend recommended by the Directors.
- (3) To appoint Auditors and fix their remuneration.

As Special Business.

(4) To appoint a Director in place of Mr. P. Sen Gupta, who retires, and in this connection to consider and if thought fit, to pass with or without modification the following resolution of which a notice has been received by the Company from one of its members under Section 257 of the Companies Act, 1956, which will be proposed as ordinary resolution.

"That Mr. P. Sen Gupta be and is hereby appointed a Director of the Company."

The Share Transfer Register of the Company will be closed from the 17th June, 1964 to the 26th June, 1964, both days inclusive.

By Order of the Board,
F. W. HEILGERS & CO. (PRIVATE) LTD.,
Secretary.

Chartered Bank Buildings,
Calcutta, 25th May, 1964.

- Notes** (a) A member entitled to attend and vote at this meeting may appoint a proxy to attend and vote in his stead. A proxy need not be a member of the company.
- (b) The Dividend, if declared will be paid on or after 15th July, 1964, to those members so entitled whose names appear in the Company's book on the 26th June, 1964, or to their mandatees. No application for Dividend Warrants will be necessary.
- (c) The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, is being sent to all the members.

THE CALCUTTA JUTE MANUFACTURING CO. LIMITED

NOTICE is hereby given that the fifty-eighth Annual General Meeting of the Calcutta Jute Manufacturing Co. Ltd. will be held at the registered office of the company, "Stephen House," 4th floor, No. 4 Dalhousie Square East, Calcutta, at 3 P.M. on Monday, the 29th June, 1964 for the following purposes:—

Agenda:

1. To receive and adopt the Balance Sheet as at 31st December, 1963 and the Profit & Loss Account for the year ended 31st December, 1963 together with the Reports of the Auditors and Directors.

2. To declare dividend on the Preference shares.**3. To appoint a director in place of Sri Gokulchand Saraf retiring by rotation.****4. To appoint auditors and fix their remuneration.**

The Share Transfer Books of the company will be closed from June 19th to June 29th, 1964, both days inclusive.

Any member of the company who is entitled to attend and vote at the meeting convened by this Notice is also entitled to appoint a Proxy to attend and vote instead of himself and such Proxy need not be a member of the company.

By Order of the Board,

DAYARAM & SONS,
Managing Agents.

"Stephen House", 4th floor,
4 Dalhousie Square East,
Calcutta

The 29th May, 1964.

NOTE:—Payment of dividend declared will be made to those members whose names are registered in the books of the company on the 29th June, 1964. No application for Warrants will be necessary.

THE BENGAL PAPER MILL CO. LTD.

NOTICE is hereby given that the Annual General Meeting of the Company will be held at Registered Office of the Company at 14, Netaji Subhas Road, Calcutta, on Monday the 29th June, 1964 at 4-30 P.M. for the following purposes:—

1. To receive and consider the report of the Directors and adopt audited accounts of the Company for the year ended 31st December, 1963.
2. To declare dividends on Preference and Ordinary Shares.
3. To elect Directors in place of those who retire by rotation.
4. To appoint auditors and fix their remuneration.

Notice is hereby given that Share Transfer Books of the Company shall remain closed from 20th June to 29th June, 1964, both days inclusive.

By Order of the Board,

THE BENGAL PAPER MILL CO., LTD.,
H. P. DHANUKA,
Director.

Registered Office:

14, Netaji Subhas Road,
Calcutta, 1st June, 1964.

Note:—A member entitled to attend and vote at this meeting is entitled to appoint a Proxy to attend and vote in his stead. Such Proxy need not be a member of the Company.

TEA PLANTERS BENEVOLENT INSTITUTION

NOTICE is hereby given that the Annual General Meeting of the Tea Planters Benevolent Institution will be held at the Royal Exchange, 6, Netaji Subhas Road, Calcutta-1, on Friday, 12th June, 1964 at 10-30 a.m.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	L.S.T. Hours
Hope's Metal Windows (India) Ltd.	11-6-64	3-30 p.m.
Tea Planters Benevolent Institution	12-6-64	10-30 a.m.
Guest, Keen, Williams, Ltd.	12-6-64	11-30 a.m.
Calcutta Steel Co. Ltd.	15-6-64	4 p.m.
Hattikhira Tea Co. Ltd.	16-6-64	11-45 a.m.
Champdany Jute Co. Ltd.	16-6-64	12 noon
Braithwaite & Co. (India) Ltd.	18-6-64	11 a.m.
Hercules Insurance Co. Ltd.	22-6-64	3 p.m.
Bengal Potteries Ltd.	22-6-64	4 p.m.
Octavius Steel & Co. Ltd.	23-6-64	12 noon
Dhelahtat Tea Co. Ltd.	25-6-64	9-30 a.m.
Bridge & Roof Co. (India) Ltd.	25-6-64	3-30 p.m.
British India Electric Constr. Co. Ltd.	25-6-64	3-45 p.m.
Triton Insurance Co. Ltd.	25-6-64	4 p.m.
Borra Coal Co. Ltd.	26-6-64	10-30 a.m.
Ondal Coal Co. Ltd.	26-6-64	11-15 a.m.
Sendra Coal Co. Ltd.	26-6-64	11-25 a.m.
British Paints (India) Ltd.	26-6-64	11-30 a.m.
Standard Coal Co. Ltd.	26-6-64	12 noon
Shree Gopal Paper Mills Ltd.	26-6-64	3 p.m.
Industrial Investment Trust Ltd.	26-6-64	4 p.m.
Capital Ltd.	27-6-64	10-25 a.m.
W. H. Targett & Co. Ltd.	27-6-64	10-30 a.m.
Swadeshi Cotton Mills Co. Ltd.	27-6-64	2-30 p.m.
Karanpura Development Co. Ltd.	29-6-64	10-40 a.m.
Kumardhubi Fireclay & Silica Works Ltd.	29-6-64	11 a.m.
Orissa Cement Ltd.	29-6-64	2 p.m.
General Industrial Society Ltd.	29-6-64	2-45 p.m.
Calcutta Jute Manufacturing Co. Ltd.	26-6-64	3 p.m.
Shaw Wallace & Co. Ltd.	29-6-64	3 p.m.
Balmer Lawrie & Co. Ltd.	29-6-64	3-30 p.m.
Naga Hills Tea Co. Ltd.	29-6-64	3-30 p.m.
New India Investment Corpn. Ltd.	29-6-64	4-15 p.m.
Bengal Paper Mill Co. Ltd.	29-6-64	4-30 p.m.
Indian Copper Corporation Ltd.	12-8-64	11-30 a.m.

DIVIDENDS DECLARED OR PROPOSED.—Anderson Wright, Ltd.—6 p.c. (o), subject to tax; Ellensbarrie Tea Co. Ltd.—7½ p.c. (o), subject to tax; Clevedon Tea Co. Ltd.—20 p.c., subject to tax; Baradighi Tea Co. Ltd.—15 p.c., subject to tax; Dunbar Mills Ltd.—17½ p.c. (o), subject to tax; Bowreah Cotton Mills Co. Ltd.—15 p.c. (o), subject to tax; Hooghly Flour Mills Co. Ltd.—5 p.c., subject to tax; Borrea Coal Co. Ltd.—15 p.c. (o), subject to tax; Ondal Coal Co. Ltd.—5 p.c. (o), subject to tax; Sendra Coal Co. Ltd.—3 p.c. (o), subject to tax; Karanpura Development Co. Ltd.—3 p.c. (o) and 9 p.c. (Founders'), subject to tax.

HIDES AND SKINS

The market was quiet and prices showed a downward tendency. Stocks were less than in the previous week.

Bazaar Sales

(Between 26th May and 1st June, 1964)

Cowhides: Wet salted (Ord.) 8,000 pcs. on the basis of Rs. 7.25 to Rs. 9; Wet salted (Slaughtered) 42,500 pcs. on the basis of Rs. 10.50 to Rs. 16.50 and Rs. 19.50 to Rs. 28; Wet salted (Ord.) 2,000 pcs. on the basis of 64 Paisa a lb.

Goatskins: Wet salted (Patna, Daissee, Kustia) 32,000 pcs.; on the basis of Rs. 340 to Rs. 360; Rs. 340 to Rs. 360 and Rs. 400 to 410; Wet salted (he-killed) on the basis of Rs. 4.25 and (she-killed) on the basis of Rs. 4 a piece, Assam 4,000 pcs. on the basis of Rs. 190; Purneah (heavy) 6,100 pcs. on the basis of Rs. 530.

"CAPITAL" STOCK AND SHARE LIST

THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

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

Exchange Associations and other sources.

Figures given after stroke (/) mean Naye paise.

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Wednesday, 3rd June, 1964.

GOVERNMENTS LOANS

GOVERNMENT OF INDIA

Outstanding Amount Interest per cent Year of issue Repayable Market quotations

Rs. Rs. Rs. Rs.

2,48,91,06,000 3 1946 1986 or later 63/80

8,93,33,000 3 1896-97 At the option of the Government of India after a months notice 63/00

14,77,48,000 2 1946 1976 83/50

1,10,11,78,000 3 1943 1966-68 98/15

30,33,10,000 3 1950 1964 99/90

1,15,05,83,000 3 1948 1970-73 90/45

1,58,17,94,000 3 1954 1964 99/90

1,53,67,92,000 3 1955 1965 100/00

86,63,53,000 3 1956 1974 96/75

56,99,30,000 3 1957 1967 99/95

1,97,40,92,000 3 1956 1967 99/70

70,00,000 3 1958 1968 98/50

1,56,64,22,000 3 1958 1968 99/65

1,90,85,42,000 3 1959 1969 97/80

82,65,41,000 3 1960 1966 99/95

1,54,70,22,000 4 1957 1972 98/90

94,51,44,000 4 1958 1973 98/85

81,06,39,000 4 1959 1979 98/25

98,05,17,000 4 1960 1980 98/25

65,96,55,000 4 1961 1981 98/30

84,12,53,000 4 1963 1969 99/75

28,07,95,000 4 1962 1972 100/10

52,01,71,000 4 1963 1986 100/00

1,14,03,37,000 4 1962 1985 100/00

3,40,34,300 4 1952 1964 99/95

6,57,22,800 4 1957 1968 98/40

6,58,20,700 4 1958 1970 98/75

4,35,25,000 4 1958 1971 98/70

2,03,28,800 3 1948 1964 98/50

5,24,81,200 4 1952 1964 99/95

5,55,57,300 4 1958 1970 98/70

1,55,31,200 3 1938 1961-66 93/25

5,89,13,900 4 1952 1964 99/95

7,65,53,900 4 1958 1970 98/70

2,00,00,000 4 1952 1964 99/95

7,58,72,200 4 1952 1967 99/15

7,11,46,100 4 1956 1968 98/80

5,10,49,700 4 1958 1970 98/75

7,69,69,400 4 1959 1971 97/50

7,00,00,000 4 1960 1969 98/40

73,07,21,000 4 1961 1972 98/80

7,00,00,000 4 1962 1974 99/45

2,95,85,200 4 1933 1952-63 100/00

57,72,000 4 1961 1961 101/00N

73,36,000 4 1958 1968 100/50

4,00,00,000 3 1950 1965 95/00

2,13,14,500 3 1949 1979 82/00

* Ex eight instalments but inclusive of accrued interest.

Option to repay at par on 6 months notice—

(a) Option to extend the redemption period for further 10 years.

(b) at any time after 1-6-61.

(c) on or after 1-6-61.

(d) option to redeem at 2 1/2% Prem. after 14-5-64 and before 15-5-69.

Option to repay on 6 months notice—

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

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

(g) at 10 1/2% after 30-6-69 but before 30-6-74.

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

Option to repay on 3 months notice—

(i) at any time at 3% Premium.

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

(k) at any time at par.

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

PORT TRUST LOANS

CALCUTTA

Amount Interest per cent Year of issue Repayable Market quotations

Rs. Rs. Rs. Rs.

90,24,300 4 1914 1974 98/25

76,90,100 4 1915 1975 98/25

68,02,300 3 1921 2nd 1981 82/00

1,50,00,000 6 1921 2nd 1981 144/00N

£892,600 5 1923 1953-83 £61

£901,000 5 1924 1954-84 £61

1,24,00,000 4 1957 1987 99/50

50,00,000 4 1958 1988 99/00

50,00,000 4 1961 1981 99/00

80,00,000 4 1931 1991 93/00

50,00,000 3 1935 1965 99/00

50,00,000 3 1946 1976 83/50

50,00,000 3 1945 1-2-2005 72/00

50,00,000 3 1945 1-2-1975 83/75

25,00,000 3 1938 1963-65 93/00

50,00,000 3 1946 2006 72/00

50,00,000 2 1947 1977 78/50

50,00,000 3 1948 1978 83/00

50,00,000 3 1950 1980 81/00

50,00,000 4 1953 1963 98/75

50,00,000 4 1953 1983 97/50

90,00,000 4 1955 1985 97/25

77,00,000 4 1956 1986 97/25

1,00,00,000 4 1959 1969 99/50

1,00,00,000 5 1963 1993 ..

Amount Interest per cent Year of issue Repayable Market quotations

Rs. Rs. Rs. Rs.

66,88,000 3 1951 1966 93/50

10,00,000 5 1932 1992 109/75N

33,91,000 3 1935 1965 96/00

2,00,34,000 3 1951 1966 89/00

47,50,000 3 1938 1968 92/50

21,10,000 3 1942 1972 92/00

8,25,00,000 3 1947 1977 82/00

87,36,000 4 1952 1962 99/75

2,22,72,000 4 1955 1985 97/25N

2,13,14,500 3 1949 1979 82/00

1,67,32,000 4 1958 1970 101/00N

73,36,000 4 1958 1968 100/50

4,00,00,000 3 1950 1965 95/00

2,13,14,500 3 1949 1979 82/00

* Ex eight instalments but inclusive of accrued interest.

Option to repay at par on 6 months notice—

(m) redeemable at 10 1/2% on 31-12-64 with option to redeem on any interest date at same premium after 30-6-59.

(n) at any time on two months notice—

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

Option to repay

(p) at par after September 1960.

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

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

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

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

(u) with option to redeem all or any of the Debts at 10 1/2% at any time after 31-3-64 and at 100/8% at any time after 31-3-66.

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

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

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

(y) Redeemable (a) at 10 1/2% on 1st October, 1974 or in the event of voluntary liquidation of the undertaking being purchased or (b) at 10 1/2% at any time after 31st March, 1953 on 6 months notice from the Co. (c) also redeemable out of a sinking fund (commencing in 1938) by drawing at 10 1/2% or purchase at or under 10 1/2%.

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

IMPROVEMENT TRUST LOANS

CALCUTTA

Amount Interest per cent Year of issue Repayable Market quotations

Rs. Rs. Rs. Rs.

50,00,000 4 1934 1964 99/25

35,00,000 3 1935 1965 96/00

30,00,000 3 1936 1966 92/50

20,00,000 3 1938 1963-68 92/00

80,00,000 4 1952 1962 100/00

56,00,000 4 1910 1971 92/00

75,00,000 4 1911 1972 92/00

75,00,000 4 1958 1968 98/50

101,00,000 4 1958 1968 101/00

STERLING LOANS

BOMBAY

£892,600 5 1923 1953-83 £63

£901,000 5 1924 1954-84 £63

£835,100 5 1932 1962 £96 1/2

60,00,000 4 1903 1963 98/25

50,00,000 4 1904 1964 98/25

20,00,000 4 1906 1966 97/50

15,00,000 4 1907 1967 97/50

30,00,000 4 1908 1968 £95 1/2N

£566,600 4 1909 1969 £95 1/2N

£333,000 4 1910 1970 £100/00

25,00,000 4 1912 1972 95/00

13,00,000 4 1913 1973 95/00

50,00,000 4 1914 1974 95/00

25,00,000 4 1916 1976 95/00

66,00,000 6 1920 1945-80 119/50

25,00,000 4 1927 1961-70 99/75

10,00,000 3 1936 1966 89/00

25,00,000 4 1927 1961-70 99/75

10,00,000 3 1936 1966 89/00

66,00,000 6 1920 1945-80 119/50

25,00,000 4 1927 1961-70 99/75

10,00,000 3 1936 1966 89/00

25,00,000 4 1927 1961-70 99/75

10,00,000 3 1936 1966 89/00

66,00,000 6 1920 1945-80 119/50

25,00,000 4 1927 1961-70 99/75

10,00,000 3 1936 1966 89/00

25,00,000 4 1927 1961-70 99/75

10,00,000 3 1936 1966 89/00

66,00,000 6 1920 1945-80 119/50

25,00,000 4 1927 1961-70 99/75

10,00,000 3 1936 1966 89/00

25,00,000 4 1927 1961-70 99/75

10,00,000 3 1936 1966 89/00

66,00,000 6 1920 1945-80 119/50

25,00,000 4 1927 1961-70 99/75

10,00,000 3 1936 1966 89/00

25,00,000 4 1927 1961-70 99/75

10,00,000 3 1936 1966 89/00

66,00,000 6 1920 1945-80 119/50

25,00,000 4 1927 1961-70 99/75

10,00,000 3 1936 1966 89/00

25,00,000 4 1927 1961-70 99/75

10,00,000 3 1936 1966 89/00

66,00,000 6 1920 1945-80 119/50

25,00,000 4 1927 1961-70 99/75

COTTON MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		3-6-64	27-5-64	A year ago		1960	1961	1962		3-6-64	27-5-64	A year ago
Basant	..	..	..	10	12/50	12/50	11/50	Elgin P.	11½	17½	17½-17½*	10	17/94	17/87	18/06
Bengal Luxmi	..	..	..	40	30/00	30/00	28/00	J. K. Cotton (Rayon) P.	12½	..	..	10	10/69	10/25	12/75
Bengal Nagpur P.	Nil	..	..	10	2/44	2/44	3/00	Jaya Shree	10	10	..	10	14/62	14/62	14/25
Bharat Commerce	5	15	15	10	21/00	21/62	22/50	Muir P.	..	..	..	100	63/00	63/00	106/00
Birla Cotton	10	20	20	10	27/00	27/00	26/75	New Victoria P.	Nil	..	..	2½	1/25	1/28	1/62
Bowreah P.	10	20	15	10	23/75	23/75	23/19	Orissa Textiles P.	Nil	Nil	..	10	7/06	7/06	9/00
Cawnpore Textile	7 1/5	10	10	5	6/25	6/25	6/31	Rampooria Cotton	3	Nil	..	10	13/00	13/00	12/00
Delhi Cloth & Genl. P.	12	13	13-13*	25	45/00	45/25	41/75	Swadeshi (Kanpur) P.	5.51	..	..	10PO	11/00	11/00	11/50
Dunbar	20	20	15	10	27/25	27/25	27/44						6/62	6/56	7/05

* 1963

BOMBAY COTTON MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		2-6-64	26-5-64	A year ago		1960	1961	1962		2-6-64	26-5-64	A year ago
Ahmedabad Advance P.	16	12	..	100	140/00	140/00	170/00	Indian	23 1/5	25	..	250	870/00	870/00	761/25
Apollo	Nil	Nil	..	2	1/72	1/72	2/00	Indore Malwa United	8½	10	7½	100	209/00	208/50	187/00
Beharilal Ramcharan	Nil	Nil	..	100	131/00	131/00	78/00	Khatana Makani P.	32	16	..	100	180/00	181/25	437/50
Bombay Dyeing, etc.	14	14	14	25	56/40	56/40	61/10	Kohinoor	15	18	..	100	317/00	318/50	312/00
Bradbury P.	10	25	..	50	145/00	145/00	150/00	Lakshmi Vishnu P.	5.7	6	Nil	100	92/50	92/50	95/00
Century	30	30	..	100	605/00	601/00	552/00	Morajee Goudas P.	21½	24	24-20*	100	265/00	270/00	435/00
Central India P.	Nil	Nil	Nil-11*	100	89/00	90/00	102/00	Mysore Spg. & Mfg. P.	14	14	..	50	38/50	37/00	47/00
Coorla	11	11	..	100	169/50	169/50	142/00	New City of Bombay	Nil	Nil	..	100	188/75	188/75	142/50
Dawn	30	30	..	50	153/00	152/50	142/00	New Great Eastern P.	Nil	12	..	100	178/00	178/00	270/00
Edward Textiles	9	9	6	200	260/00	260/00	325/00	Phoenix	15	20	..	100	225/00	224/00	200/00
Elphinstone P.	18	22	18	50	97/00	97/00	100/00	Sassoon & Alliance	17	20	10	10	36/25	11/00	11/78
Finlay	23	23	..	100	303/00	303/00	315/00	Simplex	15	Nil	22-16*	50	119/00	122/00	130/00
Gokak	14	18	..	100	182/00	182/00	164/00	Shree Niwas P.	18	20	14	100	233/00	245/00	235/00
Hindooistan	50	50	..	250	950/00	950/00	810/00	Swadeshi P.	17	19	17	100	250/00	251/00	248/00
India United	13½	37½	..	10	21/68	21/40	23/00	Swan	36	21 3/5	..	100	275/00	275/00	300/00
				1Dd	2/62	2/60	2/54	Tata	20	22	20	25	56/50	54/50	58/50
								Western India	46 2/5	25	..	250	850/00	850/00	785/00

* 1963

BOMBAY MISCELLANEOUS COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until				
	1960	1961	1962		2-6-64	Rs.	Rs.		A year ago	1960	1961		1962	2-6-64	Rs.	Rs.	A year ago
CEMENT								INSURANCE COMPANIES									
ENGINEERING & METAL								MISCELLANEOUS									
Associated Cement	12½	12	12	100	150/50	150/75	140/75	British India General	..	..	..	10	12/48	12/48	11/52		
ELECTRIC LTG., POWER								Jupiter General P.	..	..	..	15	7/00	7/00	9/00		
Ahmedabad Electricity	7	6	..	100	96/50	96/00	91/20	New India	38	38	..	15	49/00	49/75	61/00		
Andhra Valley Power P.	5½	5	5	1000	1,062/50	1,062/50	1,002/50	Vulcan	20	20	..	10	15/84	15/84	15/52		
Bombay Suburban Elec.	8	8½	8½	100	104/75	105/00	99/00	INSURANCE COMPANIES									
Tata Hydro Elec. Power P.	5½	5	5	100	112/00	112/25	104/00	Belapur Sugar	58	50	..	50	199/00	200/00	179/00		
Tata Power P.	5½	5	5	1000	1,120/00	1,020/00	1,041/25	Bombay Burmah Trading	30	33	33-33 1/5*	25	58/00	57/80	64/00		
Alcock Ashdown	17	22½	..	100	288/93	290/00	304/00					20	44/00	44/50	..		
Jost's Engineering	8	10	10-Nil*	50	47/00	47/00	98/00	Hindustan Lever	26	26	12	10	31/50	32/50	36/50		
Larsen & Toubro P.	12½	18	14-14*	10	22/36	22/24	21/88	Industrial Invt. Trust	6½	6½	..	100	77/00	77/00	68/50		
Mackenzies	10	12	14	100	135/00	135/00	150/00	Kemp (Chemists)	12½	12½	..	200	260/00	260/00	305/00		
Premier Construction P.	43 1/3	33 1/3	..	300	167/00	168/00	136/00	National Rayon	22	..	..	100	357/00	358/00	343/00		
Tata Eng. & Locomotive P.	12½	14½	14½-14½*	100	274/00	274/00	273/50	Scindia Steam Navign.	3	3	3	20	14/32	14/40	9/52		
Tata Iron & Steel P.	9.1	10.36	10.36-11*	750	146/00	146/50	132/75	Shivrajpur Synd.	80	Nil	..	10	17/00	14/76	14/32		
								Tata Chemicals P.	23	6½	6½-10*	10	17/16	17/32	14/32		
								Tata Oil P.	23	23	22-22*	25	58/20	58/50	60/00		
								Volta	13	14	14-14*	100	245/00	241/00	253/00		
								Western India Match	16	16	16	100	251/50	252/50	261/25		

* 1963

TEA COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until				
	1960	1961	1962		Rs.	Rs.	Rs.		Rs.	1960	1961		1962	Rs.	Rs.	Rs.	Rs.
ASSAM GARDENS																	
Amluckie	Nil	10	7½	10	17/25	17/25	20/00	Brooke Bond P.	15	10	7½—7½†	10	11/50	11/50	11/81		
Anandabag P.	30	32½	20	10	33/25	33/25	33/25	Dejoo Valley	15	20	30	10	45/50	45/50	49/25		
Baghmari	Nil	15	7½	10	13/62	13/62	18/56	Dessai & Purbuttia	Nil	10	15	100	181/00	181/00	140/00		
Barduar Tea	..	..	..	5	8/50	8/50	8/50	Dhelaikhat	12½	10	..	10	20/75	20/81	13/87		
Basmatia	35	25	20	10	24/25	24/25	27/25	Dhunsari P.	20	15	10	10	32/00	32/00	31/25		
Bateli	30	30	..	5	15/25	15/25	17/25	Dibrugarh	40	40	30	10	25/10	25/19	41/87		
Bejjan	40	45	30	10	30/37	30/37	30/56	Dimakuri P.	25	20	25	10	26/12	26/12	27/00		
Bishnauth	13	12	13	10	17/06	17/06	18/19	Dufflaghur	25	25	30	10	12/00	12/00	14/25		
Bokakhat	Nil	12	13	10	13/12	13/12	13/70	East India	Nil	Nil	10	10	27/56	27/56	25/44		
Bormah Jan P.	15	15	15	10	11/00	11/00	14/25	Gillapukri	25	20	15	10	14/69	14/69	16/56		
Bor Pukhuri	Nil	Nil	10	10	11/50	11/50	11/75	Gohpur	Nil	5	60	10					

* 1962

TEA COMPANIES—Contd.

Dividends per cent				Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
NAMES	1960	1961	1962		3-6-64	27-5-64	A year ago		1960	1961	1962		3-6-64	27-5-64	A year ago
				Rs.	Rs.	Rs.					Rs.	Rs.	Rs.		
Grob	6	6	6	5	6/12	6/12	7/97	Singell	Nil	Nil	Nil	100	36/75	36/75	36/75
Hoograjuli (Assam)	20	20	17	10	27/62	27/62	27/12	Singtom	2	Nil	2	10	3/50	3/50	3/50
Hoolungoree	10	7½	20	100	185/00	185/00	195/00	Soom	50	40	40	10	39/00	39/00	35/00
Jutibari	30	30	20	10	27/87	27/87	31/50	Sungama	15	15	20	10	14/25	14/25	15/06
Kingsley Golaghat P.	35	35	..	100	125/00	125/00	140/00	Teesta Valley	Nil	..	8 4/7-10*	10	13/44	13/44	11/25
Kotamullai P.	Nil	Nil	Nil	5	9/87	9/87	10/31	Tukvar	Nil	Nil	..	10	3/75	3/75	7/12
Krishnabehari	15	8	10	10	11/50	11/50	10/50	DOOARS							
Kyang Tea	Nil	..	..	10	8/06	8/06	8/06	Banarhat P.	22½	21	21	100	230/00	230/00	226/00
Ledo	Nil	Nil	Nil	10	13/75	13/75	17/25	Baradighi	30	25	25	10	23/25	23/25	23/25
Maud Tea & Seed	10	7½	7½	10	12/00	12/00	14/81	Bhatkawa	15	15	20	10	16/16	16/16	18/00
Methoni	5	14	20	10	14/00	14/00	17/31	Birpara P.	17½	12½	17½	100	160/00	160/00	160/00
Moheema	Nil	Nil	..	10	11/50	11/50	11/50	Carron	20	5	7½	100	117/00	117/00	145/00
Mothola	30	30	35	100	607/00	607/00	607/00	Choonabutti P.	32½	20	20	100	211/00	211/00	210/00
Murphulan (Assam)	10.63	20.63	30.63	10	26/50	26/50	26/50	Ellenbarrie	5	5	10	100	173/00	173/00	184/00
					26/87	26/87	28/75	Engo	60	30	40	100	136/00	136/00	136/00
Naga Hills	10	10	10	10	21/25	21/25	22/25	Ethebari	5	5	7½	10	11/87	11/87	13/12
Namburnadi	12	12	..	10	12/87	12/87	14/56	Gairkhat	25	20	11	10	16/12	16/12	21/50
New Cinnatollah	Nil	Nil	Nil	100	455/00	455/00	302/00	Gopalpur	12	2	10	25	19/50	19/50	19/50
Rajgarh	40	13½	17½	10	18/56	18/56	21/87	Hantapara P.	15	5	10	100	108/00	108/00	104/00
Sapoti	22½	20	10	10	19/50	19/50	19/87	Hasimara P.	17	..	18-15*	10	12/37	12/50	12/31
Seajuli	22½	15	30	10	25/12	25/12	21/12	Huldiabari	22½	..	19 2/7-11*	10	12/25	12/25	12/62
Teloiian	25	25	10	10	21/44	21/44	27/75	Jaybirpara	10	Nil	Nil	10	8/94	8/94	11/75
Tengpara	30	30	22½	10	36/50	36/50	35/00	Killcot	25	15	15	10	15/56	15/56	16/25
Tezore P.	30	20	..	10	14/69	14/69	15/37	Manabarrie	10	6	10	100	59/50	59/50	59/50
Tongani	Nil	Nil	..	10	5/31	5/31	7/00	Nagaisuree	25	15	15	100	165/00	165/00	140/00
Tycoon	10	15	25	10	27/37	27/37	34/37	New Doocars P.	35	20	14½	100	234/00	234/00	230/00
CACHAR															
Arcuttipore	Nil	5	6	10	7/00	7/00	7/00	Oodlabari	Nil	7½	7½	100	125/00	125/00	129/00
Baltakhal	2½	2½	..	10	7/87	7/87	8/06	Phaskowa	Nil	Nil	6	10	9/87	9/87	12/12
Central Cachar	5	7½	5	100	73/00	73/00	72/00	Rajabhat	15	15	7½	10	12/00	12/00	16/00
Eastern Cachar	Nil	Nil	..	10	4/62	4/62	4/12	Ranicherra	25	20	25	10	24/96	24/96	25/44
Kallinugger Khoreel	6	2	..	100	84/00	84/00	87/00	Sarugaon	40	40	40	10	36/25	36/25	36/25
Hattikihra	Nil	8	Nil	10	7/75	7/75	9/12	TERAI							
Kunchanpore	Nil	Nil	..	10	6/00	6/00	6/00	Atal	5	..	..	10	5/37	5/37	8/75
Loobah	Nil	Nil	Nil	10	4/69	4/69	4/37	Belgachi	20	20	..	100	20/00	20/00	20/50
North Western	30	20	Nil	10	7/81	7/81	7/50	Gungam	20	12½	12½	100	126/00	126/00	131/00
Pethemara	Nil	Nil	10	10	9/94	9/94	13/62	New Chumta	15	..	12 6/7-20*	10	19/00	20/37	20/37
Rooopacherra	Nil	10	Nil	10	49/25	49/25	53/50	New Terai	22½	15	15	10	20/50	20/50	36/00
Rungamattae	5	5	5	50	5/06	5/06	9/12	Panargoomiah	20	20	2½	10	13/75	13/75	31/12
Sonai River	Nil	Nil	..	10				Putinbare	14	14	..	10	55/00	55/00	45/00
DARJEELING															
Bloomfield	Nil	..	..	10	3/19	3/19	3/00	Tirrihannah P.	60	60	60	10	49/00	49/00	49/00
Chamong	Nil	10	10	10	8/69	8/75	9/00	CHITTAGONG							
Darjeeling Tea & Chin.	30	30	30	100	197/00	197/00	197/00	Kodala	Nil	Nil	..	10	9/25	9/25	9/25
Dilaram	8	4	..	100	102/50	102/50	102/50	Kornafull	Nil	Nil	..	10	9/12	9/12	13/06
Gielle	Nil	..	8 4/7-15*	10	15/87	15/87	11/69	Oodleab	Nil	Nil	..	10	8/00	8/00	8/00
Lingna P.	15	10	17½	10	14/00	14/00	14/56	SYLHET							
Lengview	12½	10	17½	10	8/25	8/25	11/00	Chundecherra	Nil	Nil	Nil	10	26/00	26/00	26/00
Margaret's Hope	15	15	15	10	12/31	12/31	11/62	Dauracherra	22½	22½	20	10	14/00	12/69	7/56
Mim	22½	27½	27½	100	410/00	410/00	191/50	New Samanbagh P.	25	Nil	Nil	10	18/37	18/37	18/37
Nagri Farm	30	25	25	10	29/87	29/87	27/00	Patrakola	32½	40	15	100	121/00	121/00	134/00
Okayti	25	25	25	100	600/00	600/00	600/00	Rajnarag	Nil	Nil	Nil	10	9/56	9/56	9/56
Pashok	10	Nil	..	10	20/00	20/00	20/00	Tetiapara	22½	22½	10	100	156/50	145/00	99/00
Poobong	Nil	Nil	5	10	10/12	10/12	7/56								
Pussimbing P.	Nil	Nil	Nil	10	8/00	8/00	7/12								
Runglee Rungliot	35	20	7½	100	300/00	300/00	386/00								
Seeyok	15	Nil	..	10	8/50	8/50	8/50								

MISCELLANEOUS COMPANIES—Contd.

Dividends per cent								Paid-up per Share			Latest Market Quotations as available until			Dividends per cent								Paid-up per Share			Latest Market Quotations as available until					
NAMES								Rs.			Rs.			NAMES								Rs.			Rs.			Rs.		
1960	1961	1962	Rs.	Rs.	Rs.	3-6-64	27-5-64	A year ago	1960	1961	1962	Rs.	Rs.	Rs.	3-6-64	27-5-64	A year ago	1960	1961	1962	Rs.	Rs.	Rs.	3-6-64	27-5-64	A year ago				
ENGINEERING & METAL																														
Arthur Butler (Muzaffarpore) P.	Nil	Nil	10	10	21/25	21/25	14/94	J. K. Synthetics	3	Nil-10*	10	11/31	11/37	10/31																
Bhartia Electric Steel	10	10	12½	10	14/75	14/25	14/37	James Wright P.	5D	2/75	50	2/75	2/75	2/75																
Braithwaite India	25	25	14	10	33/00	33/00	29/50		10D	00/43	00/43	00/43	00/43	00/43																
Bridge & Root	30	30	30	10	52/25	52/25	52/25	Jardine Henderson Ltd. P.	7	7	8-12*	100	74/00	72/00	86/50															
Britannia Building & Iron P.	Nil	Nil	Nil	10	3/20	3/20	3/65	Jay Shree Industries P.	14	12½	12-13*	10	14/31	14/31	15/75															
Britannia Engineering P.	10	10	10	10	9/69	9/94	9/87	Kesoram Industries P.	5	12	12-13*	10	24/87	23/75	21/75															
British India Electric Cons.	45	20	15	10	29/12	29/12	33/12	Macfarlane & Co.	1Dd	4/87	1/94	1/94	1/94	1/94	7/00															
Burn P. (Engineering)	28½	28½	28½-25*	100	267/00	265/00	463/00	Macneil & Barry Ltd. P.	8	8	7½	100	95/00	95/00	93/50															
Calcutta Steel	15	15	15-12½*	10	14/69	14/31	13/00	Martin Burn Ltd. P.	27½	27½	25-25*	10	26/25	26/37	25/25															
Dalmia Iron	10	10	10-10*	10	10/87	10/87	10/62	McLeod & Co. P.	15	15	18	1000	213/00	213/00	210/00															
Guest, Keen, Williams	16	14	14	10	23/25	22/62	33/00	Metal Box Co. of India Ltd. P.	25	25	19	10	31/37	30/62	49/87															
Hooghly Docking	Nil	Nil	12½	50	89/00	89/00	108/00	National Insulated Cable P.	25	25	25-18½	10	22/50	22/50	24/25															
Indian Iron & Steel P.	15	16	16-16*	10	24/16	23/54	22/62	National Pipe & Tubes P.	13	20	20	10	25/81	25/81	27/25															
Indian Malleable Casting	Nil	Nil	Nil	50	6/00	6/00	6/00	National Rolling & Steel Ropes	20	15	15-15*	10	18/50	18/50	18/87															
Indian Standard Wagon P.	28½	28½	28½-20*	10	33/37	31/94	33/00	National Rubber P.	Nil	6½	8	10	11/37	11/25	11/62															
Indian Steel & Wire Products	23	24	23-28*	100	33/50	33/50	40/50	National Tobacco P.	16	7	7	10	11/12	11/06	11/69															
Industrial Containers	Nil	10	10	10	24/00	24/00	21/37	New India Investment Corpn.	8.7	Nil	Nil	75	54/00	54/00	65/00															
Jay Engineering	17 3/20	17 3/20	15-10*	10	17/44	17/87	21/75	Octavius Steel P.	10	7½	7½	100	27/75	27/75	26/37															
J. K. Steel P.	20	20	10	10	14/94	14/94	14/06	Philips India	12	12	13	10	22/62	22/62	26/62															
Jessop & Co. P.	8.58	8.58	8.58	10	20/81	20/44	22/00	Publicity Society	10	75	75-50*	4	117/50	117/50	116/00															
Kumardhubi Engineering P.	10	11½	15	3	5/53	5/53	7/87	Rohas Industries P.	20	10	8-9*	100	11/12	10/75	11/50															
Marshall Sons (India)	Nil	Nil	Nil	2	3/12	3/12	2/84	Sisal P.	Nil	8	8	10	7/69	7/69	9/19															
National Iron and Steel	Nil	Nil	12½-10*	4	6/25	6/25	8/00	Sen-Ralegh Industries P.	8	8	8	10	13/25	13/62	13/50															
Saran Engineering	30	20	20	10	28/12	28/12	29/50	Shaw Wallace P.	15	15	7½	10	15/62	15/62	14/94															
Steel Containers	30	20	20	10	27/25	26/55	23/35	Spencer's Hotel	2½	2½	2½	10	1/25	1/25	0/94															
Textile Machinery	10	10	Nil	10	7/12	7/12	7/94	Union Carbide	18	18	12½	10	30/00	30/25	38/50															
SUGAR BREWERIES ETC.																														
Balrampur Sugar	8	8	4-Nil*	2½	1/75	1/75	2/12	Walford Transport	30	20	Nil	10	2/87	2/97	2/37															
Belsund Sugar	18½	15	15-15*	10	7/19	7/19	7/81		20	30	Nil	10	3/19	3/19	3/60															
Bharat Sugar P.	Nil	Nil	Nil	10	12/56	12/56	13/00	Concord of India	20	20	20	5	10/00	10/00	10/25															
Carew (Sugar) P.	Nil	Nil	Nil	10	12/19	12/19	12/50	Hercules	22½	22½	26½	10	23/50	23/50	24/19															
Cawnpore Sugar P.	Nil	Nil	Nil	10	9/31	9/31	10/06	Ruby General	10	13½	15½	8	10/87	10/87	9/31															
Champaran Sugar	15	12	Nil-Nil*	10	10/78	10/78	15/87	Standard General	45	50	50	25	7/75	7/75	6/00															
Durbhanga	4	Nil	5	10	7/12	7/12	7/94	Triton	Nil	Nil	Nil	10	134/00	134/00	132/00															
New Savan Sugar and Gur	Nil	Nil	Nil	10	3/62	3/62	5/62	Bengal	40	25	25	10	32/50	32/50	34/25															
Purtabpur Sugar P.	Nil	Nil	30-15*	10	8/00	8/00	11/50	Delhi P.	Nil	Nil	Nil	10	14/00	14/00	14/00															
Ramnagar Cane & Sugar P.	30	35	30-15*	10	29/31	29/31	26/37	Ganesh P.	15	Nil	Nil	10	13/00	13/00	15/75															
Raza Buland	12½	10	10-10*	10	10/25	9/94	9/37	Hooghly	35	10	7½	10	18/75	19/75	19/75															
Ryam Sugar P.	Nil	Nil	Nil	10	3/75	3/75	9/82	United	Nil	Nil	Nil	10	27/61	27/61	27/61															
Samastipur Central Sugar	Nil	Nil	Nil	10	7/87	7/87	7/06	Attock Oil	13½	13½	13½	21	sh. 33/6	sh. 33/-	sh. 35/6															
Shree Krishna Gyanodaya Sugar P.	15	Nil	Nil	10	8/00	8/00	7/12	Burmah Oil P.	9-2/5	9-2/5	22½	10	sh. 64/4½	sh. 64/3	sh. 53/6															
Shree Sitaram Sugar	4	Nil	Nil-Nil*	10	3/69	3/69	6/12	Indo Burmah Petroleum P.	30	25	22½	10	20/69	21/62	21/87															
Sitalpore Sugar	Nil	Nil	Nil	10	10/31	10/31	10/31	Tide Water Oil	30	35	35	10	33/19	33/19	25/25															
United Provinces	15	5	Nil	10	11/25	11/25	10/62	FLOUR MILLS																						
Upper Ganges Sugar P.	72½	72½	72½	10	60/25	60/25	65/00	Bengal	40	25	25	10	32/50	32/50	34/25															
MISCELLANEOUS																														
A. Firpo (Restaurateur)	7½	10½	8	10	5/90	5/90	5/90	Delhi P.	Nil	Nil	Nil	10	14/00	14/00	14/00															
Aluminium Corporation P.	12	12	12-5*	6	11/50	11/50	12/75	Ganesh P.	15	Nil	Nil	10	13/00	13/00	15/75															
Anderson Wright Ltd. P.	11½	Nil	6	10	11/50	11/50	11/50	Hooghly	35	10	7½	10	18/75	19/75	19/75															
Angelo Bros	25	28½	28-28*	10	23/31	23/44	21/12	United	Nil	Nil	Nil	10	27/61	27/61	27/61															
Assam Match	18	20	20	10	26/37	26/37	28/75	Attock Oil	13½	13½	13½	21	sh. 33/6	sh. 33/-	sh. 35/6															
Assam Saw Mills & Timber	Nil	Nil	3	3	2/69	2/69	2/87	Burmah Oil P.	9-2/5	9-2/5	22½	10	sh. 64/4½	sh. 64/3	sh. 53/6															
Associated Battery	25	15	15-15*	10	22/00	22/00	23/31	Indo Burmah Petroleum P.	30	25	22½	10	20/69	21/62	21/87															
Associated Hotels of India P.	Nil	10	10-15*	10	10/31	10/31	10/31	Tide Water Oil	30	35	35	10	33/19	33/19	25/25															
Balmer Lawrie & Co.	25	25	25	100	256/00	256/00	239/00	PAPER MILLS																						
Bararee Coke	Nil	Nil	15-15*	10	8/37	8/37	8/50	Bengal P.	82	27½	20	10	27/37	27/37	29/06															
Birds Investments P.	9½	10	10	10	9/00	9/00	9/94	India Paper Pulp	15	13	12-15*	10	21/12	21/12	16/94															
Britannia Biscuit P.	25	30	25-21*	10	38/00	38/00	41/82	Orient Paper P.	22½	22½	22½-20*	10	35/25	34/10	34/15															
British India Corporation P.	4	7	9	5	9/50	9/50	8/75	Shree Gopal Paper P.	17-6/7	17-6/7	17-6/7	10	24/87	24/87	23/37															
British Paints	12½	15	10	10	20/50	20/50	18/75	Sirpur P.	6½	8½	8½-5*	10	11/37	11/37	11/87															
Calcutta Silk Manufacturing P.	Nil	Nil	7½	10	6/94	6/94	7/15	Star Paper P.	Nil	Nil	Nil	10	9/06	9/06	10/06															
Clive Row Investment	8	7½	7½	10	8/37	8/37	8/50	Titagur P.	10	13	13-13*	2½PO	3/31	3/31	9/78															
Duncan Brothers & Co. Ltd. P.	14	14	14	100	137/00	137/00	147/00	West Coast P																						

ing longer-term advances to estates, so suitable measures will have to be taken to meet this need. The response from the State Financial Corporations and the Agricultural Refinance Corporation in providing long-term finance has so far been disappointing. The urgency of supplying long-term loans is great, especially since production has suffered due to the shortage of irrigation facilities. It was mainly because of drought that the crop in north India was small during 1962 and 1963. A disturbing factor is that State Governments have begun to requisition land belonging to estates which has not yet been brought under tea cultivation. As a result, many estates have found it difficult to extend the area under tea. Mr. Shah's assurance that the Central Government will try to dissuade the State Governments from acquiring land is, therefore, timely. The West Bengal Government has already agreed not to acquire land suitable for tea cultivation. It is hoped that other State Governments will follow suit.

Although exports of Indian tea have risen steadily since 1961, there can be no justification for

complacency since competition abroad is growing. Indian tea is being steadily priced out of a number of overseas markets. It is essential, therefore, that steps be taken to reduce production costs. The improvement in exports is due largely to the abolition of the export duty in the 1963-64 Budget. But it is unfortunate that the benefit of the abolition has been reduced by the imposition of heavier excise duties on all teas, even those that are exported. It is, therefore, hoped that the Government will consider giving a refund of the excise duty on teas which are exported in order to promote sales abroad. Instant tea has met with a good demand, and it will soon be produced in Kerala State. A few other parties have also shown interest in installing instant tea factories. It is an encouraging sign that efforts are being made to export special packets of Indian tea to the European Common Market countries. Many firms there have agreed to pack and market pure blends of Indian tea. Since the tariff on tea has been removed by these countries, there is scope for increasing sales appreciably.

The major causes for the inflationary pressures in the economy may be traced to the Government's own policies. As the Federation of Indian Chambers of Commerce and Industry recently pointed out, indirect taxes account for as much as 30 percent to 50 percent of the final price of several important commodities. The unprecedented fiscal burdens imposed by the 1963-64 Budget touched off a series of cost and price rises in an economy which was already bedevilled with shortages. The position is no better after the last Budget and the pressure on prices has only been intensified. Another important cause of inflation is the massive Government outlays on defence and development which have poured more money into the economy without a matching increase in output. The poor working of public-sector ventures, which have not yielded returns commensurate with the huge investments, is an equally important reason. Furthermore, the shortages have been aggravated by the rapid increase in population. Inflation can be mitigated only by creating the conditions necessary for increased production. In concrete terms, this means that the disincentives built into the present fiscal structure will have to be removed. Factories should be helped to overcome the shortages of imported raw materials and capital goods which have hampered production. Although industrial production has risen by about 10 percent in 1963-64, the increase is far short of the greatly enlarged requirements of the economy. The larger non-project assistance pledged by the Aid-India Club, coupled with the bigger export earnings in 1963-64, should be used to give industries a more generous allocation of foreign exchange for financing their maintenance imports. The fuller use of installed capacity will, by itself, help reduce production costs, besides increasing the supply of goods. Above all, agricultural output has to be stepped up considerably by vigorous implementation of the Government's "crash programme" of intensive cultivation. The State Governments have, no doubt, made a much bigger provision for agricultural programmes in 1964-65, the contemplated outlay being Rs. 147 crores, against Rs. 126 crores in 1963-64. But the fulfilment of expenditure targets alone will not bring about an increase in output, as experience shows. Steps must be taken to use the existing irrigation facilities more fully and to provide adequate quantities of fertilisers and improved seeds to cultivators at cheap rates.

TASKS BEFORE THE NEW CABINET

THE new Indian Cabinet that was sworn in on Tuesday starts its career at a time when the country is faced with a crisis of confidence. Prices, particularly of foodgrains which account for the bulk of the consumption expenditure of two-thirds of the population, are threatening to get out of hand. The stock markets lack cheer, and it is plain to see that their denigration by the Finance Minister is not doing any good at all. Exports have shown a healthy rise, but doubts persist whether the upward trend can be maintained.

Taking office in this difficult situation, Mr. Lal Bahadur Shastri and his new team will need to think of some first-aid measures even before they take up the larger and time-taking task of giving economic policy a fresh orientation. Mr. Nehru's illness since January came in the way of the reappraisal which was obviously needed after it became clear that the third plan was in for serious trouble. This piece of unfinished business may now be less difficult to tackle because a new Government, even though largely composed of the same familiar figures, is presumed to start with a clean slate. Mr. Shastri is committed to continuity but this need not prevent him or his colleagues from taking a pragmatic look at those things which are patently going wrong. The changes in portfolios, incidental to the succession, should help in inducing greater readiness to adopt a flexible outlook relating to the positions taken in the past.

The biggest challenge faces Mr. C. Subramaniam who switches from Steel, Mines and Heavy Engineering to Food and Agriculture. This Ministry has proved the graveyard of several reputations, not so much because of what the Ministers themselves did or did not do, but because of the political

handicaps they laboured under. That politics should loom large in agriculture is not at all surprising—the biggest block of votes, large part of it traditionally commanded by the Congress Party, is in the countryside. This makes an Agriculture Minister's task exceptionally difficult because he must not only show progress on the farms but do so without damage to the Party's electoral prospects. Mr. Subramaniam has, judging by his record in Madras and more recently in New Delhi, the ability to take unpleasant decisions he deems necessary to produce results. He has also a well-deserved reputation for drive, the quality most needed in his new job where the principal failing has been an inadequacy of organisation rather than of ideology.

That Mr. Subramaniam should be leaving the key sectors of steel and heavy engineering will be a disappointment to many who saw the languishing State steel plants gain a new dynamism during the two years of his régime. Mr. Sanjeeva Reddy who takes over the larger part of Mr. Subramaniam's former domain, will thus start with fewer disadvantages but before long he will have to be taking some politically difficult decisions. It is an open secret that the changes made in company laws by the Finance Minister in some haste last December are standing in the way of a firm commitment from the World Bank to the expansion of private-sector steel plants.

Sardar Swaran Singh, who takes over the new industry portfolio—embracing once again all of industry except textiles—has a reputation as a tough but tactful negotiator. These diplomatic qualities should be particularly valuable in the

tricky negotiations he will have to master-mind with foreign collaborators and others to maintain the tempo of industrial expansion. More than that, the bringing together of all industry under a single charge is a step in the right direction because the dividing line between the light and heavy ends—separated under the 1962 division of responsibilities—has never been easy. Also welcome is the restoration of Cabinet rank to the industry portfolio which it had partly lost after Mr. K. C. Reddy's exit from Government.

A new Cabinet seat for the Ministry of Irrigation and Power owes less to design than to accident. Mr. H. C. Dasappa, moved from the Rail-

ways Ministry, had to be fitted in somewhere and this apparently was the most convenient way for Mr. Shastri to do it. What remains unsettled, however, is the problem of co-ordination between agriculture and irrigation that Mr. S. K. Patil had raised before leaving the Cabinet under the Kamaraj plan. In India, where power generation is likely to gravitate more and more towards coal, its link with irrigation is not necessarily sacrosanct even though the weight of tradition favours its maintenance. In any case, it is to be counted as a blessing that both irrigation and power will continue to be looked after, although at one level lower than Mr. Dasappa, by Dr. K. L. Rao, easily the best available technocrat for the job.

Current News and Comment

Ban on Commodity Futures

Except for an element of surprise in the timing of the announcement because of the uncertainty about the new set-up in Delhi, the Government of India's decision to ban forward trading with effect from 2nd June in as many as 14 commodities (groundnut, groundnut oil, mustard seed, including *taramira* seed, rape-seed or *toria*, groundnut oilcake, mustard oilcake, including *taramira* oilcake, cotton-seed oilcake, sesamum oilcake, rapeseed oilcake, *methi*, coriander seed, aniseed, *arhar chuni* and *mung chuni*), was not altogether unexpected. Of these commodities, only groundnut, groundnut oil, groundnut oilcake and mustard-seed fall under Section 15 of the Forward Contracts (Regulation) Act, and forward trading in them is regulated through recognised associations. The other commodities are "free" and there are over a 100 registered associations, mostly in northern India, conducting trading in them. Many months ago, the Forward Markets Commission warned the registered associations that the freedom to trade in "free" commodities was being abused, and that forward trading in cereals, which is banned under Section 17, and in certain other commodities, which can be traded only through recognised associations, was going on in the guise of "free commodities".

About the beginning of April, the Commission made it abundantly clear that forward dealings in most of the "free" commodities would not be permitted after the expiry of the current contract at the end of May. Except for causing some unemployment among traders living on speculation, the ban on forward trading in "free" commodities will do no serious harm. In an economy characterised by serious shortages, the utility of futures trading can be seriously questioned and when there is clear evidence that the freedom to trade is being abused, it is unwise to allow these facilities to continue. It is indeed surprising that the Forward Markets Commission, which is known to keep a vigilant eye on forward markets, should have tolerated forward trading in "free" commodities so long, especially when the registered associations are known to have admitted that they were carrying on trading in banned or prohibited commodities under the guise of free commodities.

As for trading in groundnut, groundnut oil and mustard seed, the present ban represents no more than an official recognition of the virtual absence of trading in forward markets because of the arbitrary and low ceilings prescribed by the Commission for futures contracts. No business is known to have been officially recorded in groundnut oil futures for a few months because of the high premium enjoyed by ready groundnut oil over the ceiling for oil futures. Activity in groundnut has also been at a standstill for a long while. As against the ceiling of Rs. 241 a 250 kilograms for the hedge contract, groundnut ready Kanpur Bold—which is the most inferior variety—has been quoted above Rs. 250 for many months and the latest quotation is very much higher around Rs. 285. Only groundnut oilcake (expeller) futures had been very active, but here again speculative activity had recently shrunk to modest

proportions as a result of the penal margin of Rs. 100 a tonne.

The official Press note announcing the ban on forward trading expressed serious concern over the recent rise in the prices of certain essential commodities like groundnut, groundnut oil, mustard seed and some cereals. Various measures taken by the Forward Markets Commission to prevent speculative excesses like the fixing of maximum limit on price fluctuations and imposition of margins are said to have failed to produce much result. Official concern over the rise in prices is understandable, but the rise in prices should not be attributed only to speculation. Commodity prices have been soaring year after year, whereas there has been a steady decline in the volume of activity in the futures markets; the turnover in almost all the forward markets today is only a fraction of what it used to be in the '40s and '50s. The high premiums enjoyed by spot material over futures should have convinced the authorities that the present rise in prices is not due to excessive speculation and that it simply reflects the continuing imbalance between supply and demand, resulting from failure of oilseeds production to keep pace with growing requirements.

Increased production is the only effective answer to the problem of high prices. Naturally, this will take time. If the authorities are convinced that prices are on the high side, they must arrange to augment supplies by importing edible oils from the U.S.A. under P.L. 480. It should not be difficult to secure large quantities of soyabean oil from the U.S.A. This will not only help to keep domestic prices of oilseeds down, but will also release considerable quantities of costlier groundnut oil for export. Apart from augmenting supplies through suitable imports, the Government should carefully regulate the supply of credit in a manner which discourages hoarding or holding of stocks without adversely affecting production. Groundnut prices hold the key to the general trend of oilseeds prices. The promotion of groundnut oil exports through incentives has, no doubt, aggravated the situation, but the main reason for the high prices of groundnut is the marked increase in *vanaspati* output. Informed market men say that official figures of *vanaspati* production do not tell the complete story since not all the production is being recorded with a view to evading the heavy excise duty on *vanaspati*. The position is likely to worsen if, as market reports go, *vanaspati* prices are decontrolled.

Cloth Output and Exports

Indian mills' cloth output in April is provisionally placed at 429 million yards, the same as in the previous month, but 29 million yards more than in April 1963. The April figure raises the total for the first four months of 1964 to 1,668 million yards, compared with 1,601 million yards in the same period of 1963. Cotton yarn output in April at 176 million lbs is 2 million lbs less than in the previous month, but is 17 million lbs more than in April 1963. Yarn production during January-April amounts to 694 million lbs, against

647 million lbs in the corresponding period last year. If this trend is maintained, which seems likely because the supply of cotton is satisfactory and cloth offtake continues to be encouraging, yarn production can be expected to set a new record and mill cloth output should reach the level of 5,000 million yards. The increase in production is welcome, but the mill sector's performance cannot be regarded as encouraging since production is lagging far behind the third plan target of 5,800 million yards, which is the mill industry's share out of a total target of 9,300 million yards.

In order to reach the plan target, the mill industry will need to bring about a substantial expansion in its capacity and it will need to be assured of adequate supply of cotton. The Indian Cotton Mills Federation has estimated the total annual requirements of the textile industry for the remaining two years of the third plan around 1.6 million spindles, 2,100 carding engines and 17,000 looms. But the annual indigenous supply is not likely to exceed 900,000 spindles, 1,770 carding engines and 6,000 looms, both automatic and plain. The Federation's plea for allowing immediately the import of requisite machinery to meet the shortfall in domestic supply, therefore, deserves careful attention from the Government. But the question is not merely one of expanding capacity, it is also that of utilising the installed capacity effectively. An important factor which has been standing in the way of more effective use of capacity is the supply of cotton. The target for cloth production cannot be achieved unless cotton production can be stepped up from the present 5.9 million or 6 million bales to 7 million bales in 1965-66. The prospect seems far from encouraging and it might not be easy to make good the shortfall in domestic supply through imports.

Cloth stocks with the mills at the end of April totalled 250,100 bales (of 1,500 yards each), compared with 215,600 bales at the end of March. The increase is entirely under "sold but delivery not taken", which seems due to the trade's reluctance to lift the goods from the mills' godowns because of financial stringency. Unsold stocks have actually gone down from 97,500 bales to 97,200 bales. Stocks of yarn at the end of April were also higher at 102,800 bales (of 400 lbs each), against 91,300 bales at the end of March.

Shipments of mill-made cotton piecegoods from India during the first four months of the current year are provisionally placed at 194.9 million yards, compared with 198.3 million yards 'n the same period of 1963. In spite of the small decline in the volume of exports, the total value realised is considerably higher at Rs. 16.4 crores, against Rs. 14.6 crores. There has been a steady increase in the prices realised since the beginning of the year which is probably due to the abolition of the compulsory export scheme. The price realised in April works out to 88 paise a yard, compared with 85 paise in March and 80 paise in January. The corresponding figures for 1963 were 75p, 74p and 72p a yard. Shipments from Bombay port in May are provisionally placed at 35 million yards, valued at Rs. 31 million. This shows a considerable fall over the previous month's performance when exports totalled 45.6 million yards valued at Rs. 40.3 million. The unit value realised in May, however, works out to 86.6 paise a yard.

Problems Facing Cotton Textiles

The cotton textile industry, one of the oldest and largest in this country, has probably the highest percentage of obsolete and outdated machinery. Consequently, it is not able to produce quality goods and satisfy the growing preference for superior material at home as well as abroad. Referring to this problem, Mr. P. D. Bangur said in his presidential speech at the annual general meeting of the Bengal Millowners Association in Calcutta last week, that a recent inventory of the machinery in use showed that a large percentage of it was made before 1939. While textile manufacturers abroad are able to take advantage of the technological advances which have been taking place, the Indian industry is unable to modernise its equipment because of the foreign exchange shortage. As the additional depreciation allowance

for a third shift working of plant and machinery has been revived in the latest Finance Act, most of the textile units are now working a third shift. This makes it urgent to replace all old and worn-out machinery. The domestic textile machinery manufacturers are fully booked for years to come, and therefore, Mr. Bangur pleaded that the Government should consider the industry's plea for early delivery of new plant and equipment, and grant foreign exchange for all necessary imports.

Referring to the representations made by the Indian Cotton Mills Federation for revising the existing voluntary control of textile prices, Mr. Bangur said that the control scheme had now become unworkable in the absence of any provision for accommodating increases in the costs of raw cotton, labour, power and stores. Price control is, in fact, now affecting the textile industry's profitability. Mr. Bangur hoped that the Government would take a decision soon, as the matter had been pending for a fairly long time. But whatever decision is ultimately taken, it must take into consideration the production cost and profitability of the marginal units, without which "the industry as a whole will not be able to maintain its production at the highest pitch". The other major problem of the industry is in securing raw cotton supplies of the right quality in adequate quantities. Mr. Bangur said that while the output of raw cotton increased every year, the requirements of mills also grew, with the result that the gap continued to persist. The shortage of quality cotton has grown even larger. It is, therefore, necessary to take all possible steps to raise the output of raw cotton with special emphasis on improving its quality. Mr. Bangur felt that agricultural research in India was not being given the attention it deserved. An improvement in the ginneries was also essential. Since cotton forms the bulk of the industry's cost, the supply of good quality cotton at competitive prices is vital to the industry. Referring to the industry's own effort in this matter, Mr. Bangur said a sub-committee appointed by the Indian Cotton Mills Federation to explore how the Federation could help the farmer increase his cotton harvest, had already submitted its report, and this was being considered by different regional associations. Discussing the issue of rationalisation, Mr. Bangur said that this was as pressing a need as the replacement of old and outdated machinery. Textile industries all over the world are rapidly rationalising themselves in order to reduce costs and produce quality goods. India must do likewise if she is to increase her exports. Moreover, the Indian industry can pay its workers on a scale comparable to those paid abroad only when it is allowed to rationalise its working. Bigger wages can come only from higher productivity, and this will not be possible in the Indian textile industry as long as it has to manage with outdated plant and equipment and a redundant labour force.

The Prize Bond Puzzle

The first draw of the Government of India premium prize bonds, 1963, has revealed some incredible features which have understandably caused public resentment. Several bonds with consecutive numbers have had an uninterrupted run of luck which cannot be explained away as the whims of the goddess of fortune. In response to the public demand for a clarification, the Central Finance Minister, Mr. T. T. Krishnam-

achari, recently explained to both Houses of Parliament how a large number of prize bonds with consecutive serial numbers had won prizes at the recent draw in Bombay. The Minister tried to allay misgivings by saying that there was no manipulation. He conceded that the rules of the draw, which made it possible for consecutive serial numbers to win prizes, were "perplexing" and "clumsy", and might even be "unintelligent". But he hastened to add that there was no dishonesty among people who drew the lot. While the public should have full confidence in the honesty and integrity of the officials connected with a draw, it is necessary to see to it that the procedures followed are fool-proof and do not leave any scope for public resentment. Mr. Krishnamachari admitted the need for a complete revision of the scheme to make it more satisfactory. But he turned down a suggestion for appointing an official commission since he was convinced about the bona fides of the draw. The question of integrity and honesty apart, it is necessary to elicit the opinions of the public for modifying the scheme. This could have been done better by a non-official commission which might be expected to keep an open mind on the issues involved.

The Finance Ministry has explained that consecutive numbers have won prizes at the recent draw because of the existence of large blocks of unsold bonds immediately above the winning bonds. When an unsold number was drawn, it had been provided that the prize for it should be awarded to the nearest lower sold bond. This practice was adopted when criticisms were made against the unfair practice of including unsold bonds in the draw and as a result the Government itself won a substantial portion of the prizes. But it is obvious that the modified scheme has created new anomalies. People who had bought several bonds in a series were unfairly getting prizes in quick succession.

The premium prize bonds, 1963, according to the Finance Minister, were issued in denominations of Rs. 100 and Rs. 5, of which 650,000 of the former and 9.1 million of the latter were printed and distributed for sale throughout the country. Of these, only 347,155 bonds in the Rs. 100 denomination series and 4,735,016 in the Rs. 5 series had been sold. So it is obvious that there had been large blocks of unsold bonds at the recent draw. In his statement to Parliament, Mr. Krishnamachari said that the largest number of consecutively numbered Rs. 100 bonds that won prizes at the recent draw was 32 while in the case of Rs. 5 bonds, the figure was 79. He added that the premium prize bonds, 1963, would participate in one more draw under the same rules. "But the difficulty would not, however, arise in the case of the 1964 bonds, now on sale, because the notification relating to them had provided that in the event of an unsold number being drawn, the draw would be continued until a sold number was drawn." This is admittedly a better scheme than the present one, but it is a pity that the Finance Ministry could discover it only after two blunders—one in 1960 and another in 1964.

Maharashtra Financial Corporation

The Maharashtra State Financial Corporation reports all-round progress in its operations during the year ended 31st March, 1964. The Corporation sanctioned loans totalling Rs. 3,205 crores,

against Rs. 2,063 crores in the preceding year, while the actual disbursement amounted to Rs. 2,086 crores, against Rs. 1,654 crores. The amount sanctioned and the disbursement were the highest since the inception of the Corporation, raising the total amount sanctioned to Rs. 13,57 crores and the total disbursement to Rs. 8,37 crores. For the second year in succession, the Corporation did not receive any subvention from the State Government to pay the guaranteed dividend of 3½ per cent. The year's operations resulted in a profit of Rs. 9.43 lakhs, which showed an increase of Rs. 1.32 lakhs over the previous year's figure of Rs. 8.12 lakhs. The increase in profit is not commensurate with the increase in its advances as it had to pay a higher rate of interest on the funds it borrowed to supplement its resources. Its effective lending rate was 7 per cent, whereas it paid as much as 5½ per cent on its borrowings from the Refinance Corporation which amounted to Rs. 93.68 lakhs. This left only a meagre margin of 1½ per cent to meet its operational cost.

Out of the 213 concerns which received assistance from the Corporation during 1963-64, 163 small-scale units were sanctioned Rs. 96.56 lakhs, 39 medium scale concerns Rs. 1.19 crores and 11 large-scale units were sanctioned Rs. 1.05 crores. A study of the aid sanctioned on the basis of forms of management shows that 11 public limited companies were sanctioned loans amounting to Rs. 1.07 crores, 53 private limited companies Rs. 1.19 crores, 89 partnership concerns Rs. 70.5 lakhs and 60 proprietary concerns Rs. 23.75 lakhs. An industry-wise classification of the loans sanctioned shows that the machinery manufacturing industry, except electrical machinery, was the largest beneficiary, having been granted Rs. 71.38 lakhs, compared with Rs. 16.47 lakhs in the preceding year. Loans sanctioned to the metal products industry amounted to Rs. 15.74 lakhs (against Rs. 28.64 lakhs), chemicals and chemical products Rs. 37.78 lakhs (against Rs. 35.13 lakhs), the paper and paper products industry Rs. 31.15 lakhs (against Rs. 4.95 lakhs), the food manufacturing industry excluding the beverage industry, Rs. 24.37 lakhs (against Rs. 8.15 lakhs), the transport equipment industry Rs. 15.60 lakhs (against Rs. 1.23 lakhs), printing, publishing and allied industries Rs. 11.02 lakhs (against Rs. 2.80 lakhs), the textile industry Rs. 9.80 lakhs (against Rs. 13.77 lakhs) and the non-metallic mineral products industry Rs. 16.21 lakhs (against Rs. 32.92 lakhs). About 223 applications for Rs. 4.28 crores were pending before the Corporation at the end of March 1964.

INSURANCE OFFICES

WE drew attention in last issue to an unfounded case brought against the Universal Marine Insurance Company, and we now publish another column an article from the *Post Magazine* and *Insurance Monitor* on the position of Insurance Companies abroad. It will be observed that nearly every Government requires Insurance Companies to make some kind of deposit before they are allowed to commence business and we would commend the article in question to the attention of the Government. Insurance is a very important matter, whether for life, fire, or marine, and it is, we think, the duty of the Government to see that Insurance Companies are ordinarily able to implement their engagements. That they have at least some funds. Attention was drawn some time ago to the number of Provident Funds and Insurance Companies that were springing up like mushrooms all over Bengal, and if there was a legislative enactment such as indeed obtains in the United Kingdom, that no company or firm shall carry on the business of life insurance until they have deposited £20,000, it would be a step in the right direction. Our own idea is that every Insurance Company, whether fire, marine or life, doing business in India, should be required to make a deposit of at least £10,000 for each branch of the business. This deposit could be in Government paper and would yield the Insurance Company as good return as many of its other investments. But we think it is a scandalous state of affairs that an Insurance Company can open an office in India and receive premiums and then quietly close up its business when losses come to hand.

FROM

CAPITAL

16th June, 1964

A Ditcher's Diary

MR. LAL BAHADUR SHASTRI HAS ACQUIRED SUCH A reputation for humility that, in some minds, it may take a little longer for him to appear as the country's chief executive who will be called upon to take decisions which will please some and hurt others. "Hurt" is the word. It is an essential condition of assuming and exercising power: you've got to be ready to strike and injure forces and men that are in your view enemies of the people and the country. I respect men that are kind and sensitive, incapable of taking unpleasant decisions. Such men, however, have no business to accept office; for them the home or the *ashram*. And then there are times when it is kind to be cruel—even as there are occasions on which it is cruel to be kind. I agree with Paul Valéry that, to be successful, one needs to be a little blind, a little deaf and a little heartless. I am preaching no Stalinism. But over the years I have observed with increasing distress the sight of powers unused and evils unchecked. The man who once spoke of hanging black-marketeers from the nearest lamp post had this remark hurled back at him time and again; Mr. Nehru was, quite frankly, incapable of doing anything vulgar; and hanging is a messy business. But a large section of the Indian people have begun to treat the authority of the State with unconcealed contempt; they have of late added not only to their wealth but also grown more powerful. It is quite unnecessary to identify these people; Mr. Shastri knows them as well as I do. The people of this country need to be convinced again that evil-doers will not go unpunished—as they have gone for too long. To put it bluntly, Mr. Shastri will need not only to be loved and respected but also, by some, feared. And those who know Mr. Shastri tell me that, in the politest of phrases, he can actually ask people to go to hell and see that they do in fact proceed thither. It will not be enough for the new Prime Minister to live simply; he will have to enforce the same standards on his colleagues and officials and then find out how, in these days of high taxation, it is still possible for a few to live extravagantly.

WHEN THE CONGRESS PARLIAMENTARY PARTY was still to choose its new leader, a friend with a lively imagination told me quite seriously: "The Prime Minister should be selected by the Public Service Commission". That, perhaps, is taking meritocracy too far; the Prime Minister must command political support. But once the leader is assured of the Party's confidence, he should be confident enough to choose his colleagues not so

much on the basis of their regional popularity as on that of merit. Administration is fast becoming a technical job in many ways; and while a purely political Minister may bring to his job a fresh mind or an open mind there are other requirements. The mind should not, as they say, be open both ways. But Mr. Shastri's first Council of Ministers is obviously tentative; he wanted no drastic changes so soon. That there was a certain amount of horse-trading over Mr. Morarji Desai's inclusion I do not doubt. It grieves me not at all that he remains out. Mrs. Indira Gandhi deserved a portfolio; it is to be hoped that she will forget her alleged association with certain newspapers and treat the Press with manifest fairness and impartiality. Mr. S. K. Patil gets back to the cabinet—never having discovered why he had once gone out. My colleagues in Delhi were obviously taken for a ride by somebody over the imminent exclusion of West Bengal's two Ministers in the cabinet, Mr. A. K. Sen and Mr. Humayun Kabir. At least for the time being, they stay on. If the composition of the Government is unexciting, what will be watched is its performance in the coming weeks and months. The policies of the Government are not nearly as bad as some critics make out; it is in execution that many things have gone wrong. The new Prime Minister should hold every individual colleague of his responsible for the failures of particular Ministries; the Ministers are there not to make speeches and open railway bridges but to supervise the work of bureaucrats under them. This is where the question of departmental competence comes in. As a bureaucrat of old once said, Ministers should not contribute only their illegible signatures to files.

THERE WAS SOMETHING DEEPLY MOVING ABOUT Mr. Nehru's last will and testament. I do not agree that it establishes him as a poet; and Mr. Nehru would have agreed with me. The document still shows a Mr. Nehru who loved nature, the rivers and the mountains. A friend suggests that Mr. Nehru was out only to demonstrate that he was a pagan. I am not so sure, although he did dissociate his love for the Ganga from any religious significance. It depends, I suppose, on how you define religion. Carl Jung, I think, found a better term: "the oceanic feeling". And this is literally true of Mr. Nehru. He did write of the ocean that washes our shores. Whenever confronted with situations like this I am reminded of Rudyard Kipling's story of Puran Bhagat; and a point to remember is that Mr. Nehru wrote his

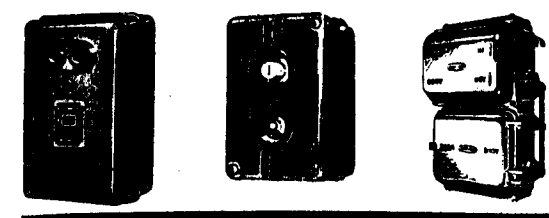
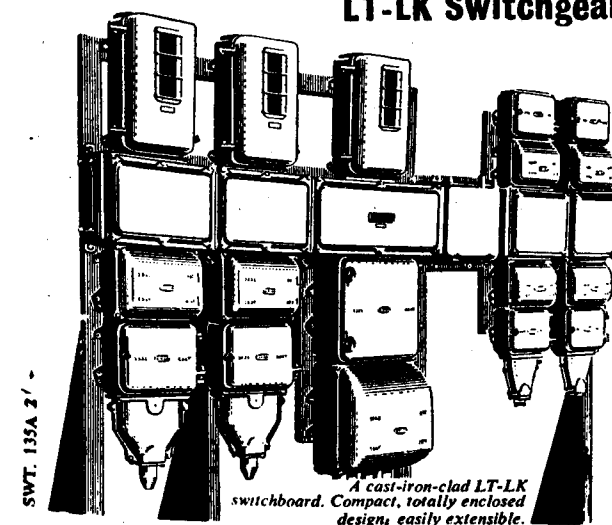
testament ten years ago. Who knows whether this was, except in the legal sense, his last will? In the Kipling story, you may remember, a very successful Indian got all the things he coveted in life and then just disappeared in the Himalayas. This otherworldliness is perhaps a part of the oriental make-up; I think Europe and America are wrong in claiming that they are never seized with comparable feelings. But let his mind alone. Is there something to be said about the quality of Mr. Nehru's English prose, about which I saw something written the other day? I think he could write charmingly when he wanted to and was prepared to make the effort. Office did not altogether wipe out the feeling for words but it was quite impossible to maintain the personal style when so many speeches had to be made and so many things written on official files. Again, I think, an instance of quantity killing quality. If freed from politics, would Mr. Nehru have been a great writer or successful journalist? The question is like those "ifs" and "buts" of history. I have always believed that a man almost always becomes what he wants to be. Mr. Nehru wrote well, very well, because he was in politics which was the breath of his life. As a reluctant barrister-at-law he might never have written anything. And a loss that would have been to us all.

WHAT DO THEY KNOW OF INDIA WHO ONLY England know? My misquotation comes after reading last week's *New Statesman* and *Spectator* on Nehru. The former has a piece by V. Anant from New Delhi, in which we have some real gems. He is the more offensive because he makes fun of the kind of English some Indians write and speak—a genre of humour I have always abhorred. Now I quote Mr. Anant: "...the mourners...are all women, Indira Gandhi, Vijayalakshmi Pandit and her daughter, Krishna Hutheesingh". (Why do I have to tell an Indian who Krishna is or that the name is spelt Hutheesingh? Mr. Anant again: "Kamaraj, looking forbidding, like Kali himself, comes in and goes". (Who may this Mr. Kali be? I wonder.) Then we read of Nehru's grandson, Sanjay, who has elsewhere been called also Sanjeev recently. But who is his mother? Mr. Anant, or his proof-reader, has made it "mother India". The leading article in the *Spectator* speaks of "growing pressure for the further use of the Hindu language". (Italics mine.) The error is silly; but, I suggest, there is more to it. I am surprised that there has been so little comment on the manner in which some have mourned the death of Mr. Nehru. In spite of some use of the scriptures of other religions, the major ceremonies were unmistakably Hindu in tone and character. This Mr. Nehru would not have approved; he expressly said in his will that he wanted no religious ceremony. I respect the sentiments of the people who mourned in their believing and pious ways; they were undoubt-

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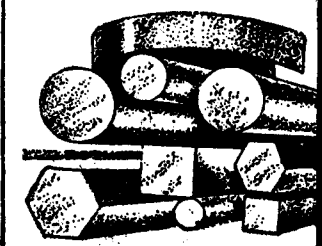
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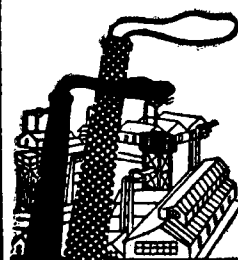
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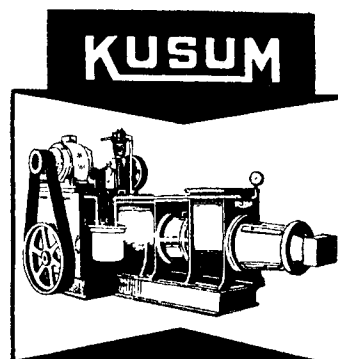
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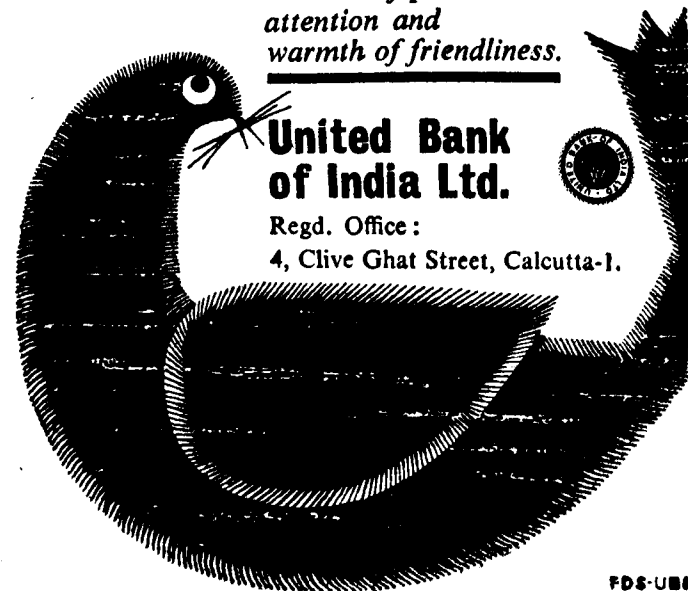
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edly sincere and spontaneous. Yet, the secular idea, by which Mr. Nehru set greater store than almost anything else, will need to be watched in the months and years to come. The *Spectator's* "Hindu language" struck me as unwittingly significant because the question of Hindi is in many ways at variance with the secular idea—or so it may seem to many non-Hindi-speaking Indians. Mr. Lal Bahadur Shastri is not a fanatic—not even, I hope, over Hindi.

A CORRESPONDENT WRITES FROM LONDON THAT HE has been amazed at the ignorance of India and her affairs revealed in Britain by the Press and public reaction to the death of Mr. Nehru. Apart from the inevitable professional appropriation of the subject by almost every journalist who has ever had even the remotest connection with India, all sorts of people have been embellishing the expression of their sincere regrets with their views on India, past, present and future. Almost without exception they have indicated a degree of anxiety concerning India's ability to carry on without Mr. Nehru, which seems to underestimate a people who have shown in the years since Independence a remarkable inbred talent for working a representative system of government. My correspondent admits that the death of great men is no time for frank objectivity. But he does regret the extent to which this huge and important country, so widely understood and respected among Britons, should have come to be identified in the British mind so exclusively with the personality of Mr. Nehru. Among all the nations with whom India has close relations, she tends to attach most weight to the opinion and attitude of Britain. And when this is so exclusively concerned with Mr. Nehru and the loss he undoubtedly represents, India's task may become more difficult. After pointing to the contrast with the comparative lack of British concern for the United States' future when Mr. Kennedy died, my correspondent goes on to say that the reason may lie in the weakness the British always have for "one of us". Having had a typical English upper-class education, it seems Mr. Nehru was for the rest of his life confirmed in British eyes as merely an Englishman in the garb of an Indian.

LORD BEAVERBROOK, WHO DIED THIS WEEK AT 70, was not a man universally loved. Indeed, so strong were his likes and dislikes, especially the latter, that he almost hated to be loved. The fact remains that he has left on Fleet Street a very personal and perhaps permanent impress. For him, as he proclaimed in his later years, journalism was propaganda, as Shaw had earlier said art was. In fact, journalism for him was business. And what a success he made of it! On this subject I always remember Somerset Maugham. Once he got together with friends to produce the script for a film "hit". They saw all the successful films and worked out the formulae of their attractive features. The mixture, then, was easy. Put them all together in a single film; and there you have "it". You haven't, as Maugham and Company soon found out. Not a producer would look at their synthetic child. The moral of the story is that you can produce salable muck only if you believe in it, believe that it isn't muck. Lord Beaverbrook was successful with the *Daily Express* because he sincerely believed this was the best kind of journalism. The rest of his genius consisted in making highly talented folk believe that this was indeed the best kind of journalism. With irritating smugness Christiansen has recorded how he came to be his master's voice and enjoyed it. I did not mind Lord Beaverbrook hating the Common Market and loving the Empire that isn't; if he declared in September 1939, that there was going to be no war, well, he made millions momentarily happy. What I do have against Lord Beaverbrook is that he brought into British journalism an inordinate amount of personal bile. His right to criticise the policies of Nehru, Mountbatten and Malcolm MacDonald is not in question; but he attacked these and other people with a singular lack of taste. All this will be forgotten; what will be remembered is the drive and total commitment he gave Fleet Street.

THE DITCHER

Guide for Investors

JARDINE HENDERSON TEA GROUP DISAPPOINTS

THE results of the Jardine Henderson group of tea companies for the year ended December 1963 have been recently published. The profit of the Baradighi Tea Co. Ltd (a Dooars garden) has dropped from Rs. 6.60 lakhs for 1962 to Rs. 4.48 lakhs for 1963, after transferring Rs. 1.72 lakhs (against Rs. 1.63 lakhs) to depreciation. The taxable ordinary dividend has been reduced from 25 percent to 15 percent, which works out to a yield of 6.5 percent at the present price of Rs. 23.25 a share of Rs. 10 each. Taxation is allocated Rs. 1.84 lakhs (against Rs. 2.76 lakhs), development rebate reserve Rs. 8.285 (against Rs. 15.521) and general reserve Rs. 75,625 (against Rs. 4.63 lakhs). The crop fell from 666,481 kilograms to 659,968 kilograms and the average sale price dropped from Rs. 5.13 to Rs. 4.93 a kilogram. Growing conditions during the current year have been favourable and so far the crop is ahead of that of 1963. The crop for 1964 has been estimated at 663,600 kilograms at a cost of Rs. 4.08 a kilogram.

The Dessai and Parbutia Tea Co. Ltd (a Dooars garden) has earned a profit of Rs. 3.37 lakhs, against Rs. 7.21 lakhs, after providing Rs. 85,678 (against Rs. 78,143) for depreciation. The taxable ordinary dividend has been cut from 15 percent to 12½ percent. The yield amounts to 6.9 percent at the present price of Rs. 181 a share of Rs. 100 each. Taxation absorbs Rs. 1.73 lakhs (against Rs. 4.55 lakhs), development rebate reserve Rs. 6,625 (against Rs. 2,213) and general reserve Rs. 52,057 (against Rs. 2.83 lakhs). The smaller crop, combined with a decline in the average sale price, has contributed to the unsatisfactory results. Since the production of green leaf from Green View estate was not available to the Company it meant a loss of 64,800 kilograms of green leaf. The crop fell from 597,724 kilograms to 474,509 kilograms, and the sale price declined from Rs. 6.12 to Rs. 6.22 a kilogram. The crop for 1964 has been estimated at 538,773 kilograms at a cost of Rs. 5.93 a kilogram. The estimated crop, it is expected, will be achieved since conditions so far have been very favourable. Further additions and improvements in the factory have been made.

The crop of Rydak Tea Syndicate Ltd (a Dooars garden) amounted to 1 million kilograms, against 918,337 kilograms, but the average sale price showed a fall. The 1964 crop has been estimated at 1.1 million kilograms at a cost of Rs. 3.94 a kilogram. At Rydak 13.69 hectares of new extensions were carried out, while at Kartick 5.59 hectares of uprooted areas were replanted and 2.90 hectares of new tea extensions were planted. Steps have been taken to provide additional irrigation equipment. The profit has fallen from Rs. 8.77 lakhs to Rs. 8.10 lakhs, after providing Rs. 2.63 lakhs (against Rs. 2.69 lakhs) for depreciation. The taxable ordinary dividend of 25 percent has been repeated. The yield works out to 10.1 percent at the present price of Rs. 24.69 a share of Rs. 10 each. Taxation is allocated Rs. 3.52 lakhs (against Rs. 4.26 lakhs), development rebate reserve Rs. 5,406 (against Rs. 8,661) and general reserve Rs. 1.32 lakhs (against Rs. 6.04 lakhs).

The Central Cachar Tea Co. Ltd has made a profit of Rs. 2.80 lakhs, against Rs. 1.74 lakhs, after transferring Rs. 51,980 (against Rs. 84,685) to depreciation. The taxable ordinary dividend has been increased from 5

percent to 7½ percent. The yield amounts to 10.3 percent at the present price of Rs. 73 a share of Rs. 100 each. General reserve is allocated Rs. 24,518 (against Rs. 1.56 lakhs), development rebate reserve Rs. 7,604 (against Rs. 4,563) and taxation Rs. 1.65 lakhs (against Rs. 1.35 lakhs). The crop rose from 315,866 kilograms to 330,923 kilograms, but the average sale price dropped from Rs. 4.92 to Rs. 4.85 a kilogram. The crop for 1964 has been estimated at 377,000 kilograms at a cost of Rs. 3.67 a kilogram. Some 16.59 hectares of new tea extensions were planted. New irrigation equipment has been provided. The Company has adopted the C.T.C. system of manufacture and the output has been satisfactory.

Indian Standard Wagon Repeats

IN the report for the year ended March 1964 the directors of the Indian Standard Wagon Co. Ltd pointed out that the large output of springs, forgings and wagons were maintained with difficulty since raw material supplies were insufficient. The uncertainty concerning the supply of raw materials prevents an accurate forecast of results for the current year. Stocks have nevertheless been larger, so there is more chance of obtaining matching steel to permit a steady flow of work. The order-book remains at its normal satisfactory level.

Turnover rose from Rs. 8.05 crores for 1962-63 to Rs. 8.75 crores for 1963-64, but the margin of profit has been squeezed. The profit has amounted to Rs. 53.93 lakhs, against Rs. 46.88 lakhs for 1962-63, after providing Rs. 6.77 lakhs (against Rs. 6.39 lakhs) for depreciation, Rs. 1.25 lakhs for taxation, Rs. 17.30 lakhs for contingencies, Rs. 1.55 lakhs (against Rs. 82,038) for statutory development rebate reserve. The taxable ordinary dividend of 15 percent and a cash bonus of 5 percent have been repeated. The yield amounts to 6 percent at the present price of Rs. 33.50 a share of Rs. 10 each. General development reserve is allocated Rs. 19.04 lakhs (against Rs. 15.54 lakhs), general reserve Rs. 12.75 lakhs (against Rs. 9.50 lakhs) and dividend adjustment reserve Rs. 5 lakhs (the same). It may be mentioned that out of the tax provision, a sum of Rs. 30.25 lakhs has been provided for surtax on profits.

British Paints Steps up Dividend

BRITISH Paints (India) Ltd has produced excellent results for the year ended December 1963. In their report, the directors take an optimistic view of the outlook. When the various expansion schemes are completed by the end of 1965, production and despatches, they think, will improve due to the better flow of men and materials. Sales rose from Rs. 2.36 crores for 1962 to Rs. 2.69 crores for 1963. The increased sales have been due to the concentration of the Company on producing higher-priced lighter products instead of low-priced heavy products. Fixed overhead charges have been reduced. The shortage of mild steel and tin sheet has restricted business, and the posi-

tion shows little improvement during the current year. There have also been shortages of some essential raw materials. The directors have, however, taken steps to expand manufacturing and selling facilities.

The profit has risen from Rs. 24.65 lakhs to Rs. 38.24 lakh, after transferring Rs. 2.78 lakhs (against Rs. 2.75 lakhs) to depreciation. The taxable ordinary dividend has been increased from 10 percent to 15 percent, including an interim of 7½ percent. The yield works out to 7.3 percent at the present price of Rs. 20.50 a share of Rs. 10 each. Taxation absorbs Rs. 20.40 lakhs (against Rs. 14.38 lakhs) and surtax on profit Rs. 4.30 lakhs (against Rs. 4.70 lakhs) provided for super profits tax for 1962), development rebate reserve Rs. 18,000 (against Rs. 20,000) and general reserve Rs. 8.35 lakhs. The carry-forward is Rs. 2,226, against Rs. 27,856 brought in. A sum of Rs. 2.10 lakhs has been written back from excess provision for super profits tax, since it is considered that Rs. 2.60 lakhs should be adequate to cover the liability on account of this tax for 1962.

Texmaco Pays More

TEXTILE Machinery Corporation Ltd has produced satisfactory results for the year ended December 1963. Production has improved in spite of difficulties concerning raw materials, components and labour. The output of textile machinery has risen appreciably. The products of the Company have been successfully sold in Russia. Technical collaboration with Messrs Zinser Textilmaschinen of West Germany has been entered into to improve the products. The machine tool division has done well and output has increased. The project for producing combination turret lathes is proceeding satisfactorily. The steel foundry has worked satisfactorily. The extension of the capacity from 3,000 to 9,000 tons is being considered by the directors. Suitable technical collaboration is being negotiated.

The rolling stock division has made good progress. It is proposed to expand production and develop many components which are in short supply. The output of water-tube boilers and sugar-mill machinery has been well-maintained, but the full capacity could not be used due to the shortage of orders. The Company has supplied equipment to the Damodar Valley Corporation and the Chandrapura thermal power plant.

Complete sugar plant with a cane crushing capacity of 1,200 tons a day has been manufactured. The Bihar Government has placed large orders for gates and gearings for the Sone barrage project. The cast iron spun pipe project could not make progress due to the non-availability of foreign exchange. The Company has taken vigorous measures to promote the export of its products.

The profit has risen from Rs. 1.18 crores for 1962 to Rs. 2.04 crores for 1963, after providing Rs. 26.29 lakhs (against Rs. 25.37 lakhs) to depreciation and Rs. 8.70 lakhs (against Rs. 6.50 lakhs) to contingencies. The taxable ordinary dividend has been increased from 12.5 percent to 15 percent which works out to a yield of 5.4 percent at the present price of Rs. 27.55 a share of Rs. 10 each. Taxation absorbs Rs. 1.24 crores (against Rs. 70.90 lakhs), development rebate reserve Rs. 4.87 lakhs (against Rs. 3.18 lakhs) and general reserve Rs. 42 lakhs (against Rs. 13.75 lakhs), leaving a carry-forward of Rs. 54,305, against Rs. 64,360 brought in.

Kettlewell Bullen Textile Group Fares Well

THE Kettlewell Bullen group of cotton mills have done well for 1963. The directors say that the supply of raw cotton has been short of requirements. So active steps should be taken to increase it. In accordance with the decision of the Central Government, steps have been taken to buy additional equipment for increasing spindles and looms. The textile mills in West Bengal await the report of the tripartite committee for the assessment of work-load and rationalisation to be carried out in the cotton mill industry.

The profit of Dunbar Mills Ltd has amounted to Rs. 25.16 lakhs, against Rs. 30.54 lakhs for 1962, after increasing depreciation provision from Rs. 8.40 lakhs to Rs. 13.51 lakhs and transferring Rs. 2.52 lakhs (against Rs. 2.29 lakhs) to development rebate reserve. The taxable ordinary dividend has been increased from 15 percent to 17½ percent which works out to a yield of 6.4 percent at the present price of Rs. 27.25 a share of Rs. 10 each. Taxation absorbs Rs. 15.15 lakhs (against Rs. 20 lakhs), general reserve Rs. 2 lakhs (against Rs. 3.92 lakhs) and the debenture sinking fund Rs. 2.50 lakhs (the same). The carry-forward is Rs. 36,763, against Rs. 1.04 lakhs brought in. The Company has installed new machinery worth Rs. 17.90 lakhs for the replacement, modernisation and diversification programmes. It has also received licences for installing 12,040 spindles and 65 automatic looms. The directors are considering installing these equipment.

The profit of Bowreah Cotton Mills Co. Ltd has dropped from Rs. 17.77 lakhs to Rs. 14.73 lakhs, after increasing depreciation from Rs. 14.55 lakhs to Rs. 18.73 lakhs and providing Rs. 3.30 lakhs (against Rs. 3.97 lakhs) for development rebate reserve. The

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taxable ordinary dividend of 15 percent has been repeated to give a yield of 6.3 percent at the present price of Rs. 23.75 a share of Rs. 10 each. The debenture sinking fund absorbs Rs. 2 lakhs (against nil) and taxation Rs. 8.75 lakhs (against Rs. 7 lakhs). The carry-forward is Rs. 7,833, against Rs. 1.94 lakhs brought in. The Company has installed new machinery worth Rs. 21.52 lakhs for the replacement, modernisation and diversification programmes. Orders for further machinery to the extent of Rs. 21 lakhs are outstanding. The Company has decided to install further spindles and looms. It has been allowed by the Central Government to produce a further 2 million yards of printed cloth a year. The construction of the printing shed has been completed, and the arrangements for the installation of modern cloth-printing machinery are being made. The printed materials will be produced during the current year.

Jay Shree Textiles to Raise Capital

JAY Shree Textiles and Industries Ltd proposes to increase the authorised capital to Rs. 5 crores divided into 20 million ordinary shares of Rs. 10 each and Rs. 300,000 preference shares of Rs. 100 each. It also proposes to raise funds for Rs. 71 lakhs by issuing new equity and preference shares and debentures for financing the expansion schemes. It has been decided to issue 245,000 ordinary shares of Rs. 10 each to the existing shareholders in proportion of one new share for every three held at par. The new shares will rank pari passu with the existing shares except that they shall not participate in the dividend which may be declared for 1964. The Company will also issue 7 percent 24,590 redeemable cumulative preference shares of Rs. 100 each at par to the existing shareholders in the ratio of one preference share for every 33 ordinary shares held. In addition, it will issue 7 percent debentures for Rs. 22 lakhs divided into 22,000 stocks of Rs. 1,000 each. These debentures are redeemable in January 1973 or at any time after 1st January, 1970, after six months' notice for redemption.

Svadeshi Mills Makes Good Progress

SVADESHI Mills did well in 1963. The turnover increased from Rs. 5.24 crores to Rs. 5.64 crores, the gross profit rose from Rs. 62.69 lakhs to Rs. 82.05 lakhs, and the dividend was stepped up from Rs. 17 to Rs. 19 a share. The directors state in their report that the Company's improved performance was due mainly to the production of better varieties of cloth which found ready consumer acceptance and to the economies as a result of the continuous process of renovation and rehabilitation of the mills. New plant and machinery of the value of Rs. 32 lakhs were installed during 1963. The important items were equipment for modernisation of existing blow room lines, drawing frames, automatic looms, a hank mercerising machine, materials for conversion of friction calendar to schriener ring frames, a test printing machine, etcetera. The new equipment will enable the mills to improve further the quality of cloth and achieve a better balance between spinning and weaving.

Towards the end of the year, the value of works under construction and machinery received at the mills awaiting installation was Rs. 27 lakhs. Orders have also been placed for new machinery of the value of about Rs. 29 lakhs. During the year, 9,680 more spindles were added to the 2,992 installed in 1962. Orders

for eight more ring frames, totalling 3,520 spindles remain to be executed. The installation of these spindles will enable the mills nearly achieve the required balance between spinning and weaving. The directors expect to work by the end of next year 288 additional automatic looms sanctioned in replacement of 265 plain looms. On the installation of all these looms, the Company's automatic weaving capacity will be about 42 percent of the total weaving capacity.

The Company is actively considering long-term plans for the further renovation and balancing of the mill plant in stages. They are already seized of the problems of large financial outlay which would be required for the purpose. The Company has finalised plans for the future expansion and modernisation of the processing departments with a view to fully processing the loom production. This will help the Company to meet market requirements and increase its profitability. The scheme for the issue of concessional cloth coupons to the shareholders for the purchase of cloth manufactured by the Tata group of mills up to Rs. 100 a shareholder is being continued and the new coupons carry a discount of 10 percent instead of 8 percent as hitherto.

Travancore Rayon Cuts Dividend

DESPITE a substantial increase in the sales for the year ended December 1963, Travancore Rayons Ltd records a lower profit for the year, compared with that of the previous year. Due to the heavy provision for development rebate and increased depreciation, the amount available for equity dividend has come down. The ordinary dividend is reduced to 12½ percent from the previous year's level of 15 percent. The directors' report says that the results would have been better than the previous year, had the labour co-operated with the Company. Protracted labour trouble and consequent loss of production have reduced the profit. For the payment of dividend, the directors have to transfer a sum of Rs. 300,000 from the dividend equalisation reserve.

Sales for the year amounted to Rs. 3,43,15,420 (against Rs. 3,13,03,515). The net profit amounts to Rs. 25,85,569.13, after providing Rs. 32,20,417.75 for depreciation and Rs. 1,25,182 for managing agents' remuneration. The net profit for the previous year was Rs. 31,62,866, after providing Rs. 26,75,202 for depreciation and Rs. 1,34,342 for managing agents' remuneration. Including the amount of Rs. 18,586.70 brought forward from the previous year, and a sum of Rs. 300,000 transferred from dividend equalisation reserve, the total available for appropriation comes to Rs. 29,04,155.83. Out of this, the provision for income tax comes to Rs. 4,60,000 (against Rs. 1,73,000). A sum of Rs. 8,50,000 is transferred to reserve for development rebate (against Rs. 1,15,000). The dividend on 5 percent preference shares amounts to Rs. 3,25,000. The equity dividend at 12½ percent amounts to Rs. 12,50,000. The balance of Rs. 19,155.83 is carried forward.

The September 1962 strike contributed to a considerable fall in the production of rayon yarn. The directors add that the production of yarn fell to about one half of the installed capacity. But production of cellulose film (Trayophane) was higher than last year. Production of rayon grade pulp from cotton linters was achieved on a commercial scale during the year. The full capacity has not been reached due to some balancing equipment which is still to come. But it is reported that this equipment has since been received and is now being

installed. The full rating capacity is, therefore, expected to be achieved shortly.

The directors have drawn particular attention to the steep increase in the excise duty on rayon. The report says that the impact of excise duty is felt in a growing measure year by year. While the Company paid in 1961 and 1962 excise duty to the extent of Rs. 58.58 lakhs and Rs. 68.04 lakhs, respectively (on rayon and cellulose film), for 1963, the figure was much higher at Rs. 84.81 lakhs. The increase in the levy of rayon yarn during the year was as high as 33½ percent, the total incidence amounting to nearly 30 percent of the selling price. The Finance Act for 1964 has brought in a further rise of 50 percent over the prevailing rate, thereby imposing a crippling burden on the industry.

Referring to the expansion scheme, the report says that the electrical carbon disulphide plant is ready for commission and production will start as soon as the position concerning power eases. Machinery for the six additional tube spinning machines has arrived, and erection is in progress. It is expected that the new machines will be commissioned in the next two months. Although the results of the year were much affected by the strike and unsettled conditions and the loss of production, conditions came back to normal by the beginning of 1964. Production has somewhat been stabilised now and in a way exceeded the previous performance. Prospects for the current year are said to be better.

National Tobacco Does Well

THE directors of National Tobacco Company of India Ltd mentioned in their report for the year ended December 1963, that the outlook for the current year is encouraging, although the trend of rising production costs is a disturbing factor. The 1964-65 Budget has given an overall relief to most cigarette manufacturers, but National Tobacco will get little benefit since tax on low-priced cigarettes has been increased while that on high-priced ones has been reduced. The Company has concentrated its production on low-priced cigarettes. The directors think that the cigarette industry will expand rapidly, provided there is no drastic change in the tax structure. Exports of unmanufactured tobacco reached a new record for 1963. In view of the entry of new buyers into India from foreign countries, the outlook for Indian manufactured tobacco looks fairly promising.

In spite of a nominal fall in all-India production of cigarettes, sales of the Company rose from Rs. 8.44 crores for 1962 to Rs. 11.81 crores for 1963, because the Company has concentrated attention on producing low-priced cigarettes. The demand for these grades has tended to increase. The profit has improved from Rs. 8.12 lakhs for 1962 to Rs. 8.84 lakhs for 1963, after transferring Rs. 8.78 lakhs (against Rs. 7.87 lakhs) to depreciation, Rs. 98,263 (against Rs. 41,333) to development rebate reserve and Rs. 17.39 lakhs (against Rs. 8.99 lakhs) to taxation. The taxable ordinary dividend has been increased from 7 percent to 8 percent which works out to a yield of 7.2 percent at the present price of Rs. 11.12 a share of Rs. 10 each. The carry-forward is Rs. 3.26 lakhs, against Rs. 3.61 lakhs brought in.

Good Results from Jaipur Metals

JAIPUR Metals and Electricals Ltd reports encouraging results for

1963. The turnover has increased by 11.4 percent from Rs. 2,302 crores to Rs. 2,564 crores, and the gross profit has gone up by about 27 percent from Rs. 23.79 lakhs to Rs. 30.24 lakhs. The dividend, however, has been maintained at 6 percent. This is being done with a view to conserving resources for the various development and expansion schemes which the Company has in view. Appropriation include depreciation Rs. 10.89 lakh (against Rs. 7.38 lakhs), development rebate Rs. 4.92 lakhs (against Rs. 3.5 lakhs), taxation Rs. 5.65 lakh (against Rs. 6.85 lakhs) and general reserve Rs. 3.61 lakhs (against Rs. 1.2 lakhs). After providing for dividend absorbing Rs. 3.48 lakhs (against Rs. 3.40 lakhs), there remains a balance of Rs. 3,016 to be carried forward against Rs. 6,068 brought in.

The directors state that the working of the factory both in the meter and metal divisions was quite satisfactory during 1963. The Company commenced during the year the production of A.C.S.R. and all-aluminium conductors and secured orders for Rs. 65 lakhs. In view of the Government policy to switch over to aluminium from copper, the prospect for this line of manufacture are considered to be bright. The Company has started the manufacture of components for the cyclometer unit and is at present manufacturing 75 percent of the parts required for cyclometer. It is expected that the Company will be able to manufacture the balance 25 percent parts during the course of the current year. A the machinery for the manufacture of magnets have arrived and have also been installed. The production is likely to start soon. Import licence for machinery for the manufacture of enamelled copper wire and cotton silk and paper covered wires and strips have been received and order for the same are being formulated. The industrial licence for A.C.S.R. and all aluminium conductors has been increased for a capacity of 3,000 tons a year, and the Company has applied for an import licence to import additional machinery from the U.S.A.

Industrial Investment Trust Earns Less

INDUSTRIAL Investment Trust Ltd reports a small setback in its working results for the year 1963. Income from dividends on shares and interest on debentures and securities is low at Rs. 9.53 lakhs, against Rs. 10 lakhs. The profit is down from Rs. 9.62 lakhs to Rs. 8.67 lakhs. The provision for depreciation has been reduced from Rs. 3.34 lakhs to Rs. 2 lakhs. The Company has made a profit of Rs. 1.78 lakhs, against a loss of Rs. 1.85 lakhs in the previous year on the sale or redemption of investments. While the previous year's loss was written off to the profit and loss account, the profit in 1963 has been transferred to the capital reserve. The dividend has been maintained at 1 percent which absorbs Rs. 6.50 lakh.

After transferring Rs. 33.0 (against Rs. 1.10 lakhs) from the investment reserve and Rs. 40.0 (against nil) from the dividend equalisation reserve, and providing for payment of dividend, there remains surplus of Rs. 1,890 to be carried forward, against Rs. 3,254 brought. The Company's investments at the end of 1963 stood at Rs. 1,225 crore compared with Rs. 1.24 crores at the end of 1962. Of these, quoted investments accounted for Rs. 97.56 lakh (against Rs. 1,028 crores). The Company undertook during the year 1 work of acting as registrars a transfer agents to three companies and rendered "issue house" service to five companies in connection with their respective public issues. Sir the end of 1963 up to 15th May, 19 the Company has received Rs. 36,

by way of redemption of debentures and has made the sale of shares which fetched Rs. 1.21 lakhs. Investment in shares during this period amounted to Rs. 82,183.

Lakshmiratan Engineering Does Better

LAKSHMIRATAN Engineering Works has done better during the year ended September 1963, in that both sales and gross profit are higher than in the previous year. But the increase in profit is too small in relation to the rise in sales. The turnover has gone up by nearly 74 percent from Rs. 93.15 lakhs to Rs. 1,619 crores, whereas the gross profit at Rs. 11.72 lakhs shows an increase of hardly 9 percent over the previous year's figure of Rs. 10.77 lakhs. After providing Rs. 9.31 lakhs (against Rs. 9.56 lakhs) for depreciation and Rs. 1.33 lakhs (against Rs. 50,000) for development rebate, there remains a surplus of Rs. 1.08 lakhs (against Rs. 71,276) to be carried forward. In view of the losses in the previous years and arrears of depreciation, no provision has been made for taxation in 1962-63. Dividends have been skipped and arrears of preference dividend add up to Rs. 4.32 lakhs.

The directors state that in spite of difficulties in securing adequate quantities of pig iron and other essential raw materials, there was an appreciable improvement in the Company's production which explains the marked increase in the year's turnover. There was a steady increase in the production of ring frames and automatic looms. The production of high drafting conversion materials for ring frames has shown an appreciable increase and the capacity is being expanded in order to meet the growing demand. The Company has taken in hand the manufacture of Simplex frames. The sale of 6 horsepower lister engines is reported to have gone up to an average of 350 engines a month. The Company has also started the manufacture of 12 horsepower engines. The Rs. 10-paid share of Lakshmiratan Engineering is available around Rs. 6.

Bright Prospects for Devidayal Cable

DEVIDAYAL Cable Industries did well in 1963; sales rose by about 10 percent from Rs. 1.15 crores to Rs. 1.26 crores, the gross profit went up by nearly 22 percent from Rs. 11.36 lakhs to Rs. 13.94 lakhs and the dividend was stepped up from 7 percent to 15 percent. And from what the chairman, Mr. H. T. Aggarwal, stated at the Company's annual meeting last week, the shareholders can look forward to still better results in the current year. The turnover during the first four months of 1964 is placed around Rs. 56.5 lakhs, compared with Rs. 30.23 lakhs in the same period of last year. The chairman is optimistic about the turnover reaching Rs. 1.70 crores this year. The Company's expansion schemes are said to be proceeding according to schedule. The additional capacity for super enamelled wires has been installed. In the case of D.P.C. wire and strip unit, the building is ready and machinery has been shipped in May.

The additional capacity will be installed by the end of the year. These additional capacities will help increase the Company's turnover. The delivery of the machinery for the steel and alloy steel wire mill unit is expected by the end of September 1964, and the unit is likely to go into production early next year. In accordance with the Government's policy, the Company, along with other cable manufacturers, has switched

Reinsurance Corporation Shows Good Results

THE Indian Reinsurance Corporation reports encouraging results for 1963. The gross premium income of all the departments was higher at Rs. 6.99 crores, against Rs. 5.87 crores in 1962. After fulfilling the statutory obligations and after taking into account the premium otherwise retroceded, the total net premium income of the Corporation in 1963 amounted to Rs. 3.89 crores, against Rs. 3.28 crores in the previous year. In the fire department, gross premium income amounted to Rs. 3.50 crores. The net premium was Rs. 1.47 crores, against Rs. 1.36 crores. Net claims paid and outstanding were Rs. 68.69 lakhs, against Rs. 62.20 lakhs. Reserves increased by Rs. 5.65 lakhs to Rs. 73.69 lakhs. In the marine department, gross premium income amounted to Rs. 1.63 crores. The net premium was Rs. 85.14 lakhs, against Rs. 74.12 lakhs. Net claims paid and outstanding amounted to Rs. 61.05 lakhs, against Rs. 55.01 lakhs, and reserves increased by Rs. 11.02 lakhs to Rs. 85.14 lakhs.

The gross premium income in the miscellaneous department was Rs. 1.84 crores. The net premium was Rs. 1.57

for 1963 is on a much larger capital following bonus and rights issue and the total distribution among the shareholders is, in fact, higher at Rs. 6.50 lakhs, against Rs. 5.58 lakhs in the preceding year. The profit margin is said to have been squeezed by the dull trading conditions in cloth, all-round increase in manufacturing costs and cut in the prices of super fine yarn.

The directors have provided Rs. 7.20 lakhs (against Rs. 9.29 lakhs) for depreciation, Rs. 45,000 (against Rs. 1.81 lakhs) for depreciation and Rs. 13.12 lakhs for bonus for the previous year. No provision has been made for gratuity for which a sum of Rs. 1.85 lakhs had been set aside in 1961-62. No provision has also been made for taxation and development rebate reserve which had received Rs. 9.24 lakhs and Rs. 1.60 lakhs, respectively. After writing back Rs. 7.95 lakhs, being excess provisions made earlier, the directors have transferred Rs. 45,000 to gratuity reserve and Rs. 6.55 lakhs to dividend reserve. The proposed dividend is to be paid from the dividend reserve. Additions to machinery made during 1962-63 amounted to Rs. 13.13 lakhs and further orders have been placed for machinery for the current year. The Company erected last year comprehensive shrinking range costing about Rs. 5.05 lakhs. It also erected 12,096 new spindles last year at mill

Modern Mills Cuts Dividend

IN spite of an increase of about 8 percent in the sales from Rs. 2,486 crores to Rs. 2,668 crores, the gross profit of Modern Mills Ltd for the year ended 31st October, 1963, is down by nearly 30 percent from Rs. 31.03 lakhs to Rs. 20.54 lakhs. The dividend has been reduced from 12 percent to 6 percent, but this does not represent any real hardship to the shareholders because the dividend

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BUY NATIONAL DEFENCE CERTIFICATES

crores, against Rs. 1.18 crores. Net claims paid and outstanding amounted to Rs. 83.32 lakhs, against Rs. 50.57 lakhs. Reserves increased by Rs. 19.33 lakhs to Rs. 73.35 lakhs. The total departmental reserves—fire, marine and miscellaneous—showed an increase of Rs. 36 lakhs at Rs. 2.01 crores. The year's trading results showed a net profit of Rs. 12.21 lakhs, against Rs. 9.07 lakhs in 1962. Including the amount brought forward from the previous year, the total amount available for appropriations is Rs. 12.33 lakhs. The directors have transferred Rs. 3.50 lakhs to the general reserve and the balance has been taken to the dividend reserve. The proposed 8 percent dividend is to be paid out of the dividend reserve, absorbing Rs. 8 lakhs.

In his statement to the shareholders which has been circulated with the directors' annual report, the chairman, Mr. A. D. Shroff, says that although the profitability was slightly lower than in the previous years, the general insurance business recorded a satisfactory increase in the premium income from all the major classes of business. There was, however, a slowing down in the rate of growth of Indian fire premium income, mainly due to rate reductions made in the middle of 1962. The fire loss ratio showed a significant increase because of the two big losses, Rs. 54 lakhs in a rayon mill and Rs. 43 lakhs in a jute mill. Premium income in the marine section showed a satisfactory increase in India. The cargo business was fortunately free from any major casualty as a result of which, there was a small improvement in claims experience. Hull losses were, however, at a relatively high level. Indian hull business showed marginal results in 1963 because of a claim of Rs. 36 lakhs and rate reductions secured by most of the major fleets.

Mr. Shroff points out that an encouraging feature of hull insurance in India at present is the continuing rapid growth of the Indian mercantile fleet. During 1963, the total tonnage increased from Rs. 1.02 million gross registered tons to 1.23 million gross registered tons. In the miscellaneous section, the experience of business in India in 1963 was as good as in the preceding year. The rapid growth of premium income was well maintained in 1963. The classes of business showing good profitability were burglary, cash-in-transit, personal accident, engineering, etcetera. Mr. Shroff says that an important development which needs to be watched is the substantial reduction in aviation rates, following the satisfactory worldwide experience of aviation business, particularly for jet-aircraft, and the consequent breakdown of the London market rating agreement.

Clive Buildings (Calcutta) Earns More

CLIVE Buildings (Calcutta) Ltd has declared a taxable ordinary dividend of Rs. 13 a share of Rs. 150 each for the year ended December 1963, absorbing Rs. 1.30 lakhs. The profit has risen from Rs. 3.67 lakhs for 1962 to Rs. 4.57 lakhs for 1963, after providing Rs. 6,235 (against Rs. 6,966) for depreciation, Rs. 5,051 (against Rs. 8,367) for bad debts, Rs. 1,550 (the same) for contingencies and Rs. 44,942 (against Rs. 43,007) for redemption of the debenture sinking fund. The carry-forward is Rs. 4,995, against Rs. 51 brought in.

Mogul Line Skips Dividend

THE Mogul Line Ltd which had paid a dividend of 6 percent in

1962 has skipped the dividend for 1963. This follows the Company's disappointing performance during the year. Gross revenue by way of passage money, freight and messing, etcetera, has declined by Rs. 40 lakhs from Rs. 1.26 crores to Rs. 1.66 crores. And the gross profit has come down from Rs. 51.96 lakhs to Rs. 46.44 lakhs. After providing Rs. 11.12 lakhs (against Rs. 12.55 lakhs) for depreciation, Rs. 2 lakhs (against Rs. 9 lakhs) for tax at outports and Rs. 3.28 lakhs (against Rs. 3.33 lakhs) for rebate and claims, the net profit amounts to Rs. 30.04 lakhs, against Rs. 27.08 lakhs in the preceding year. Out of this profit, a sum of Rs. 23.20 lakhs (against Rs. 19.85 lakhs) has been allocated to reserve for special survey.

Besides, a sum of Rs. 30.45 lakhs has been transferred to this reserve from the general reserve to meet the heavy expenditure on special surveys on the Company's vessels. An expenditure of Rs. 85.25 lakhs incurred on special survey repairs for the three steamers has been adjusted with the result that there is no profit left. The Company is not liable to pay any Indian income tax for 1963. The Company has decided to enter the coastal trade to carry coal from Calcutta to various other ports. An order for the construction of one collier of 13,200 d.w.t. has already been placed in Yugoslavia. Efforts are being made to acquire three more similar types of colliers. The directors have also decided to enter the tramp trade and the possibility of acquiring four bulk carriers is being explored.

Same from Vijayeswari Textiles

A SUBSTANTIAL increase in sales and profits and the maintenance of 10 percent dividend feature the working results of Vijayeswari Textiles Ltd for the year ended December 1963. The net profit for the year amounts to Rs. 3,61,617, after providing Rs. 3,46,991 for depreciation, compared with the previous year's net profit of Rs. 1,93,985, after providing Rs. 3,18,947 for depreciation. With the balance of Rs. 2,967 brought forward, the total available for appropriation comes to Rs. 3,64,584. Out of this, the directors have transferred a sum of Rs. 1,87,000 to income tax reserve (against Rs. 7,000). Donations amounted to Rs. 1,726 (against Rs. 8,669). A sum of Rs. 5,100 is transferred to development rebate reserve, against Rs. 16,100. Gratuity reserve gets Rs. 10,000 (against nil). The dividend at 10 percent, against 10 percent, amounts to Rs. 1,60,000. The balance of Rs. 758 is carried forward.

Sales of cotton yarn amounted to Rs. 51,48,376, against Rs. 46,70,842. The directors state in their report that as there is no benefit of carry forward losses under the Income tax Act, 1961, after the year 1962, they have appropriated Rs. 1,87,000 towards income tax liabilities. Hence the directors are able to recommend only a dividend of 10 percent, in spite of higher profits for the year. The Company has been given permission to expand the installed capacity to 25,000 spindles, and also to install 100 automatic looms. The directors are taking steps to implement this expansion scheme.

Multimetals to Go on Stream by Year End

MULTIMETALS Ltd has shown a debit balance of Rs. 47,673 for the year ended December 1963, against a debit balance of Rs. 1.01 lakhs for 1962, after providing Rs.

2,397 for depreciation and Rs. 14,100 for taxation. All expenses relating to construction have been capitalised. The directors say that the construction of the plant in Kota is progressing. Orders for machinery have been placed. Initial production is expected to begin by the end of 1964 or early in 1965. In view of the need for more funds to implement the project, the Company has decided to call for the remaining Rs. 5 an ordinary share.

Marine and General Insurance Repeats

MARINE and General Insurance Co. Ltd has earned a profit of Rs. 1.48 lakhs for the year ended December 1963, against Rs. 57,675 for 1962, after providing Rs. 41,889 (against Rs. 32,638) for expenses and management, Rs. 37,165 (against Rs. 23,569) for depreciation on investments. The taxable ordinary dividend of Rs. 3 a share of Rs. 100 each on which a sum of Rs. 50 has been paid-up has been declared. The same dividend was paid for 1962. Taxation is allocated Rs. 75,000 (against Rs. 20,000), fire insurance fund Rs. 25,000 (the same), contingency reserve Rs. 25,000 (against nil) and investment reserve Rs. 25,000 (against Rs. 50,000). The carry-forward is Rs. 6,202, against Rs. 31,732 brought in. The fire department made a profit of Rs. 13,234. Net premiums of this department amounted to Rs. 7.12 lakhs and net losses to Rs. 4.49 lakhs. The miscellaneous department made a profit of Rs. 11,068; net premiums totalled Rs. 2.65 lakhs and net losses Rs. 1.67 lakhs. Net premiums of the marine department amounted to Rs. 2.09 lakhs. The department has earned a profit of Rs. 1 lakh.

Hooghly Flour Pays Again

THE Hooghly Flour Mills Co. Ltd has again returned to the dividend list and has paid a taxable ordinary dividend of 5 percent for the year ended December 1963. The yield amounts to 2.5 percent at the present price of Rs. 19.75 a share of Rs. 10 each. The profit has risen from Rs. 2.19 lakhs for 1962 to Rs. 4.58 lakhs for 1963, after providing Rs. 28,122 (against Rs. 32,721) for depreciation. Taxation absorbs Rs. 3 lakhs (against Rs. 1.84 lakhs), leaving a carry-forward of Rs. 1.46 lakhs, against Rs. 32,614 brought in. Production amounted to 323,817 quintals, against 301,951 quintals. The maximum selling prices of wheat produced except bran continue to be controlled by the Government. The extraction of *atta* constituted 45 percent for most parts of 1963. The wheat supplied by the Government of India has on the whole been satisfactory.

Anderson Wright Pays the Same

THE profit of Anderson Wright Ltd has amounted to Rs. 3.51 lakhs for the year ended December 1963, against Rs. 2.03 lakhs for 1962, after transferring Rs. 3,765 (against Rs. 4,428) to depreciation and Rs. 1.29 lakhs (against Rs. 2.13 lakhs) to taxation. The taxable ordinary dividend of 6 percent has been repeated. It offers a yield of 5.2 percent at the present price of Rs. 11.50 a share of Rs. 10 each. Debenture redemption reserve is allocated Rs. 1 lakh, leaving a carry-forward of Rs. 25,172, against Rs. 11,325 brought in. The directors pointed out that the results of the managed jute mills have been satisfactory while those of the managed

sugar companies have been unsatisfactory.

Bengal Potteries Cuts Dividend

BENGAL Potteries Ltd have reduced the taxable ordinary dividend from 12 percent for 1962 to 11 percent for 1963. The yield amounts to 6.1 percent at the present price of Rs. 4.50 a share of Rs. 2.50 each. The profit has dropped from Rs. 7.24 lakhs to Rs. 6.29 lakhs, after providing Rs. 12.14 lakhs (against Rs. 10.51 lakhs) for depreciation, Rs. 11.79 lakhs (against Rs. 12.74 lakhs) for development rebate reserve, Rs. 1.33 lakhs (against Rs. 1.57 lakhs) for the managing agents' commission and Rs. 5.50 lakhs (the same) for taxation. The carry-forward is Rs. 2,054, against Rs. 3,208 brought in. Sales rose from Rs. 2.16 crores to Rs. 2.33 crores. Although production rose, the profit has not increased in proportion due to the increased manufacturing costs. The output of fine china clay has begun. Production of high-tension insulators is being diversified and new ranges of products are being manufactured. The low-tension insulators produced are being supplied to the Posts and Telegraphs Department.

Oriental General Insurance Dividend Up

THE Oriental Fire and General Insurance Co. Ltd—a subsidiary of the Life Insurance Corporation—has stepped up the dividend from 6 percent to 8 percent though the pre-tax profit for 1963 is considerably lower at Rs. 29.61 lakhs, against Rs. 44.40 lakhs in 1962. The total net premium income at Rs. 5.838 crores shows an increase of nearly 19 percent over the previous year's figure of Rs. 4.922 crores. The net premium income from the fire section has gone up from Rs. 1.353 crores to Rs. 1.79 crores, and that from the miscellaneous section from Rs. 2.929 crores to Rs. 3.433 crores. The net premium income from the marine department, however, is slightly down from Rs. 64.02 lakhs to Rs. 61.51 lakhs.

The provision for general reserve has been reduced from Rs. 8.75 lakhs to Rs. 3.75 lakhs, while allocation to the reserve for doubtful debts has been raised from Rs. 76,000 to Rs. 4.58 lakhs. No provision has been made for investment reserve which had received Rs. 3.52 lakhs in 1962. A sum of Rs. 8.80 lakhs, against Rs. 6.60 lakhs, has been transferred to the dividend reserve. The proposed dividend absorbing Rs. 8.80 lakhs (against Rs. 6.60 lakhs) will be paid out of the dividend reserve. The Company's working during the current year so far is reported to be quite satisfactory.

Lakshmi Mills Maintains

ALTHOUGH the dividend has just been maintained at 20 percent, the working results of Lakshmi Mills Company, Coimbatore, for the year ended March 1964, show an impressive improvement over the previous year's performance. The sales have risen by 30 percent from Rs. 4.59 crores to Rs. 5.98 crores, and the gross profit has gone up by 32 percent from Rs. 77.14 lakhs to Rs. 1,018 crores. Appropriations include depreciation Rs. 30.83 lakhs (against Rs. 23.5 lakhs), development rebate reserve Rs. 6 lakhs (against Rs. 5.65 lakhs), taxation Rs. 35 lakhs (against Rs. 2 lakhs), donations Rs. 1.06 lakh (against Rs. 75,467), workmen's gratuity Rs. 2.65 lakhs (against Rs. 70,000) and dividends Rs. 21.3 lakhs

(the same). After making these appropriations, there remains a balance of Rs. 25,194 to be carried forward, against Rs. 17,087 brought in.

The directors have transferred the reserves under machinery replacement, depreciation, cotton fluctuation and contingency to the general reserve account which stands at Rs. 43.5 lakhs. During the year, the Coimbatore and Kovilpatti mills had worked three shifts from October last and in the Palladam branch, only staple fibre unit had started third shift working from January 1964. The total installed capacity of the three units is 147,920 spindles and 364 looms. During 1963-64, 15,232 spindles were commissioned in the Company's staple fibre unit in Palladam. The Company proposes to install another 8,768 spindles in Palladam to reach the licensed capacity of 24,000 spindles. Out of the 96 automatic looms ordered in the previous year, the Company received 64 automatic looms during 1963-64.

Jyoti Earns More

THE increase in the dividend by Jyoti Ltd (Baroda) from Rs. 9 to Rs. 10 a share is well justified by the Company's encouraging performance during 1963. Sales are up by about 25 percent from Rs. 2.04 crores to Rs. 2.56 crores and the gross profit has risen by about 18 percent from Rs. 20.17 lakhs to Rs. 23.72 lakhs. Allocations include depreciation Rs. 6.81 lakhs (against Rs. 5.52 lakhs), development rebate Rs. 1.42 lakhs (against Rs. 2.34 lakhs), taxation Rs. 7.70 lakhs (against Rs. 6 lakhs), gratuity Rs. 50,000 (the same), reserve for doubtful debts Rs. 10,000 (against Rs. 10,000), general reserve Rs. 1.20 lakhs (against nil) and dividend Rs. 5 lakhs (against Rs. 4.50 lakhs).

The directors state that the Company introduced during 1963 some special varieties of chemical handling pumps, self-regulating generators, new series of manually-operated motor protecting starters, oil-immersed contractors and air circuit breakers up to 1500 to 2000 amps. The Company's expansion plans progressed well during the year. The instrument transformer plant, which was set up in the middle of 1963, is working satisfactorily. The plastic moulding plant, commissioned last year, has already started meeting the full requirements of plastic moulding components for the manufacture of switchgears and switchboards.

The Company is now regularly producing hydro-electric generating sets upto 250 kW ratings and orders for 1,000 kW units are under execution. The Company is capable of manufacturing such units up to 3,000 kW ratings. The development of this line is expected to prove an important landmark in the progress of the Company. The hydraulic section of the research and development centre of the Company has already started working and the electrical rotating machine section as well as the switchgear section are expected to be ready in the next few months. The directors are making efforts to rationalise the range of manufacture, but at the same time, they are fully conscious of the need to develop newer and better products.

Same from Equitable Coal

IN their report for the year ended December 1963, the directors of Equitable Coal Co. Ltd pointed out that the estimated results for the first quarter of 1964 have not been as encouraging as those for the corresponding period of 1963. The Company apprehends that the demand for coal may not pick up with actual

and planned production for some time. Production during 1963, the Company's centenary year, fell short of that achieved in 1962, due to difficult mining conditions and because of fewer working spaces being available at certain collieries. Rail transport has shown an improvement, so stocks have not accumulated to unmanageable proportions.

There has however been a lack of demand for low-grade coal which is causing concern. Production costs continue to rise and the latest increases in selling prices have not neutralised the rises in production costs. The development of the Hurlidih colliery has progressed satisfactorily and raisings are due to commence shortly. Preliminary development work in the Kottadih collieries has been undertaken and good progress has already been made. The Company has availed itself of the World Bank loan to import equipment. The latter has begun to arrive at a time when profitability in the coal industry is at a low level. The financial resources of the Company have, therefore, been strained.

The profit has improved from Rs. 7.80 lakhs for 1962 to Rs. 10.11 lakhs for 1963. The taxable ordinary dividend of 10 percent has been repeated to give a yield of 4.5 percent at the present price of Rs. 22.44 a share of Rs. 10 each. Taxation absorbs Rs. 6.23 lakhs (against Rs. 3.28 lakhs), development rebate reserve Rs. 2.66 lakhs (against Rs. 3.87 lakhs) and debenture sinking fund Rs. 1 lakh (the same). The carry-forward is Rs. 1.58 lakhs, against Rs. 44,558

brought in. Raisings amounted to 1.8 million tons, against 1.9 million tons, and despatches to 1.9 million tons, against 1.8 million tons.

Andhra Cement Repeats

THE working of the Andhra Cement Co. Ltd for the year ended December 1963, has been affected by several adverse factors, resulting in lower sales and lower profit for the year. But the ordinary dividend is maintained at 9 percent. The net profit for the year amounts to Rs. 11,87,102, after providing Rs. 8,81,690 for depreciation, against the previous year's net profit of Rs. 14,43,157 after providing Rs. 9,38,505 for depreciation. The amount brought forward from the previous year is Rs. 2,172. Excess provision of bonus in 1962 written back is Rs. 5,601, and excess depreciation credited back amounts to Rs. 440. Excess provision for taxation credited back amounts to Rs. 45,000. Transfer from rehabilitation fund comes to Rs. 1,53,427 transfer from general reserve and to Rs. 45,000. After taking into consideration the above transfers and write-backs, the total available for appropriation comes to Rs. 14,38,742.

Out of this, donations amounted to Rs. 1,130 (against Rs. 51,515). A sum of Rs. 1,53,427 is transferred to rehabilitation reserve (against Rs. 1,62,335). Expenses not relating to the account amounted to Rs. 26,231. Provision for development rebate reserve comes to Rs. 81,500 (against Rs.

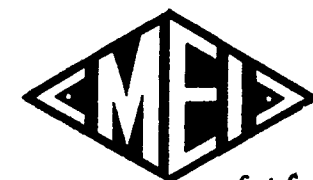
54,750). Provision for taxation comes to Rs. 5,15,000 (against Rs. 7,88,000). The dividend at 6 percent free of tax on preference shares (gross at 7.8 percent) amounts to Rs. 19,407. The equity dividend at 9 percent will absorb Rs. 6,39,286 (against Rs. 6,39,286). The balance of Rs. 2,761 is carried forward. The production during the year could not show substantial improvement over the previous years, in spite of a satisfactory supply of raw materials, including coal. Certain major repairs to plant and machinery, besides unforeseen repairs following unprecedented rains during the year, were carried out. The shortfall was also the result of heavy accumulation of stocks of clinker for want of timely releases. Clinker production during the year amounted to 1,66,219 tonnes, while cement production amounted to 160,114 tonnes. Cement despatches amounted to 1,61,514 tonnes. Cement sales amounted to Rs. 1,33,95,949 as against Rs. 1,43,43,843 in the previous year. The higher cost of production and inadequate increase in the retention price have contributed to the lower profit.

Progress of Seshasayee Industries

THE working of Seshasayee Industries Ltd for the year ended December 1963, has resulted in a net profit of Rs. 2,67,349 after providing Rs. 4,90,416 for depreciation, compared with the previous year's net profit of Rs. 12,742, after providing Rs. 3,91,784 for depreciation. Sales

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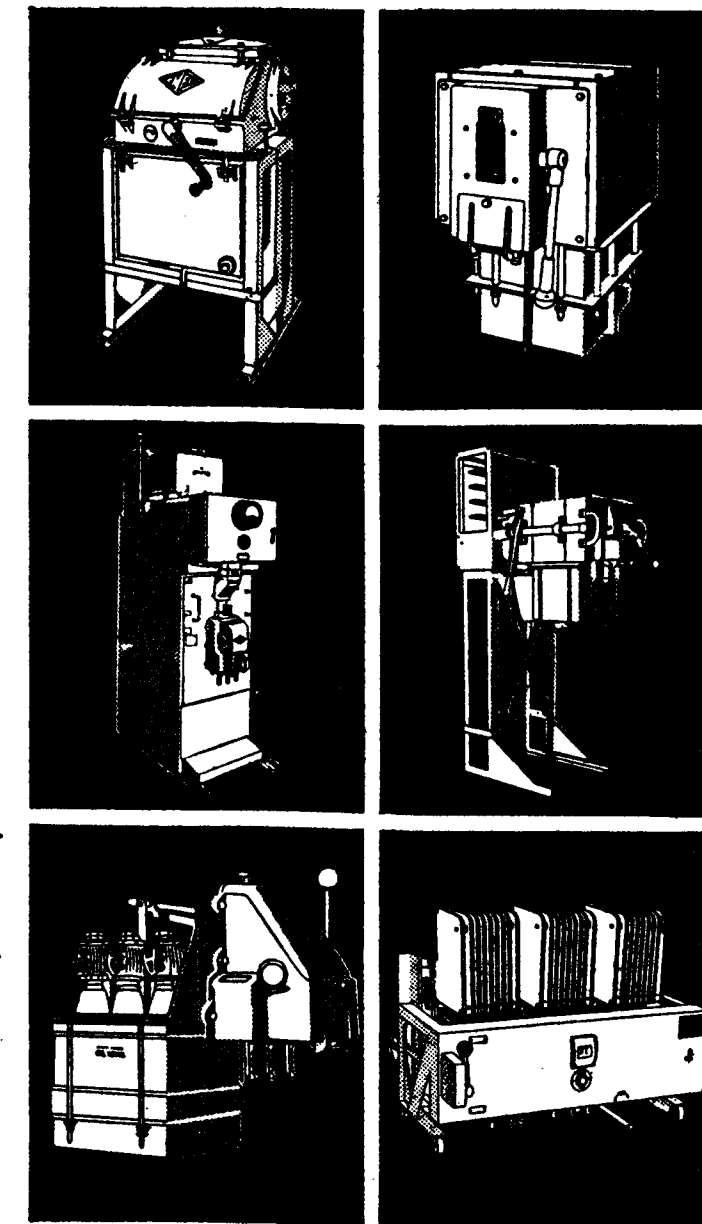
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during the year amounted to Rs. 43,37,668, against Rs. 26,01,705 during the previous year. The directors' report says that the operating results would have been much better but for some technical troubles on raw materials which adversely affected production in the ceramic section. But it is reported that these problems have now been brought under control and production for the coming year is expected to reach more than Rs. 80 lakhs.

While the foundry expansion has started its operation during the year, it has now been fully commissioned and the expansion of the ceramic section is expected to be commissioned by July 1964. Giving a period of two months for the teething troubles, the directors hope to reach their targets of production under expansion effectively from September 1964. The directors, therefore, expect higher profits for 1964. On production development, the Company has been successful in establishing a full range of transformer and switchgear bushings for 11 kV and 22 kV ranges. On transmission line requirements, the Company is meeting large demands for 11 and 22 kV pin insulators, post insulators for voltages up to 110 kV and disc insulators to build lines up to 220 kV. It is encouraging to note that the Company has now evolved a full range of transmission line insulators and hardware to building the 220 kV super grid lines—the highest in transmission lines in the country.

The expansion is expected to be completed in all phases by the end of

September 1964, when full production is expected. In the foundry section, apart from the manufacture of malleables for internal use, quite a large quantity of castings is being sold outside in the market. The directors say that due to increases in import duty, labour costs, etcetera, there has been a sizable increase in capital expenditure over estimates requiring another Rs. 25 lakhs, and the amount is to be borrowed from bankers.

Progress of Ultramarine and Pigments

ULTAMARINE and Pigments started production early in 1963. The Company first placed ultramarine blue OOB in the market in March last and it was received well. Although the production during 1963 was below capacity, the Company standardised several varieties of ultramarine blue which have been approved by D.G.S. and D. and all the other industrial consumers who have been importing the material from Europe. The factory has been working to full capacity since the beginning of the year. The Company's sales during 1963—the first year of production—totalled Rs. 8.31 lakhs and the stocks at the end of the year were valued at Rs. 5.45 lakhs. The directors state that the market for ultramarine blue remained dull during the year due to large stocks of imported goods with the trade as well as with industries. However, with

the complete ban on imports, sales from the beginning of the current year have improved and if this trend continues, the Company is likely to have a respectable turnover in 1964. The Company has executed a legal mortgage in favour of I.C.I.C.I for a foreign exchange loan of \$89,507 and a rupee loan of Rs. 7.30 lakhs granted to it.

After providing Rs. 3.38 lakhs for depreciation and transferring Rs. 2.53 lakhs to development rebate reserve, the Company's working results for 1963 show a deficit of Rs. 4.10 lakhs. Adding Rs. 2,573 brought forward, there is a deficit of Rs. 4.13 lakhs to be carried forward.

New City Mills Resumes Dividend Payment

NEW City of Bombay Manufacturing Company has returned to the dividend list after a break of five years. It was in 1957 that the Company paid its last dividend of 5 percent. The dividend for 1963 is 10 percent. The Company's working results for 1963 show a marked improvement over the previous year's performance. Sales are up by about 15 percent from Rs. 2.74 crores to Rs. 3.15 crores, and the gross profit has risen by about 21 percent from Rs. 21.86 lakhs to Rs. 26.54 lakhs. The provision for depreciation has been stepped up from Rs. 9.23 lakhs to Rs. 14.01 lakhs, but the amount set aside for development rebate reserve is lower at Rs. 2.61 lakhs, against Rs. 3.99 lakhs. A sum

CAPITAL, 11th June, 1964.

New Capital Issues

SEVEN companies, including two Government undertakings, have been authorised to raise fresh capital totalling Rs. 6 crores. One of them will issue the entire lot of preference shares to the State Government concerned. Two companies will issue part of the capital to their foreign collaborators. The consent of the Controller of Capital Issues in all cases is valid for 12 months. The following are the details:

Indian Telephone Industries Ltd., Bangalore, has been given consent to the issue of further capital of Rs. 75 lakhs dividend into 73,000 equity shares of Rs. 100 each to be issued privately for cash at a premium of Rs. 25 a share. The proceeds will be used for the manufacture of telecommunication equipment.

Cashea Shell Products and Chemicals Ltd., Bombay, a public limited Company, has been allowed to issue capital of Rs. 45 lakhs in equity shares of Rs. 100 each, for cash at par. Out of this, shares of the value of Rs. 15 lakhs will be offered to Indian parties resident abroad to be used for the import of the capital goods. The proceeds will be used for financing the manufacture of cashewnut shell liquid.

Indian Oil Company Ltd., a Central Government undertaking, has been allowed to raise further capital of Rs. 1.64 crores divided into 16,400 equity shares of Rs. 1,000 each to be issued privately for cash at par. The proceeds will be used for construction of installations and depots.

Assam Tubes Ltd., Sibsagar, will raise capital of Rs. 44 lakhs, divided into 340,000 equity shares of Rs. 10 each and 10,000 9.3 percent redeemable cumulative preference shares of Rs. 100 each to be issued for cash at par. Out of this, the entire preference shares shall be issued to the Government of Assam and equity shares of the value of Rs. 22 lakhs will be offered for public subscription by prospectus. The proceeds will be used for manufacture of G.I. pipes.

The Calcutta Salt Lakes Regional Development Company Ltd., a State Government undertaking, proposed to be incorporated in the State of West Bengal, has been given consent to the issue of capital of Rs. 1.5 crores. This will be divided into 15,000 equity shares of Rs. 1,000 each at par. Of this, shares of the value of Rs. 48 lakhs will be issued for consideration other than cash and the balance will be issued for cash. The proceeds will be used for taking over the land reclamation and development scheme in the Salt Lakes area in the eastern environs of Calcutta for commercial operation.

Suesson Textile Ball Bearings Products Private Ltd., Bombay, has been allowed to raise further capital (on conversion of the Company into a public limited one) of Rs. 49 lakhs divided into 290,000 equity and 200,000 cumulative redeemable preference shares of Rs. 10 each, carrying interest at 9.3 percent, for cash at par. Out of this issue, equity shares of the value of Rs. 10.40 lakhs and preference shares of Rs. 5.20 lakhs will be offered to the German collaborators of the Company.

Indian Rock Drills Ltd., Bombay, a public Company to be incorporated in the State of Maharashtra, has been granted consent to the issue of Rs. 75 lakhs in equity. Out of this Rs. 36 lakhs worth of shares will be offered to their U.S. collaborators. The proceeds of the issue will be used in the manufacture of roller rock bits and drag bits.

CAPITAL, 11th June, 1964.

The Stock Markets

NEW CABINET WELCOMED, BUT TURNOVER SMALL

Wednesday Evening.

THE Calcutta stock market has been sluggish during the past week. Turnover has been small and has been largely confined to clearing shares. Monday was a holiday, while on Tuesday attention was diverted to the immersion of Mr. Nehru's ashes. Although share prices have slightly recovered towards the close due to short-covering, there is a general inclination to keep commitments light until various uncertainties are cleared. Meanwhile, Lyons Range has welcomed the new Central Cabinet under the Prime Ministership of Mr. Lal Bahadur Shastri. But operators have become cautious since the new Government has indicated its desire to accelerate the pace of socialism.

There is a great deal of concern over the sharp rise in the prices of many commodities. The Central Finance Minister, Mr. T. T. Krishnamachari's statement in the Lok Sabha on rising prices has called for caution. Since he has stressed the need for State trading, particularly in foodgrains, Lyons Range is disturbed. Operators and investors cannot take a constructive view of the future until the new Government indicates to what extent it will allow the private sector to play its rôle in economic development.

Reports that the World Bank has not agreed with India's estimates of steel requirements by 1971, have created a great deal of uncertainty, particularly in relation to foreign aid. The Bank thinks that India's steel requirements have been greatly exaggerated, so it is apprehended that foreign aid for the expansion of the steel industry may be substantially reduced.

Indian Iron have gained slightly towards the close mainly due to short-covering. Meanwhile, investors await the declaration of the dividend for 1963-64. Reports that negotiations between the two private steel companies and the Government of India on the repayment of interest and loans given to them by the Government are proceeding satisfactorily, have helped sentiment. Engineering shares have fluctuated narrowly. Indian Standard Wagon, Texmaco and Guest, Keen, Williams have been prominent. Braithwaite have met with scattered support while Jessop have been neglected. Binani Metals have enjoyed influential support. Bhartia Electric Steel have been steady on a good report.

In the miscellaneous section, attention has centred on clearing scrip which have been steady towards the close due to the absence of selling pressure. Alkali and Chemical, British Paints and Metal Box have met with scattered buying. In managing agency shares, Jardine Henderson, Martin Burn and Balmer Lawrie have been taken. Bank shares are neglected. There is little interest in electric company shares. New shares are depressed. Hindustan Aluminium, Phillips Carbon and Isaac Holdens have dropped. In paper shares, Orient and India Paper Pulp have been steady, but Seshasayee and Titagur have been easier. Sugar shares are freely offered without attracting buyers. Bharat Commerce, Jay Shree Textiles and Dunbar are steady in the cotton mill section. J. K. Rayon have recovered on short-covering, but Elgin have been offered freely.

Although the prices of selected jute shares have recovered, turnover has been small due to the lack of foreign enquiries for jute goods. Birla, Champdany, Barnagore, Ganges and Auckland have changed hands. Coal shares have been subdued due to the uncertain outlook following the decline in the demand for coal. Central India, Western Bengal, Amalgamated and East Indian have slipped back. Business in tea shares is negligible, since investors have been disappointed by the latest dividends declared by many companies for 1963. The poor support to north Indian tea in the new marketing season has also restrained buyers.

Government securities have been steady. The 3 percent Conversion loan 1986 has been quoted around Rs. 63.75. The prices of short-dated stocks have been fully steady due to good institutional support. Medium-dated loans have been about steady. Scattered interest has been shown in selected State Government loans.

Bombay

PRICES RECOVER ON SHORT-COVERING CAUTIOUS OPTIMISM OVER NEW CABINET

Wednesday Evening.

THE new account in the Bombay stock market has started in a quiet mood. Support has been restrained by the higher budla charges levied in the past settlement. Towards the close, sentiment has improved slightly as Dalal Street greeted the new Central Cabinet with cautious optimism. Share prices have recovered moderately due to short-covering. Bears who had sold earlier due to the death of Mr. Nehru, have hurried to cover their open positions lest prices should recover. Bulls have, however, been cautious in extending their support due to the fact that the new Central Government will continue to pursue the old economic policy for socialism.

Dalal Street is inclined to await the move of the Government in relation to private enterprise. Operators have been disturbed since Mr. T. T. Krishnamachari, Central Finance Minister, has emphasised the urgency of introducing State trading, particularly in foodgrains. Investors have been discouraged by the growing shortage of funds. Turnover has largely centred on clearing shares and business in cash shares has been negligible. The absence of institutional support for equities has been a restraining factor.

Tata Steel have closed around Rs. 144.50 due to the satisfactory production figures of the Company for May. The announcement of the dividend for 1963-64 is being largely awaited. Among engineering shares, Tata Engineering, Mukand Iron and Premier Construction have recovered. In motor-vehicle shares, Hindustan Motors have rallied due to support from outside sources. Premier Automobiles have been sluggish.

Selected cotton mill shares like Bombay Dyeing, Svadeshi and Kohinoor have improved on short-covering. Towards the close, Century have weakened due to the observation by

the chairman that the Company will not issue bonus or rights shares in the near future. The expansion programmes of the Company have, however, made satisfactory progress.

Turnover in miscellaneous shares has been negligible. Among cement shares, Associated Cement and Digvijay have been about steady. In steamship companies, Scindia Steam have recovered on short-covering. In the mining section, Be Be Petrol have been steady on replacement purchases. In sugar shares, Belapur and Walchandnagar industries have met with scattered buying. Chemical shares have shown a mixed trend. Tata Chemicals have been quiet, but Polychem have been steady on producing good results. In rayon scrip, National Rayon have improved on replacement purchases. Voltas and Tata Oil have been steady.

Turnover in bank shares has been small. Bank of India and Central Bank have changed hands. Among electric companies, Ahmedabad and Tata Hydro have been bought.

Madras

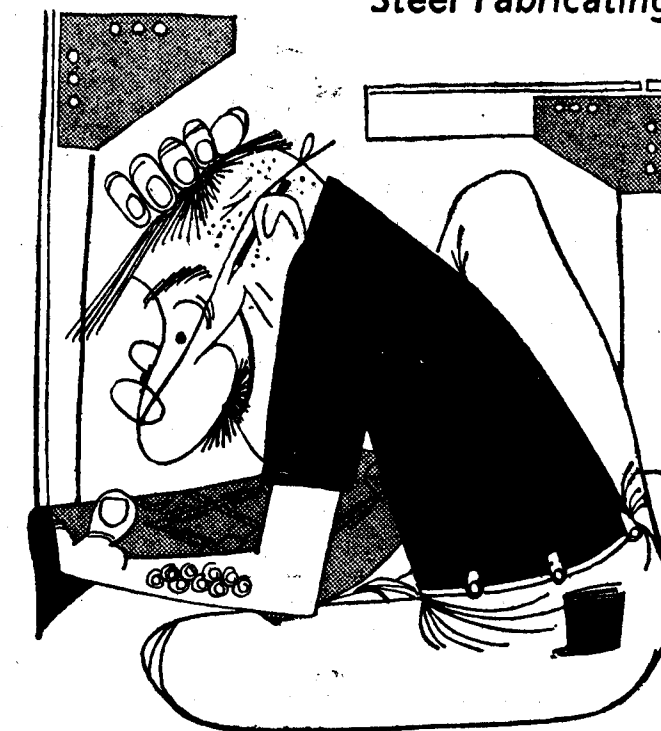
DULL TRADING IN SHARES TURNOVER NEGLIGIBLE

Tuesday Evening.

THE Madras stock market has been dull during the past week. Business has been interrupted by

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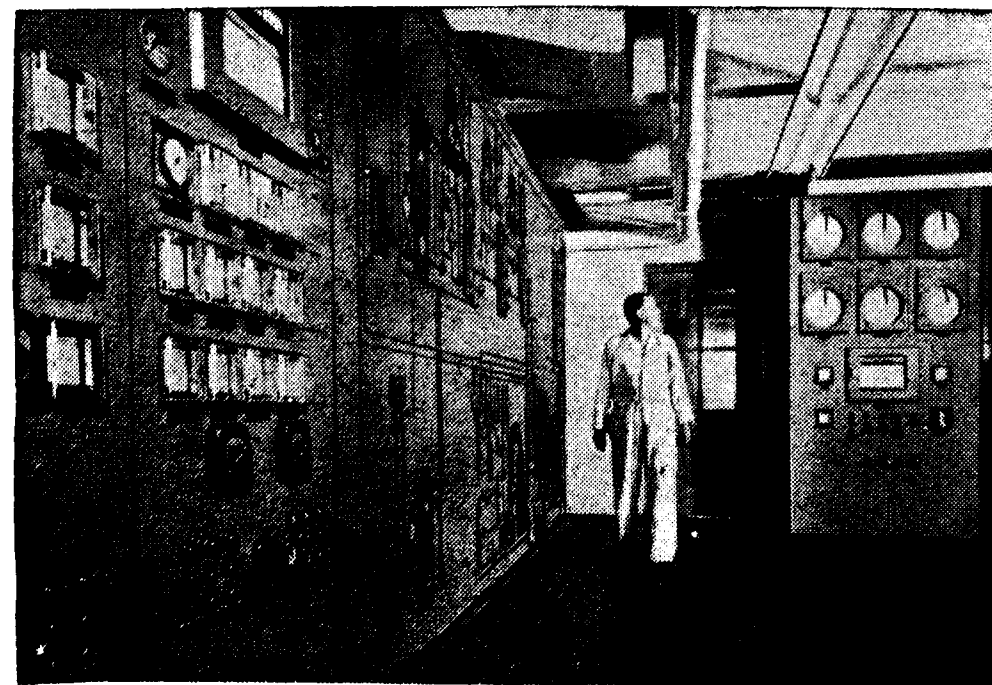
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holidays for the immersion of ashes of the late Mr. Nehru. Although the formation of the new Central Cabinet has removed a great deal of uncertainty, operators and investors have been unwilling to extend commitments until the economic situation improves.

Turnover in clearing and cash scrip has been negligible, although share prices have fluctuated narrowly. In Government securities, only selected high-yielding State Government loans have met with support. In banks, Indian have changed hands at Rs. 151.50 and Indian Overseas at Rs. 138. Among electric companies, Salem-Erode have changed hands at Rs. 121.37 and West Coast at Rs. 13.50. Sugar shares have been easier on the predominance of sellers. Deccan have dropped to Rs. 11.35 and India to Rs. 8.87. E.I.D. have been available at Rs. 34 and Travancore at Rs. 7.20. Mysore have been done at Rs. 28.33 and Madura at Rs. 9.44.

In planting shares, Blue Mountain have weakened to Rs. 2.37 and Cochin Malabar to Rs. 6.40. Consolidated Coffee have been sold at Rs. 21.80 and Ouchterlony at Rs. 3.45. Business has passed in Periakaramalai at Rs. 3.47. Be Be have been freely offered down to Rs. 2.25. T.R. and Tea have changed hands at Rs. 9.20 on paying a taxable ordinary dividend of 8 percent. Parkside have been quoted at Rs. 25.73, Peermade at Rs. 21.25 and United Nilgiri at Rs. 23.22. Kil Kotagiri were quoted at Rs. 4.40 and Stanes Amalgamated at Rs. 13.75. Coffee shares have weakened due to the uncertain export outlook. Coffee Lads have been sold at Rs. 17.65, Cowcoody at Rs. 4.66 and Ossoor at Rs. 2.45.

In textile shares, South India Viscose have been available at Rs. 118.50 and Travancore Rayon at Rs. 20.85. Lakshmi have been offered at Rs. 131 and Madura at Rs. 32.55. Ramakrishna have been steady at Rs. 217.80 on declaring a taxable ordinary dividend of 23 percent. Janardana have been done at Rs. 57.50 on declaring a taxable ordinary dividend of 6 percent. Bangalore Woollen have been transacted at Rs. 248 and Buckingham at Rs. 270. Tirumurti have changed hands at Rs. 122.80 and Vizayalakshmi have

come to hand at Rs. 103.50. Anglo-French have been about steady at Rs. 155 but Asher have declined to Rs. 209.75.

Among miscellaneous shares, Aluminium Industries have been quoted at Rs. 19.30, but Ashok Leyland have been weaker at Rs. 6.79. In cement shares, Dalmia have been bought at Rs. 13.15 and India Cement at Rs. 5.55. In chemical shares, Metturr Chemical have been done at Rs. 13.15, but F.A.C.T. have been easier at Rs. 5. Seshasayee Paper have been barely steady at Rs. 7 while Mysore have met with scattered support up to Rs. 12.40. Enfield have been done at Rs. 10.87 and Tube Investment at Rs. 201. Seshasayee Industries have been freely offered down to Rs. 6.30 on passing the dividend, but United Electrical have been steady at Rs. 9.01 on declaring a taxable ordinary dividend of 8 percent. Spencer have been steady at Rs. 21.65, but Parry's Confectionery have been easier at Rs. 2.77. Textool have changed hands at Rs. 142.50 and T. Stanes at Rs. 30.50. Madras Rubber have dropped to Rs. 11.25, but Kirloskar Electric have been steady at Rs. 18.40.

THE WEEK'S TRANSACTIONS

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

CLEARED SECURITIES

Birla Jute—Rs. 29/81—30/00—29/81—29/81—(28/25).
Burrakur Coal—Rs. 15/56—15/69—15/56—15/62—(16/50).
Dunlop Rubber—Rs. 33/56—33/81—33/50—33/62—(31/50).
Guest, Keen, Williams—Rs. 23/19—23/31—23/12—23/25—(32/69).
Hindustan Motors—Rs. 17/81—17/94—17/59—17/75—(16/69).

Indian Aluminium—Rs. 29/75—30/25—29/50—29/94—(33/81).
Indian Copper—Rs. 3/22—3/27—3/22—3/24—(4/78).
Indian Iron—Rs. 24/18—24/34—34/14—24/22—(22/54).
Indian Cable—Rs. 33/87—34/00—33/87—34/00—(30/50).
J. K. Cotton—Rs. 10/81—11/06—10/75—10/75—(12/56).
Jaipur Udyog—Rs. 11/00—11/12—11/00—11/12—(11/25).
Kesoram Industries—Rs. 24/81—25/19—24/81—24/94—(21/56).
Orient Paper—Rs. 32/20—35/40—35/20—35/35—(34/00).
Orissa Cement—Rs. 13/12—13/12—13/12—13/12—(13/94).
Rohtas Industries—Rs. 11/09—11/50—11/09—11/44—(11/19).
Textile Machinery—Rs. 27/40—27/60—27/30—27/60—(23/80).

GILT-EDGED

3 % Loan (1986)—Rs. 63/75—63/80—63/70—63/70.
3 % „ (1966-68)—Rs. 98/25—98/25—98/15—98/25.
3 % „ (1970-75)—Rs. 90/45—90/45—90/45—90/45.
3½ % „ (1967)—Rs. 99/75—99/75—99/75—99/75.
3½ % „ (1969)—Rs. 97/80—97/80—97/80—97/80.
3½ % „ (1967)—Rs. 99/95—99/95—99/95—99/95.
3½ % „ (1965)—Rs. 99/05—99/05—99/05—99/05.
4 % „ (1970)—Rs. 99/10—99/10—99/05—99/05.
4 % „ (1972)—Rs. 98/90—98/90—98/90—98/90.
4 % West Bengal (1969)—Rs. 98/60—98/60—98/60—98/60.
4 % Madras (1968)—Rs. 98/90—98/90—98/90—98/90.
4½ % Loan (1969)—Rs. 100/05—100/05—100/05—100/05.
4½ % „ (1973)—Rs. 100/00—100/00—100/00—100/00.
4½ % „ (1986)—Rs. 100/05—100/05—100/05—100/05.
4½ % West Bengal (1974)—Rs. 99/50—99/50—99/50—99/50.
4½ % Madras (1974)—Rs. 99/30—99/30—99/30—99/30.
4½ % Madras (1972)—Rs. 97/90—97/90—97/90—97/90.

BANKS

Hindustan Commercial—Rs. 11/12—11/12—11/12—11/12—(13/87).
United Bank of India (Rs. 10/- paid)—Rs. 7/53—7/56—7/53—7/56—(7/25).
Do. (Conty Rs. 20/-) (Rs. 10/- paid)—Rs. 7/12—7/19—7/12—7/19.

TEXTILES

Bharat Commerce—Rs. 21/19—21/25—20/62—21/25 c.d.—(22/50).

CAPITAL, 11th June, 1964.

Elgin—Rs. 17/87—18/00—17/87—18/00—(18/06).
Jay Shree—Rs. 13/75—13/75—13/75—12/7—12/7—(1/53).
New Victoria—Rs. 1/25—1/31—1/22—1/2—(1/53).
Do. (Pref.)—Rs. 2/06—2/06—2/06—2/—(2/87).
Orissa—Rs. 7/00—7/06—7/00—7/06—(9/00).

COALS

Amalgamated—Rs. 22/37—22/37—22/37—22/37—(22/69).
Central India—Rs. 8/44—8/50—8/44—8/—(10/06).
Equitable—Rs. 21/50—21/50—21/50—21/—(25/62).
Ghusick & Muslia—Rs. 13/87—13/87—13/87—13/87—(14/25).
Western Bengal—Rs. 8/62—8/62—8/62—8/62—(8/62).
West Ghusick—Rs. 14/00—14/00—14/00—14/00—(14/00).

JUTES

Auckland—Rs. 124/00—124/00—124/00—124/00—(144/00).
Agarpara—Rs. 8/90—8/90—8/90—8/90—(10/37).
Barnagore—Rs. 220/00—220/00—220/00—220/00—(220/00).
Bally (Pref.)—Rs. 105/00—105/00—105/00—105/00—(10/50).
Chitavalsah—Rs. 7/62—7/62—7/62—7/62—(10/50).
Caledonian—Rs. 134/00—135/00—134/00—135/00—(199/00).
Ganges—Rs. 13/25—13/25—13/25—13/25—(13/81).
Nellimaria—Rs. 8/12—8/31—8/00—8/31—(11/31).
Do. (Pref.)—Rs. 71/00—71/00—71/00—71/00—(71/00).

New Central—Rs. 11/00—11/25—10/94—11/12—(13/06).
Naihati—Rs. 72/00—72/00—72/00—72/00—(81/00).
Reliance (Pref.)—Rs. 116/00—116/00—116/00—116/00—(115/50).

MININGS

Assam Sillimanite—Rs. 6/44—6/44—6/44—6/44—(8/00).
Metal Corp.—Rs. 6/62—6/69—6/62—6/69—(8/00).

CEMENTS

Dalmia (Bharat)—Rs. 12/94—12/96—12/94—12/94—(13/00).
Sone Valley—Rs. 4/25—4/25—4/25—4/31—(4/56).

CHEMICALS

Alkali & Chemical—Rs. 26/06—26/31—26/06—26/12—(32/37).

CAPITAL, 11th June, 1964.

Chemicals & Fibres—Rs. 11/62—11/81—11/56—11/56.

PUBLIC UTILITIES

Bhagalpore—Rs. 6/34—6/34—6/34—6/34—(14/19).
Calcutta—Rs. 14/37—14/50—14/37—14/44—(14/19).

ENGINEERING

Bhartia Electric Steel—Rs. 15/06—15/37—15/06—15/37—(14/50).
Burn & Co.—Rs. 266/00—270/00—262/00—264/00—(463/00).
Binani Metals—Rs. 12/81—12/87—12/75—12/87—(10/62).
Calcutta Steel—Rs. 15/00—15/00—15/00—15/00—(12/75).
Dalmia Iron—Rs. 11/00—11/00—10/94—10/94—(10/56).
Indian Standard Wagon—Rs. 33/37—33/75—33/37—33/75—(31/75).
Jessop & Co.—Rs. 20/56—20/56—20/50—20/50—(23/06).
Jay Eng.—Rs. 17/44—17/50—17/44—17/50—(21/75).
Kumardhubi—Rs. 5/06—5/06—5/06—5/06—(8/12).
Marshalls—Rs. 3/00—3/12—3/00—3/12—(2/75).
National Iron & Steel—Rs. 5/75—5/81—5/75—5/75—(3/87).
Sen-Raleigh—Rs. 13/37—13/50—13/37—13/50—(13/75).

INSURANCES

New Asiatic—Rs. 6/87—6/94—6/75—6/75—(7/81).
Ruby General—Rs. 12/37—12/37—12/37—12/37—(9/31).

MISCELLANEOUS

Aluminium Corporation—Rs. 11/75—11/75—11/75—11/75—(12/75).
Do. (New)—Rs. 11/50—11/50—11/50—11/50—(11/50).
Airways India—Rs. 3/75—3/75—3/75—3/75—(3/75).
Asiatic Oxygen—Rs. 10/06—10/12—10/06—10/12—(9/25).
Associated Battery—Rs. 22/00—22/12—22/00—22/12—(23/31).
Balmer Lawrie—Rs. 255/00—255/00—255/00—255/00—(239/00).
B. I. Corporation—Rs. 9/50 x.d.—9/50—9/50—9/50—(8/50 x.d.).
British Paints—Rs. 20/37—20/50—20/37—20/50—(20/50).
Calcutta Tramways—Rs. 10/12—10/19—10/12—10/19—(10/87).
East Anglia Plastics—Rs. 6/37—6/44—6/19—6/31—(9/12).
Electric Construction—Rs. 12/87—12/87—12/75—12/75—(12/12).
General Tyres—Rs. 6/75—6/75—6/31—6/31—(6/31).
Hindustan Aluminium—Rs. 12/31—12/37—12/19—12/31—(12/18).
Hindustan Gas—Rs. 4/25—4/25—4/25—4/25—(4/25).
Hindustan Wire Pro.—Rs. 14/81—14/81—14/81—14/81—(16/37).
Hindustan Ice—Rs. 4/12—4/12—4/12—4/12—(4/12).
Hindustan Twyford—Rs. 13/19—13/19—13/00—13/00—(13/00).
Imperial Tobacco—Rs. 9/75—9/75—9/50—9/50—(10/25).
Isaac Holdens—Rs. 12/75—12/75—11/87—12/00—(14/25).
Indian Oxygen—Rs. 23/69—23/87—23/69—23/87—(25/50).
J. K. Synthetics—Rs. 11/25—11/31—11/00—11/19—(10/19).
Khandelwal Ferro Alloys (Pref.)—Rs. 98/00—98/00—98/00—98/00—(31/37).
Metal Box—Rs. 31/50—31/62—31/37—31/37—(24/81).
Metal Distributors—Rs. 8/04—9/06—8/94—9/06—(4/87).
Madras Rubber—Rs. 19/84—10/84—10/84—10/84—(10/84).
National Rubber Mfg.—Rs. 11/31—11/31—11/31—11/31—(11/62).
Do. (Pref.)—Rs. 73/00—73/00—73/00—73/00—(73/00).
National Steel—Rs. 74/00—74/00—74/00—74/00—(74/00).
Phillips Carbonyl—Rs. 11/25—11/25—11/25—11/25—(16/82).
Phillips India—Rs. 27/00—27/12—27/00—27/12—(26/56).
Rallis India—Rs. 117/00—117/00—116/00—116/00—(116/00).
Rohtas Industries (B' Pref.)—Rs. 58/00—58/00—58/00—58/00—(56/50).
Shaw Wallace—Rs. 15/44—15/44—15/37—15/37—(15/37).
Universal Cables—Rs. 10/44—10/50—10/37—10/37—(9/56).
Walford Transport—Rs. 3/25—3/31—3/19—3/19—(3/60).

OIL

Indo-Burma Petroleum—Rs. 20/62—20/69—20/62—20/69—(21/87).
PAPERS
Orient (1st Pref.)—Rs. 91/50—91/50—91/50—91/50—(97/50).

Star (6½ % Pref.)—Rs. 88/00—88/00—88/00—88/00—(9/50).
Straw Products—Rs. 9/06—9/06—9/00—9/06—(9/25).
Titaghar—Rs. 14/00—14/12—13/94—14/00—(16/25).

SHIPPINGS

Calcutta Steam Nav.—Rs. 7/56—7/69—7/56—7/69—(9/50).
India Steamship—Rs. 6/25 s.t.—6/28—6/19—6/25—(6/41).

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	LS T. Hours
Tea Planters Benevolent Institution	12-6-64	10-30 a.m.
Guest. Keen, Williams, Ld.	12-6-64	1-30 p.m.
Calcutta Steel Co. Ld.	15-6-64	4 p.m.
Hattikhira Tea Co. Ld.	16-6-64	11-45 a.m.
Champdany Jute Co. Ld.	16-6-64	12 noon
Braithwaite & Co. (India) Ld.	18-6-64	11 a.m.
Hercules Insurance Co. Ld.	22-6-64	3 p.m.
Bengal Potteries Ld.	22-6-64	4 p.m.
Octavius Steel & Co. Ld.	23-6-64	12 noon
Dhelakhat Tea Co. Ld.	25-6-64	9-30 a.m.
Bridge & Roof Co. (India) Ld.	25-6-64	3-30 p.m.
British India Electric Constn. Co. Ld.	25-6-64	3-45 p.m.
Triton Insurance Co. Ld.	25-6-64	4 p.m.
Borra Coal Co. Ld.	26-6-64	10-30 a.m.
Ondal Coal Co. Ld.	26-6-64	11-15 a.m.
Sendra Coal Co. Ld.	26-6-64	11-25 a.m.
British Paints (India) Ld.	26-6-64	11-30 a.m.
Standard Coal Co. Ld.	26-6-64	12 noon
Shree Gopal Paper Mills Ld.	26-6-64	3 p.m.
Industrial Investment Trust Ld.	26-6-64	4 p.m.
Capital Ld.	27-6-64	10-25 a.m.
W. H. Targett & Co. Ld.	27-6-64	10-30 a.m.
Swadeshi Cotton Mills Co. Ld.	27-6-64	2-30 p.m.
Karanpura Development Co. Ld.	29-6-64	10-40 a.m.
New Samanbagh Tea Co. Ld.	29-6-64	10-40 a.m.
Tezpur Tea Co. Ld.	29-6-64	10-50 a.m.
Duncan Bros. & Co. Ld.	29-6-64	11 a.m.
Kumardhubi Fireclay & Silica Works Ld.	29-6-64	11 a.m.
Grob Tea Co. Ld.	29-6-64	11-40 a.m.
Orissa Cement Ld.	29-6-64	2 p.m.
General Industrial Society Ld.	29-6-64	2-45 p.m.
Calcutta Jute Manufacturing Co. Ld.	29-6-64	3 p.m.
Shaw Wallace & Co. Ld.	29-6-64	3 p.m.
Balmer Lawrie & Co. Ld.	29-6-64	3-30 p.m.
Naga Hills Tea Co. Ld.	29-6-64	3-30 p.m.
New India Investment Corp. Ld.	29-6-64	4-15 p.m.
Bengal Paper Mill Co. Ld.	29-6-64	4-30 p.m.
Escorts Ld.	30-6-64	10 a.m.
Indian Copper Corporation Ld.	12-8-64	11-30 a.m.

DIVIDENDS DECLARED OR PROPOSED.—Equitable Coal Co. Ltd.—10 p.c. (o) (Gross); Godfrey Phillips, India, Ltd.—Re. 1 per share (o), subject to tax; Enfield India Ltd.—7 p.c. (o), subject to tax; Walford Transport Ltd.—27 p.c. (o), subject to tax; Bhartia Electric Steel Co. Ltd.—Rs. 1.50 per share, subject to tax; Orissa Cement Ltd.—Re 1 per share (o), subject to tax; Kumardhubi Fireclay & Silica Works, Ltd.—Rs. 1.50 per share, subject to tax; Borra Coal Co. Ltd.—15 p.c. (o), subject to tax; Karanpura Development Co. Ltd.—3 p.c. (o) and 9 p.c. (founders), subject to tax; Great Pyramid Insurance Co. Ltd.—15 nP per share, subject to tax; Industrial Investment Trust Ltd.—Rs. 6.50 per share, subject to tax; Port Shipping Co. Ltd.—Rs. 1.20 per share, subject to tax; Naga Hills Tea Co. Ltd.—Re. 1 per share (o), subject to tax; Ananda-Bag Tea Co. Ltd.—12½ p.c., subject to tax; Betjan Tea Co. Ltd.—25 p.c., subject to tax; Gaikhatia Tea Co. Ltd.—7 p.c., subject to tax; Jutilibari Tea Co. Ltd.—14 p.c., subject to tax; Tengpani Tea Co. Ltd.—12 p.c., subject to tax.

SUGARS

Belsund—Rs. 7/28—7/28—7/28—7/28—(7/81).
Bharat—Rs. 14/50—15/00—14/50—15/00—(13/00).
Raza Buland—Rs. 10/25—10/25—10/25—10/25—(9/37).

TEAS

Banarhat—Rs. 220/00—220/00—220/00—220/00—(233/00).
Chamong—Rs. 8/75—8/87—8/75—8/87—(9/00).
Long View—Rs. 9/00—9/25—9/00—9/25—(11/00).
Pussimbling—Rs. 7/81—7/94—7/81—7/94—(7/12).
Patrikula—Rs. 130/00—130/00—130/00—130/00—(134/00).
Seeyok—Rs. 8/50—8/50—8/50—8/50—(8/50).
Teliapara—Rs. 148/00—148/00—148/00—148/00—(99/00).
Tezpur—Rs. 14/56 s.t.—14/69—14/56—14/69—(15/37).

DEBENTURE

6½ % Dalhousie Properties—Rs. 82/00—82/50 c.t.—81/75—81/75.

London

SHARES RISE ON BID REPORTS WEAKNESS OF POUND HITS GILT-EDGED

London, 10th June.

BIDS, rumours of bids and company news provided the outstanding feature of the stock market during the past week. Otherwise,

interest and business in the market remained at a low level, but the general performance was not unsatisfactory. Prices lost ground prior to the week-end. The result of the Faversham by-election did not help, but a slightly better trend developed afterwards. The outstanding event of the week was, of course, Chrysler's partial bid for Rootes. A large business developed in Rootes, and both the ordinary and "A" shares were several shillings higher. Other motor shares were very firm. Elsewhere on the bid front, Pye made an offer for Ether Controls, Viyella for Bradford Dyers and Rank Organisation for the Pullin group. In addition, bids were on the way for Webb's Crystal Glass and William Tatton, while it became known that Rank Organisation had made approaches to Mecca. All these bid targets scored substantial gains. Gilt-edged provided the outstanding exception to the generally satisfactory performance. Recent weakness in sterling unsettled the gilt-edged, and prices drifted steadily lower. Banking, insurance, H.P. and property shares were no worse than dull. Industrials generally fluctuated within narrow limits. Good company news provided a number of features including Metal Box, J. Lyons, British and Commonwealth Shipping and Associated Cement. English and Overseas rallied well, but Rolls Royce fell sharply. Golds attracted a selective demand. Coppers were dull, but tins reflected the rise in the metal price. Oils were quiet and little changed. Harrisons and Crosfield issues were strong in quiet rubbers on the capital reorganisation scheme. Teas fluctuated narrowly. Dollar stocks fell back with Wall Street.

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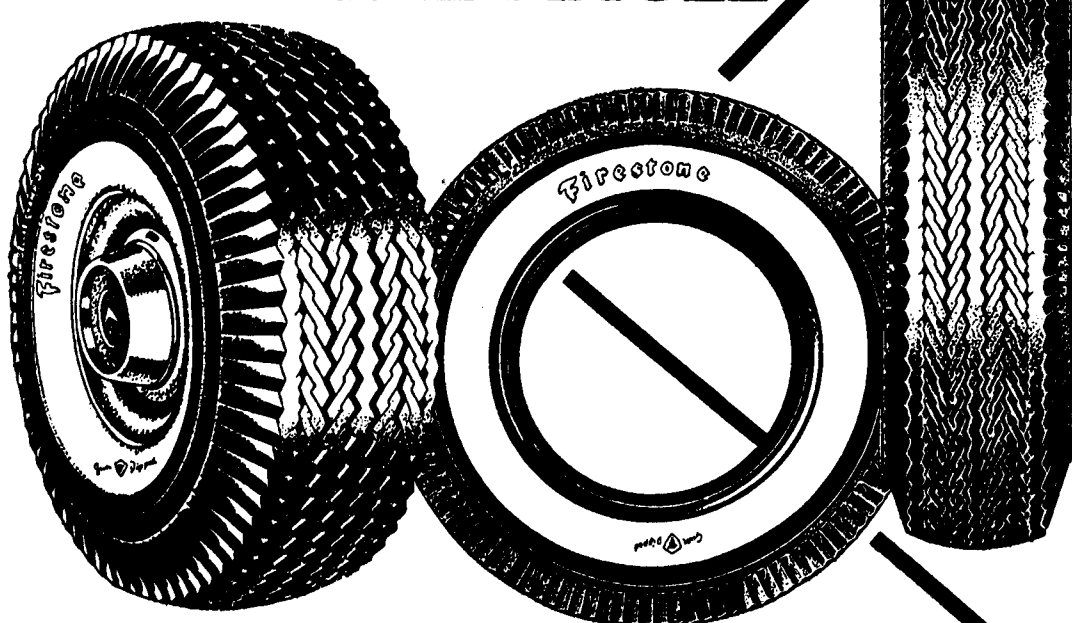
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IMPROVING THE WORKING OF THE STATE BANK

(BY A SPECIAL CORRESPONDENT)

The Government of India has shown a tendency to amend the Reserve Bank and State Bank Acts almost every year. In spite of last year's amendment, the Lok Sabha has once again passed a few more amendments to the State Bank of India Act to improve the bank's working. But many of the changes now proposed could have been incorporated when the Act was amended last year.

IT has become a habit with the Government of India to amend the Reserve Bank and State Bank Acts almost every year. Last year, for instance, the State Bank Act was amended to permit local boards to sanction advances, subject to certain ceilings. By another amendment, the bank was enabled to grant credit for extended periods to exporters even

though they may not themselves be engaged in any industry.

On 5th June, the Lok Sabha once again passed a few more amendments to the State Bank of India Act. The amendments were made, because since the establishment of the State Bank, its business and activities had increased considerably. So it was

considered desirable to set up a large number of local head offices and rationalise the bank's working by vesting some specific powers in the local boards. It will be seen that the State Bank Act was amended last year to give more powers to local boards. It was felt for a long time that the bank was over-centralised. But when the Act was amended last

CAPITAL, 11th June, 1964.

year, the changes now proposed could as well have been incorporated.

Duplication of Work

The Central Finance Minister, Mr. T. T. Krishnamachari, recently made two points. Firstly, it is the policy of the Government to allow subsidiary banks to grow on their own. Whenever there is a case for amalgamation, the Reserve Bank gives the first preference to the State Bank. It is only after the State Bank does not find it possible to integrate a bank that other banks are approached. While one would appreciate this policy, it is not known why the State Bank did not close down the overlapping offices of different subsidiaries. If a place like the Fort area in Bombay is taken as an instance, one would find offices of different State Bank subsidiaries almost every few yards. The resultant duplication of work could have been avoided. One of the reasons holding up the progress of modernisation in the State Bank is the shortage of space. A rationalisation programme for the offices of the subsidiaries, especially in congested cities like Bombay would go a long way in solving the space problem.

Secondly, the Central Finance Minister announced that it was proposed to open 390 more offices of the State Bank before 1968. This would work out to an average of 97 offices each year. The Minister said that the bank had made substantial progress. Against 766 branches and Rs. 275 crores of deposits in July 1955, the State Bank now has 1,670 branches and its deposits total Rs. 700 crores. The deposits of the bank had been more than doubled. Most of the new offices would be opened in places without banking facilities. It should be remembered in this context that there are still 1,000 towns in the country where no bank has opened a branch.

Amalgamation of Weaker Units

The policy of amalgamation of weaker units with the State Bank and the thinking on the branch expansion programme of the bank seem to have undergone a change in the last two years. After the Palai and Laxmi bank crashes, most of the amalgamations were forced on banking units in the private sector. During 1961, there was only one instance of amalgamation in Kerala and that too with a subsidiary of the State Bank. The change in policy was probably made following protests from banks in the private sector that they were made to pay the penalty for the weakness of the banking system. The State Bank—because of its size—is definitely in a better position to absorb the weaker units without weakening itself. Furthermore, whenever a weaker bank is amalgamated with the State Bank, the hold of the State on the banking system is correspondingly increased.

Likewise, the branch expansion policy has been changed probably because the Reserve Bank is unable to persuade the banks in the private sector to open offices in towns where there are no banking facilities. The Karve Committee, which was appointed to enquire into the branch expansion programme of the State Bank, recommended a slow-down in the programme because the emphasis on quantitative expansion, however desirable it might be, was resulting in deterioration in the quality of service. Besides, it was giving rise to serious administrative problems.

Aid for Small Industry

The working of the State Bank of India was recently criticised in Parliament. It was pointed out that it did not make any impact on the village economy. It was not assisting

CAPITAL, 11th June, 1964.

small industry and whenever it tried to do so, cumbersome procedures negated all the benefits accruing from such assistance.

Another point made during the debate was that the State Bank should systematically take over small banks. Amalgamation should be brought about in such a manner that the usual sources of credit do not dry up. It was urged that a mixed economy should not hinder the nationalisation of the banking system. Mr. Krishnamachari, however, made it clear that the nationalisation of banking should be the last step in any effort to control banks.

THE CALCUTTA MONEY MARKET MODERATE FALL IN ADVANCES

Wednesday, 10th June.

THERE has been a moderate decline in the general level of advances in the Calcutta money market during the past week. This is mainly due to the moderate decrease in the demand from jute and sugar mills. The requirements of the iron, steel and engineering industries have gone up slightly. There has been no change in the credit given to cotton mills and to the foodgrains and seeds trade. In the interbank market, the call rate declined sharply from 5½ percent to 4 percent, but has firmed up to 4½ percent towards the close.

The exchange market has been moderately active, with a small supply of tea bills. The supply of gunny bills has been poor. The demand for remittances is moderate. In the London market, sterling has been extremely weak because the liquidity reserves held in sterling by many European countries have been curtailed.

SILVER WAS QUIET IN CALCUTTA in the past week due to the reduced demand following the near-end of the marriage season. The price fell from the previous week's level of Rs. 262.25 to Rs. 250.75, quoted today. The London and New York prices stood at 111½d and 129.3 cents.

In spite of the heavy fall in silver, gold dropped slightly. The price of 14-carat declined from Rs. 72.75 to Rs. 72.25.

DURING THE WEEK ENDED 5TH JUNE, Government of India Treasury bills for Rs. 8,22,00,000 were sold in favour of the Reserve Bank.

TENDERS FOR RS. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 9th June. The total amount offered was Rs. 2 crores. Tenders at Rs. 99.250 percent were accepted in full. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 3,000 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 15th June.

IT IS STATED THAT 91-DAY INTER-MEDIATE Treasury bills will be sold from 10th June to 13th June at Rs. 99.266 percent. Sales can be stopped at any time without notice if the Government thinks it necessary. These bills sold from 3rd June to 6th June amounted to Rs. 1,28,50,000.

RISES OF RS. 23.01 CRORES TO Rs. 2,549.53 crores in active notes and of Rs. 11.97 crores to Rs. 2,576.73 crores in the total note issue were notable features of the statement of the Reserve Bank of India for the week ended 5th June, 1964. The cur-

rency expansion was covered by decreasing foreign securities by Rs. 5 crores to Rs. 98.46 crores and by increasing rupee securities by Rs. 20 crores to Rs. 2,262.27 crores in the paper currency reserve. This was done by contra transfers to the Banking Department in which balances held abroad dropped by Rs. 1.67 crores to Rs. 10.49 crores and investments by Rs. 20.30 crores to Rs. 215.40 crores. Deposits of the Government of India declined by Rs. 2.94 crores to Rs. 50.63 crores and those of State Governments by Rs. 7.91 crores to Rs. 9.09 crores. Balances of scheduled banks at Rs. 87.71 crores showed a decrease of Rs. 76 lakhs. Loans to scheduled banks rose from Rs. 32.45 crores to Rs. 36.28 crores, of which advances against usance bills amounted to Rs. 7.78 crores (Rs. 5.88 crores). Ways and means advances stood at Rs. 63.18 crores, against Rs. 57.59 crores.

THE RETURN OF THE STATE BANK OF India for the week ended 29th May, 1964, shows a rise of Rs. 11.23 crores to Rs. 621.33 crores in total deposits. Investments in Government securities are up by Rs. 35 lakhs to Rs. 232.91 crores, while other authorised investments remain unchanged at Rs. 9.44 crores. Advances, including loans, cash credits, overdrafts, and bills discounted and purchased have fallen by Rs. 4.77 crores to Rs. 371.77 crores. Cash and balances are, in consequence, shown at Rs. 21.90 crores or Rs. 42 lakhs less.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 29th May, 1964, shows Demand and Time liabilities at Rs. 1,266.43 crores (Rs. 47.46 crores on account of borrowings from banks) and Rs. 1,304.35 crores (Rs. 12.23 crores), compared with Rs. 1,243.50 crores (Rs. 48.77 crores) and Rs. 1,308.84 crores (Rs. 12.14 crores), respectively, in the previous week. Cash and balances with the Reserve Bank have risen by Rs. 2.59 crores and Rs. 7.24 crores to Rs. 64.70 crores and Rs. 90.52 crores, respectively. There is a rise of Rs. 1.18 crores to Rs. 621.76 crores in investments. Advances and bills discounted at Rs. 1,838.44 crores show a drop of Rs. 11.88 crores. The ratios to total liabilities of cash and balances, and of advances and discounts are, in consequence, shown at 6 percent and 71.5 percent, against 5.7 percent and 72.5 percent.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 12-6-64.

Issue Date	Maturity Date	Amount (000's Rs.)	Average Acceptance Rate
12-6-64	19-9-64	2,00.00	Rs. 3,000%
5-6-64	12-9-64	2,00.00	Rs. 3,000%
29-5-64	5-9-64	2,00.00	Rs. 3,000%
22-5-64	25-8-64	2,00.00	Rs. 3,000%
15-5-64	18-8-64	2,00.00	Rs. 3,000%
8-5-64	11-8-64	2,00.00	Rs. 3,000%
1-5-64	4-8-64	2,00.00	Rs. 3,000%
24-4-64	27-7-64	2,00.00	Rs. 3,000%
17-4-64	20-7-64	2,00.00	Rs. 3,000%
10-4-64	13-7-64	2,00.00	Rs. 3,000%
3-4-64	6-7-64	2,00.00	Rs. 3,000%
26-3-64	29-6-64	2,00.00	Rs. 2,750%
20-3-64	23-6-64	2,00.00	Rs. 2,500%

(Monthly Maturities)

	(000's omitted)
June, 1964	4,00.00
July, 1964	8,00.00
August, 1964	8,00.00
September, 1964	6,00.00
Total	26,00.00

CLEARING HOUSE RETURNS

Week	Calcutta	Bombay
5-6-64	1,13.26	1,15.74
29-5-64	70.93	82.63
22-5-64	83.84	1,19.96
15-5-64	86.75	1,15.79

RESERVE BANK

ISSUE DEPARTMENT		Week Ended		
(In 000's of Rupees)		5-6-64	29-5-64	7-6-63
Liabilities—				
Reserve Fund	...	27,20.69	38,24.07	21,49.34
Notes in Banking Dept.	...	25,49,52.56	25,26,51.97	23,13,98.80
Notes in Circulation	...	25,76,73.25	25,64,76.04	23,35,48.14
Assets—				
A. Gold Coin and Bullion	...	1,17,76.10	1,17,76.10	1,17,76.10
Foreign Securities	...	96,45.69	1,03,45.69	1,09,08.43
Total of A	...	2,16,21.79	2,21,21.79	2,26,84.53
B. Rupee Coin	...	98,24.79	1,01,27.58	1,11,20.03
Rupee Securities	...	22,62,26.67	22,42,26.67	19,97,43.58
Total	...	25,76,73.25	25,64,76.04	23,35,48.14

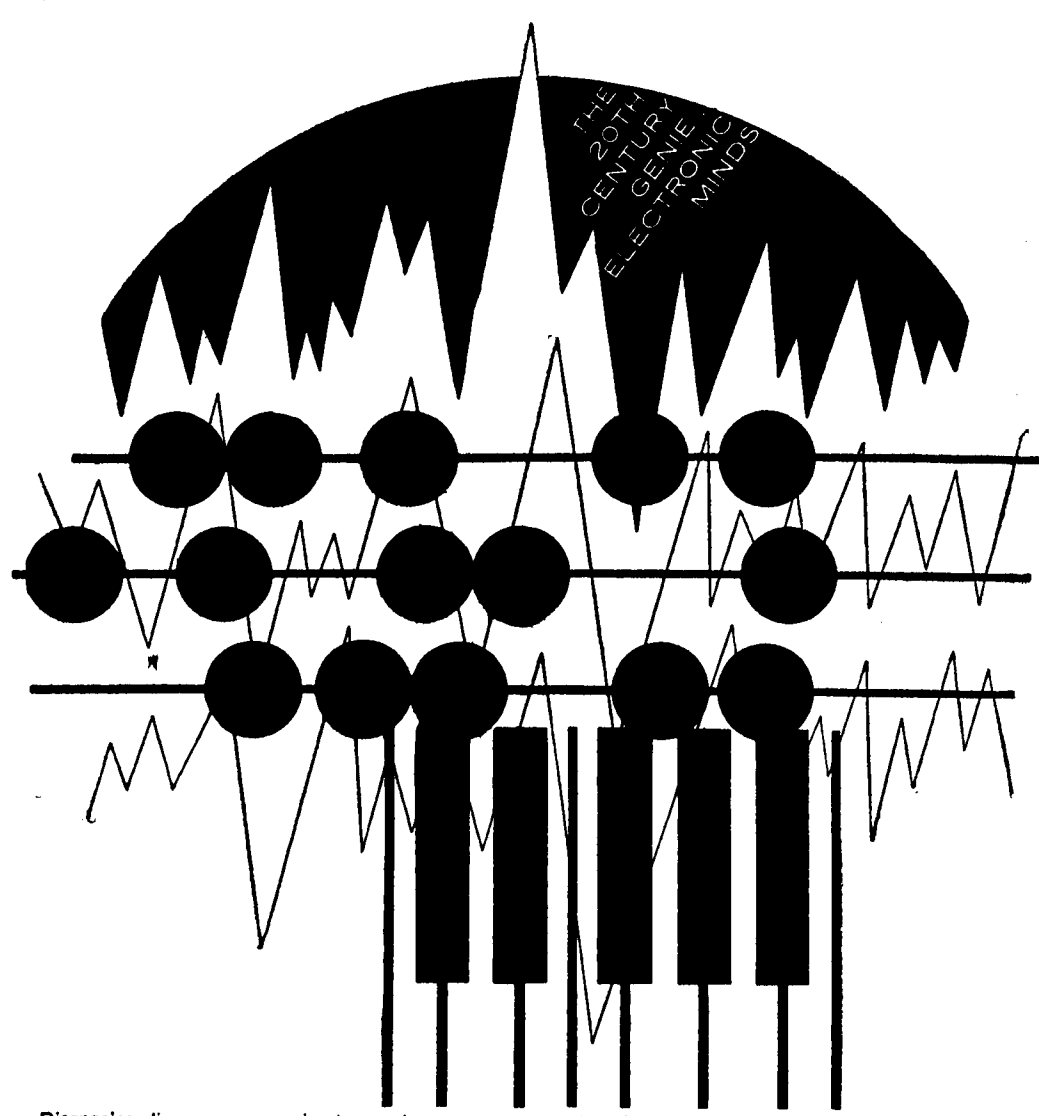
BANKING DEPARTMENT

Liabilities—				
Capital Paid-up	...	5,00.00	5,00.00	5,00.00
Reserve Fund	...	80,00.00	80,00.00	80,00.00
National Agricultural Credit (Long Term Operations) Fund	...	73,00.00	73,00.00	73,00.00
National Agricultural Credit (Stabilisation) Fund	...	8,00.00	8,00.00	7,00.00
Deposits—				
(a) 1. Central Govt.	...	50,62.65	53,58.84	70,95.11
2. State Govts	...	9,09.29	18,99.95	7,11.41
(b) Banks—				
(i) Scheduled Banks	...	87,71.06	88,46.96	74,69.84
(ii) State Co-operative Banks	...	2,02.27	2,79.77	2,88.22
(iii) Other Banks	...	20.81	35.74	4.75
(c) Others	...	1,58,86.60	1,58,38.35	1,68,54.54
Bills Payable	...	39,77.57	39,64.68	28,91.84
Other Liabilities	...	78,99.90	81,83.41	81,12.02
Total	...	5,93,30.14	6,08,06.00	5,87,27.73
Assets—				
Notes	...	27,20.69	38,24.07	21,49.34
Rupee Coin	...	4.04	7.92	2.34
Small Coin	...	6.01	5.88	2.93
National Agricultural Credit (Long Term Operations) Fund	...			
(a) Loans and Advances to—				
(i) State Govts	...	28,30.55	28,30.56	27,17.01
(ii) State Co-operative Banks	...	8,11.47	8,16.17	9,04.87
(iii) Central Land Mortgage Banks	...			
(b) Investment in Central Land Mortgage Bank	...	4,02.83	3,59.36	2,84.88
National Agricultural Credit (Stabilisation) Fund	...			
Loans and Advances to State Co-operative Banks	...			
Bills Purchased and Discounted—				
(a) Internal	...			
(b) External	...			
(c) Govt Treasury Bills	...	49,20.02	41,09.39	56,99.37
Balance Held abroad	...	10,48.91	12,15.79	5,41.65
Loans and Advances to Govt.	...	63,17.87	57,58.59	49,40.88
Loans and Advances to—				
(i) Scheduled Banks	...	36,27.98	32,45.48	24,53.02
(ii) State Co-operative Banks	...	1,16,91.79	1,18,52.36	1,14,43.30
(iii) Others	...	1,79.70	1,98.20	3,05.67
Investments	...	2,15,39.70	2,35,70.06	2,34,37.63
Other Assets	...	32,28.58	32,12.47	38,44.84
Total	...	5,93,30.14	6,08,06.00	5,87,27.73

SCHEDULED BANKS

(In 000's of Rupees)		Week Ended		
		29-5-64	22-5-64	31-5-63
(i) Demand Liabilities—				
(a) Demand Deposits:				
(1) From Banks	...	65,20.96	63,26.19	51,89.98
(2) From others	...	10,82,86.84	10,65,34.43	8,85,25.34
(b) Borrowing from Banks	...	47,46.06	48,76.74	31,72.38
(c) Other	...	70,88.66	68,13.07	57,36.40
(ii) Time Liabilities—				
(a) Time Deposits:				
(1) From Banks	...	26,64.07	23,85.69	25,32.86
(2) From others	...	12,54,11.97	12,61,40.27	12,11,05.04
(b) Borrowing from Banks	...	12,23.44	12,13.77	22,47.92
(c) Others	...	11,35.62	11,43.92	10,68.86
(iii) Borrowing from State Bank—				
(a) Demand Liabilities	...	10,92.94	12,66.81	5,44.35
(b) Time Liabilities	...	11,88.00	10,60.00	10,89.50
(iv) Borrowing from Reserve Bank	...	33,86.98	48,44.48	16,37.20
(v) Cash	...	64,69.63	62,11.49	52,74.20
(vi) Balances with the Reserve Bank	...	90,51.61	83,27.77	76,84.71
(vii) Balances with other Banks in current account	...	22,67.48	22,69.02	20,33.56
(viii) Money at call and short notice	...	57,05.10	55,51.75	45,19.15
(ix) Investments in Central and State Govt. Securities	...	6,21,76.28	6,20,58.28	6,28,18.35
(x) (a) Loans, Cash Credits and Overdrafts	...	15,44,89.95	15,56,87.65	13,11,68.28
(b) Due from Banks	...	13,62.00	12,45.08	10,28.47
(xi) Intend Bills purchased and discounted	...	2,10,06.72	2,12,66.69	1,87,41.90
(xii) Foreign Bills purchased and discounted	...	69,84.88	68,02.21	53,71.12
(xiii) Total of X, XI and XII	...	18,38,43.55	18,50,31.84	15,63,29.65

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MAHINDRA UGINE STEEL CO., LTD.

CHAIRMAN, MR. HARISH MAHINDRA'S SPEECH

The following is the Speech delivered by the Chairman, Mr. Harish Mahindra, at the First Annual General Meeting of the Shareholders of Mahindra Ugine Steel Company Limited held in Bombay on 9th June, 1964.

Ladies & Gentlemen :

I have great pleasure in extending to you a warm welcome to the First Annual General Meeting of the Company.

First and foremost, I would like to give expression to what is uppermost in our minds. We meet today in the shadow of the greatest tragedy to befall our nation since the assassination of Mahatma Gandhi in 1948. For seventeen years the unswerving hands of Prime Minister Nehru guided our nation through many a storm. Just when he seemed imperishable, Time and Mortality touched him. For our heritage he has left us his dreams and ideals to translate into reality. He set the infant democracy in his care on the path of rapid industrialisation. He showed determination, and faith in the nascent nation's capacity to take giant strides to ultimately keep pace with developed nations of the world. He called the industrial complexes that came out of the Plans the temples of modern India. In his last speech at Chowpatty, he measured his country's growth with the yardstick of its steel output. In his trust with destiny he put his faith in all of us who have to collectively make our minute contribution towards the realisation of his dreams. Therefore, we must remember his death to the day of ours.

New Prime Minister

Our nation is fortunate in its choice of Shri Lal Bahadur Shastri. The new Prime Minister is eminently suited to shoulder the burdens of the State during the critical years ahead. With him go our hopes, and aspirations for tomorrow's India.

In a small measure, in our own immediate world we have suffered the loss of our helmsman, my uncle, Mr. K. C. Mahindra. It is unfortunate that as the Project is taking off from the drawing board stage to field activity he is no longer with us.

As shareholders of the Company, you have had an opportunity to study the Prospectus of the Company published at the time of the Public Issue of Capital. It would, therefore, be redundant if today I should tread on the ground with which you are by now familiar.

Many of you may wonder why Mahindra & Mahindra Limited, basically an engineering house, should venture into the sphere of steel production. The founders, Mr. J. C. Mahindra, my father, and Mr. K. C. Mahindra were by professional training "men of steel." Mr. J. C. Mahindra was the Sales Manager of Tata Iron & Steel Co., Ltd., prior to the Second World War. He was appointed by the British Government as Adviser to the Government of India on steel supplies needed during

the war years, and in 1941 he became the first Iron & Steel Controller of India. Mr. K. C. Mahindra was associated with Messrs. Martin Burn Limited, Managing Agents of the Steel Corporation of Bengal Limited (now Indian Iron & Steel Co., Ltd.) In recent years, as Director of Hindustan Steel Limited, he took considerable interest in the development of the Steel Industry in India.

I may also mention here that right from its inception Mahindra & Mahindra Limited successfully established trading activity in steel on sound lines. Long before major imports were contemplated by the Government, they secured exclusive franchise for representing some of the leading French and British steel makers. This paved the way for the ultimate consolidation of the steel business—imported as well as controlled stock. Years of close association with the steel makers all over the world, and the resultant experience gained by them has infused a sense of confidence in that they can today augment, on a modest scale, the Government's efforts to develop the Alloy Steel industry in India.

Technical Collaboration

Your Company was fortunate in securing the technical collaboration of Aciéries Electriques d'Ugine of France, who have specialised in the manufacture of Tool, Alloy and Special Steel for over half a century. As co-promoters, Ugine have rendered invaluable assistance to your Company in bringing the scheme to its present fruition. The keen interest exhibited in your Project by Mon. Rene' Perrin, President General of Aciéries Electriques (whose name is connected with the renowned Ugine-Perrin Process of steel making), and his worthy colleagues have contributed in no small measure to the progress so far made on the Project.

The responsibility for raising the foreign exchange component of the Project was shouldered by the Promoters. The amount involved was substantial in the context of so many competing claims for foreign financial assistance. I would like to express our deep appreciation of the co-operation extended to us by the Financial Institutions, namely, the International Finance Corporation in Washington, the Industrial Finance Corporation of India, and the Industrial Credit & Investment Corporation of India Limited.

Steel Industry occupies the pride of place in the National Plans. Steel remains the most important industrial material in modern technology, and the conditions of its production and development will necessarily influence the rapid and substantial growth of our economy. Development of a branch of this industry—Alloy Steel—so vital to the industrialisation of the country, had, in the past, not been given the special attention it deserved. The emphasis has now shifted to the speedy implementation of Alloy Steel Projects. It is, therefore, imperative that development of the Special Steel Industry should be

accorded top priority by the Government.

The Steering Group for Iron and Steel has set the target for production of Tool, Alloy, and Special Steels at one million tons after analysing the various demand projections made by the National Council of Applied Economic Research, and other Organisations. The demand for Alloy Constructional Steel alone is estimated at 250,000 tons per annum. This represents 25% of the total demand for Tool, Alloy, and Special Steels which, ostensibly, is a conservative estimate of the demand that will unfold itself in the years to come. In the U.S.A., Alloy Constructional Steel alone accounts for about 75% of the total Tool, Alloy, and Special Steel deliveries.

Making Alloy Constructional Steel

Your Company will initially produce Alloy Constructional Steel. This kind of Steel finds its application in automobiles, transport, material handling equipment, machine building and other industries. These industries, which have been subjected to the vagaries of an imported supply, can then look forward to a dependable and regular supply from indigenous sources.

The capacity of your Plant will be 25,000 ingot tons or 18,000 tons of finished steel per annum. This will account for 7.2% of the estimated demand for Alloy Constructional Steel. There is a significant gap between the estimated demand, and the licensed capacity for Alloy Constructional Steel. It is, therefore, heartening to note that among the various measures proposed, the Steering Group has recommended that Plants, which have been licensed and have been making progress, should be encouraged to expand to economic sizes. This is a realistic approach which would prove to be beneficial to the country—both from the point of time, and cost.

The basic design work of the Shop Buildings and Ancillary Buildings has practically been completed. Contracts for structural steelwork are being processed. Construction work at the site has commenced, and the tempo of work will gain momentum immediately after the monsoon. If there is no major hold up in the receipt of construction materials, it is hoped that the main Shop Buildings will be completed by the end of 1965.

Manufacturing facilities which are being provided will, *inter alia*, include one 20-ton Electric Arc Furnace, Slag Furnace, High Speed Forging Press, Manipulators, Reheating Furnaces, Rolling Mill, Annealing and Tempering Furnaces. Orders for the major items of Plant and Equipment have been placed. Shipments of most of these items are expected to be made by July/August, 1965. The erection work of the major items of Plant and Equipment will take about 4 to 6 months. Trial runs of some of the units of the plant are likely to be made in early 1966.

I would like to caution that the task ahead of us is an arduous one. Manage-

CAPITAL, 11th June, 1964.

ment of a steel plant poses grave problems in finding talented managerial and technical personnel. Whilst some of the key men will undergo training in Ugine's plant, by and large, the operating crew will have to be trained in India.

The man power requirements of the Steel Industry in the Fourth Five Year Plan will increase considerably, and it is, therefore, of paramount importance that an orientation-cum-practical training course is arranged in the existing Steel Works in India for graduate engineers, diploma-holders, technologists and artisans. In-service training can, at the most, augment the above scheme and cannot, by itself, provide a solution to this problem. The sad experience of the new Steel Plants which viewed availability of skilled man power with complacency would indicate that immediate measures are necessary to organise suitable training facilities for the personnel required by all new steel units; otherwise, operational efficiency will be seriously impaired, and the time-lag involved in attaining normal production will not be reduced.

Optimum Output

When the Plant is geared for optimum output, the employment potential of your Company will be of the order of 1,200 people. This additional labour force in Khopoli region will accentuate the problems of housing in that area. The ribbon development of industries in Bombay-Thana road will gradually extend to Khopoli. The need for establishing industrial workers' colony in Khopoli region merits immediate attention of the State Housing Board. Unless congenial living conditions are created near Khopoli, it will be difficult to attract technicians to settle down in that area. State Government's assistance is also required in providing basic amenities, such as, adequate potable water supply, medical, educational and recreational facilities. I fervently hope that the State Government will extend its fullest co-operation to us in overcoming these problems.

I find myself agreeing with Barbara Ward, a noted and influential economist of our time, when she says that in India today—"..... Very large programmes of public investment under the Plans—combined with very strict control over imports—has given Indian private enterprise the best decade in its history." An economy based on total private enterprise remains a mere ideology today. It exists nowhere in the world. The ratio of public and private enterprises in a "mixed economy" may vary according to the different political, and economic factors prevalent in a country. A study of the Marshall Plan operations in postwar Europe has established beyond doubt that programmes of public investment act as a stimulus to private enterprise, and also set up a dynamic market economy. A conflict between the two sectors is to be avoided, as in the democratic, under-developed nations of the world both the streams of economic growth have come to stay. Therefore, I do feel confident that in the policy of "democratic socialism", to which our Government is committed, we will find an atmosphere conducive to the success of our enterprise.

In conclusion, I would like to offer my grateful thanks to all the shareholders, who have put their trust in this venture, and the members of the Staff for their devotion and hard work. I am truly fortunate in my colleagues on the Board of your Company. They have eminently distinguished themselves in the industrial, and the public life of our nation. I am, hence, assured of their experience, and sound advice at all times to guide me in this undertaking.

Thank you.

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

CAPITAL, 11th June, 1964.

New Delhi

AID-INDIA CLUB PLEDGES MORE UNTIED HELP

(FROM OUR NEW DELHI CORRESPONDENT)

THE Aid-India Club held its tenth meeting in Washington on 26th May, 1964. The meeting was attended by representatives of the Governments of Austria, Belgium, Canada, France, West Germany, Italy, Japan, the Netherlands, the United Kingdom and the United States and those of the World Bank and the International Development Association. The International Monetary Fund sent an observer.

The purpose of the meeting was to discuss aid for India during 1964-65—the fourth year of India's third five year plan. The Aid-India Club held preliminary discussions on the same subject in Paris on 17th and 18th March.

At the beginning of the third plan, the Government of India estimated the total requirement of external assistance from all sources, including non-consortium countries and private foreign investment, at \$5,460 million. Against this, the members of the Club have already pledged \$3,417 million of aid to India for the first three years of the third plan. At the recent Washington meeting, they undertook to make additional aid available during the fourth year of the plan amounting to about \$1,028 million, subject to appropriate legislative action or other necessary authorisation. The new pledges for 1964-65 are as follows:

Countries	In million U.S. dollar equivalent
Austria	1
Canada	41
France	20
West Germany	95
Italy	36
Japan	60
Netherlands	11
United Kingdom	84
United States	435
World Bank and the I.D.A.	245
Total	1,028

Non-project Aid

The members of the Club considered it important that a substantial part of the aid during the coming year should be in the form of non-project assistance which could be used to finance maintenance imports. About half of the aid pledged at the meeting is expected to be in this form. The following table sets out the aid pledges made by members of the Club in each of the first four years of India's third five year plan:

	(In million dollar equivalent)				Fourth year total
	1961-62	1962-63	1963-64	1964-65	
Austria	—	5	7	1	13
Belgium	—	10	10	41	132
Canada	28	33	30	20	100
France	15	45	20	95	558
West Germany	225	139	99	36	134
Italy	—	55	65	60	230
Japan	50	11	11	11	33
Netherlands	—	84	84	84	434
United Kingdom	182	435	435	435	1,850
United States	545	200	245	245	940
World Bank and I.D.A.	250	200	245	245	940
Total	1,295	1,070	1,052	1,028	4,445

It was agreed that the Aid-India Club should meet again early in 1965. The following is an account of the liberal terms on which credits have been made available to India by some of the leading members of the Club:

Canada: The terms of loans are expected to be comparable to those of the International Development

Association. The maturities of the special export credits will be negotiated individually, but are expected to be in the range of 15-20 years; interest rates on these credits will be based on the Government's borrowing costs plus an administrative charge (giving an overall rate of 6 percent). The amounts of the Canadian pledge to be allocated for non-project assistance are currently being discussed with the Indian Government.

France: The French credit of \$20 million will be repayable over ten years from the delivery of the equipment or completion of the project. The rate of interest will be 5½ percent, including an insurance premium of the order of 1 percent. One-third of the total amount will be available for financing non-project imports.

West German Contribution

West Germany: The total pledge of West Germany is \$95 million (380 million deutschmarks) which is composed of the following four amounts:

(a) 90 million deutschmarks (\$22.5 million) of capital aid for a period of 16 years and at the interest rate of 5½ percent for the refinancing of Rourkela claims falling due for repayment in 1964-65.

(b) 180 million deutschmarks (\$45 million) of capital aid for a period of 25 years, including seven years of grace, at the interest rate of 3 percent (subject to the reservation that in suitable cases arrangements may be made for shorter periods of maturity and higher interest rates to be paid in rupees);

(c) 82 million deutschmarks (\$20.5 million) of guaranteed suppliers' credits for the delivery of ships for a period of ten years after delivery (namely 12 to 13 years in practice) at the normal market rate of interest; and

(d) 28 million deutschmarks (\$7 million) guaranteed suppliers' credits for deliveries other than ships for a period of up to ten years after delivery (namely, 12 years in practice) at the normal market rate.

The share of non-project aid in the total pledge is up to 170 million deutschmarks, namely, 90 million deutschmarks for the refinancing of Rourkela claims and 80 million

deutschmarks for commodities and development banks.

Italy: The Italian contribution of \$36 million will be made up of credits extended by exporters under the State guarantee scheme. The credits will be repayable over a period of ten years from the date of delivery, and the rate of interest will be that

prevailing in the market at the time, plus a small commission, giving an overall rate which is expected to be between 6 percent and 7 percent.

Japan: The Japanese pledge of \$60 million will be made up of \$20 million of 18-year credits and \$40 million of 15-year credits. All these credits will have a grace period of five years and will carry interest at 5½ percent. The Japanese Government will be ready to consider the use of part of the credits for non-project purposes.

Netherlands: The contribution for 1964-65; 26 million guilders will be in long-term loans (25 years, including seven years of grace, with interest at borrowing cost plus a small service charge) and 14 million guilders will consist of ten-year guaranteed suppliers' credits with interest at prevailing rates. The 26 million guilders of long-term loans will be available to finance the procurement of goods from any source. The whole of the Netherlands' contribution will be in a form that can be used to finance non-project imports.

Pledge by U.K. and U.S.A.

United Kingdom: The U.K. pledge of £30 million will consist of loans repayable over 25 years, including a grace period of seven years. No interest will be charged during the grace period. Subsequently, the interest payable on the amount outstanding will be related to that at which the U.K. Government can borrow on the date of each drawing. On the basis of current borrowing rates, this would mean that the interest charge over the whole period of the loan would probably average about 3½ percent. About two-thirds of the U.K. contribution will consist of non-project aid.

United States: The U.S. pledge of \$435 million will be made up mainly of development loans from the Agency for International Development. It is expected that such loans will be extended for periods of 40 years, including a ten-year grace period. It will have a rate of interest of 1 percent during the ten-year grace period, and one of 2 percent for the remaining 30 years. About 12 percent of the U.S. pledge (about \$50 million) will probably consist of loans from the Export-Import Bank. These loans will probably carry terms similar to those of recent Export-Import bank loans which have been for ten to 15 years, including roughly three years of grace with an interest rate of about 5½ percent. Of the total U.S. contribution, about \$275 million is likely to be in the form of non-project or general commodity aid.

From August 1949 to 31st March, 1964, the amount paid by way of interest on foreign aid was Rs. 227.92 crores for loans repayable in foreign currencies and Rs. 38.28 crores for loans repayable in rupees. The following are the details:

	(In rupees crores)	
	Repayable in foreign currencies	Repayable in rupees
U.K.	33.79	
West Germany	49.88	
U.S.A.	28.57	38.28
Japan	3.72	
Canada	3.38	
Kuwait	3.16	
Russia	9.28	
Poland	0.03	
Total	131.81	38.28

The amount of interest likely to fall due during the rest of the current plan period would be Rs. 126.05 crores for loans repayable in foreign currencies and Rs. 37.81 crores for loans repayable in rupees.

OIL REFINERIES

New Company Planned

The Government of India has agreed to form a new undertaking in collaboration with Bechtel Asian Corporation Ltd for designing, construction and supervision, at least in the initial stages, of the oil refineries in India. The U.S. Company will have 49 percent of the equity capital of the new undertaking and the Government of India 51 percent. Bechtel Asian Corporation is already looking after the working of oil pipelines. It is expected to build the Tarapore atomic power station for India as a sub-contractor.

The proposed Company should indicate the shape of things to come. It will build for India refineries in the public sector, presumably in Madras, Haldia and in the north-west region of India. As reported last month, the Government has received offers for the supply of crude on competitive prices and to provide India with credit, again at competitive rates of interest, if India enters into an agreement, say, for five to seven years.

The new undertaking should reduce India's dependence on foreign sources for the building and running of refineries. It will also provide consultancy services and should enable India to apprise the construction and working of the existing three refineries in the public sector, one of which in Nummati, Assam, is already functioning and the other two in Barauni and Koyali are now under construction.

The chairman of the Oil and Natural Gas Commission has gone to Rome to finalise the deal for offshore concessions in Iran with E.N.I. and Phillips Petroleum. The deputy chairman or Bechtel Asian Corporation, Mr. Dorman, is expected in New Delhi towards the end of June to finalise the agreement for the proposed joint venture.

KIPPING LOAN

Demand for Assistance

Enquiries show that the total demand for assistance from the last "Kipping loan" amounted to Rs. 17 crores, against the availability of Rs. 5.3 crores. The Government first selected industries which could be eligible for the credit and units within the selected industries. Some units were given full amount asked for while others were allocated a part of the sum demanded. The aid pledged by the United Kingdom to the Aid-India Club will have a similar provision for the "Kipping loan".

U.S.A.

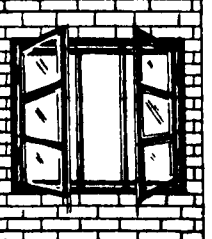
Meeting of Business Men.

Following the visit to India of some top-ranking U.S. business executives in April last, there was a meeting of 150 companies in New York to discuss their reports. The U.S. President, Mr. Lyndon Johnson, had sent them a message, supporting the case for larger American private investment in India.

PIG IRON

Increasing Supplies

The total availability of pig iron is estimated at about 1.2 million tonnes, against an estimated demand of

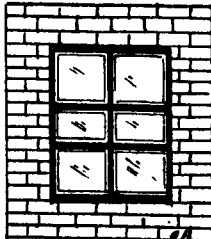


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over 2 million tonnes a year. Various long and short-term measures for augmenting pig iron supplies are being considered, including the following:

(1) The Government is considering the import of over 150,000 tonnes a year of pig iron during the next two or three years, under the Indo-Russian trade agreement and agreements with other countries in the rupee payment area. Negotiations for this purpose are being carried on.

(2) Letters of intent have been issued for a pig iron plant in Ratnagiri, Maharashtra, with a capacity of 200,000 tonnes a year, and for a pig iron plant in Goa with a capacity of 300,000 tonnes a year.

(3) A scheme for a pig iron production unit in Bihar with a capacity of 300,000 tonnes has been approved by the Licensing Committee.

(4) The upper limit of capacity for pig iron production units to be licensed in the private sector has been increased from 100,000 tonnes to 300,000 tonnes. Further applications for establishing more units in the private sector are being considered favourably.

(5) A substantial expansion of pig iron production of the Mysore Iron and Steel Works, Bhadravati, has been licensed.

(6) The installation of the fifth blast furnace in Durgapur and the sixth blast furnace in Bhilai in anticipation of the fourth plan expansion programme for steel is being expedited.

(7) The Tata Iron and Steel Co., Ltd and the Indian Iron and Steel Co. Ltd have also been requested to consider the feasibility of advancing the commissioning of one blast furnace each in anticipation of their steel expansion programme in the fourth plan period.

(8) A technical committee is studying the feasibility reports for setting up two new blast furnaces of 400,000 tonne-capacity in the public sector in the Goa-Hospet and Bailadilla-Visakhapatnam region.

CZECHOSLOVAKIA

Equipment for Indian Projects

The president of Technoexport, Praha, Mr. J. Jonas, re-affirmed at a Press conference that within the framework of the second economic agreement, the Czech equipment will be delivered to the following projects:

(1) Expansion of the high-pressure boiler plant in Tiruchirapalli for doubling the capacity.

(2) Expansion of the heavy power equipment plant in Ramachandrapuram for doubling the capacity through the introduction of new products apart from turbines and turbo-alternators produced in the first stage of construction.

(3) Two plants for the manufacture of machine tools, each with a capacity of 5,000 tons of finished products a year.

(4) An additional foundry and forge plant.

(5) Two 110-megawatt thermal power plants with at least 30 percent Indian participation (for this power plant a part of equipment will be supplied by the heavy power equipment plant in Ramachandrapuram which is being built as part of the first economic agreement).

(6) Factory for the manufacture of tractors and power tillers.

(7) Supply of jigs, tools and fixtures for the projects enumerated above.

(8) Supplies of components for the production programme of the high pressure boilers plant in Tiruchirapalli, the heavy power equipment

plant in Ramachandrapuram, the heavy machine tools plant in Ranchi and for cement plants of the Walchandnagar Industries.

(9) Such other industrial projects and programmes as may be agreed upon between the two Governments.

In the near future, the Indian Government will specify which Indian organisations will be entrusted with the setting up of these factories and where the new plants will be constructed, so that the Czech Foreign Trade Corporations and especially Messrs Technoexport will start immediate negotiations about the production programme of these plants, volume and co-ordination of deliveries, to facilitate the conclusion of all contracts by 31st December, 1967, and the production of necessary equipment in Czech factories in time.

An agreement, it will be recalled, for a credit of Rs. 40 crores was recently signed. The credit carries interest at 2½ percent. It is repayable in rupees, the rupees to be utilised for financing the export of Indian goods to Czechoslovakia. In the case of projects, the period of repayment is spread over a period of 12 years commencing one year after final delivery of equipment. For components, the period of repayment is eight years.

SULPHURIC ACID PLANT

Tenders Received

Eleven tenders had been received for the manufacture of sulphuric acid plant by the Pyrites and Chemicals Development Company Ltd. They had been invited on a turn-key basis. According to the terms of the tender, the plant should be ready for production within the maximum period of two-and-a-half years of the date of acceptance of the tender and the placement of a firm order. The value of foreign exchange involved in the project is Rs. 80 lakhs.

AIRCRAFT

Amalgamation of Depots

The Government of India proposes to amalgamate all the existing aircraft manufacturing depôts in the country and form a corporation to run them. The new corporation will have within its ambit the aircraft factories now being managed by Hindustan Aircraft Ltd, the aircraft factory in Kanpur, and the factories which are being set up in collaboration with the Russian Government for manufacturing supersonic aircraft.

MINIMUM WAGES

Revision Urged

The State Governments have been requested to revise upward the minimum rates of wages for those scheduled employments under the Maximum Wages Act where they were initially fixed at less than Re. 1 a day. While requesting the State Governments to bring it at least to Re. 1 a day, the intention was not to peg it down to a minimum of Re. 1 a day, but to revise it upwards, wherever it was less than Re. 1.

S.T.C.

Allocation of Imported Cars

The following order of priority has been recently decided for the allocation of imported cars acquired by the State Trading Corporation: tourist promotion, Rashtrapati Bhavan, Raj

Bhavans, defence requirements, Central and State Governments, public-sector undertakings, and sales to public through sealed tenders.

Some comments are called for. In the first place, the Government will have to maintain a large stock of components and spares for the maintenance of these cars. Secondly, the socialist-minded Government has been denouncing anti-social activities of black-marketers. Side by side, the State-owned State Trading Corporation has been selling cars through sealed tenders at prices which have no relation with their purchase prices. It being a State enterprise, the Corporation is not liable to capital gains tax.

R.S.N.

Loan Granted

The Government of India has agreed to grant a loan of Rs. 60 lakhs to Messrs Rivers Steam Navigation Co. Ltd in the following instalments to help it tide over its current financial difficulties: Rs. 25 lakhs on 25th May, Rs. 20 lakhs on 21st June, and Rs. 15 lakhs on 1st July. The first instalment of the loan has already been sanctioned.

Out of the loan of Rs. 2 crores, which the Government separately agreed to advance to the Company for the rehabilitation of its obsolete fleet, the Company has so far availed itself of a total sum of Rs. 44,05,261.

SHIPPING

Collaboration Offers

In all, nine offers of foreign collaboration with the following Indian shipping companies and individuals have come to the notice of the Government so far: the South India Shipping Corporation, V.M. Salgaocar & Irmal Ltd, V.S. Dempo and Company, Ratnakar Shipping Company, Indian Overseas Shipping Company, Apeejay Lines, Mauriyan Shipping Company (under formation), Shakti Shipping Company (under formation), and Harsha Tankers and Shipping Agency.

The offers seek participation in the capital investment of either the existing shipping companies or in the formation of new shipping companies. Foreign participation in the share capital of the shipping companies up to 40 percent is permissible under the Merchant Shipping Act, 1958. The Government is disposed to consider such proposals favourably, provided the conditions laid down in Section 21 of the Act are fulfilled.

Consultancy Firm Proposed

Mr. D. Nicolson, chairman of the Production Engineering Ltd of the U.K. came to New Delhi to discuss the possibilities of starting a shipping consultancy firm in India. The Company has already a consultancy tie-up with Rolls Royce, Fiat and a firm of Japanese shipbuilders. It also helped to compile a World Bank report on the requirements of components and spares for the Indian motor-car industry. Following the report, the World Bank invited the Joint Secretary to the Central Ministry of Heavy Engineering, Mr. R. V. Raman, to negotiate a loan to finance the import of spares and components for the Indian motor-car industry.

FOREIGN EXCHANGE

Scheme for Exporters

In accordance with the recommendations made by the Mudaliar

CAPITAL, 11th June, 1964.

and Mathrani Committees, the Government has approved a scheme in order to augment the foreign exchange facilities available to exporters for the import of raw materials, components and spare parts required by them.

Under the proposed scheme, commercial banks dealing in foreign exchange will obtain lines of credit from their principals, branches or correspondents abroad on the strength of an assurance from the Reserve Bank of India that necessary foreign exchange will be released to repay the credits by the due date. Against these lines of credit, exporters of proved export performance and recommended by the bank concerned will—on approval by a committee to be appointed for this purpose by the Central Government—be granted import licences for raw materials, components and spares.

The exporter will be required to execute a bond undertaking to effect specified exports within a stipulated period. The import licences will be issued only for the value of raw materials and components permissible under the appropriate export promotion scheme and required for the production of the goods to be exported.

TOBACCO

S.T.C. Signs Contract

The State Trading Corporation has entered into a contract for the export of 2,000 tonnes (about 20,000 bales) of various grades of flue-cured Virginia tobacco valued at about Rs. 46 lakhs to Russia from the 1964 crop. A substantial part of the tobacco for export under this contract has already been procured by the S.T.C. from the Guntur District Tobacco Growers and Curers Co-operative Society, Ongole, and moved to Madras port where it is awaiting shipment to Russia.

MINERAL ORES

Reducing Port Charges

The question of reducing the port charges on the export of mineral ores was taken up with the port trust authorities, it is learnt. The Madras Port Trust and the Calcutta Port Trust have agreed to a reduction in charges with effect from 1st April, 1964. The matter is being further pursued and steps are also being taken to increase the loading rate at the ports so as to reduce the overall port charges.

SOUTH AMERICA

Exploring Export Markets

A trade delegation has left for South America to visit Brazil, Argentina, Chile, Peru, Bolivia, Columbia and Venezuela during its seven-week tour. At present, India exports jute goods to many countries in the region, particularly Argentina. Textiles, tea and shellac are also exported by India to the Latin American countries. Chile exports to India copper and fertilisers, while Peru exports copper and cotton. Some other metals are also exported from South America to India. It is hoped to diversify and increase the trade by exporting engineering goods, industrial machinery, structural, chemicals, paints and varnishes, glass and ceramics, rubber goods and plastics and other manufactured goods from India. It is hoped that some of the new manufactures will find a market in these countries. There are also possibilities of importing essential raw materials needed by India's developing industries.

CAPITAL, 11th June, 1964.

London

MEETING NEEDS OF TRAINED PERSONNEL IN U.K.

(FROM OUR LONDON CORRESPONDENT)

EARLY in May the U.K. Industrial Training Act passed on to the Statute Book almost unnoticed, and the Minister of Labour named the 28 members of the Central Training Council who, under the chairmanship of Sir John Hunter, head of the Swan Hunter Group of Companies, are to advise the Minister on the exercise of his functions under the Act. They comprise six employers, six trade union leaders, two representatives of the nationalised industries, two of the recently appointed chairmen of industrial training boards, six educationists and six others with a specialised interest in industrial training. Ultimately, four other chairmen of industrial training boards will be added, but these seats are being kept in hand until boards have been appointed to cover a wider range of industry.

The main functions of the Council will be to keep under review the performance of the different boards and the adequacy of training arrangements in industry generally, and to advise the Minister on the use he should make of his powers to remedy deficiencies. It will give advice to both the Boards and the Minister on such questions as training methods, the use of tests and research—advice which the Minister has said “will not lightly be disregarded”. This relationship between the Council, the Minister and the Boards will, it is felt, prove to be one of the most fruitful aspects of the Act.

One aspect to which the Council may give particular attention is to training for occupations which are found in virtually every industry, such as commercial and clerical occupations. It may wish to recommend standards for these occupations which could be adopted by all the Boards concerned. The Council will be expected to consider proposals for the setting up of training boards in particular industries, and to consider other matters which may be of interest to the various boards, including the training of officers and instructors. It is also expected to assume the responsibilities for publication of booklets on training, such as have been issued by the Industrial Training Council, and to advise the Minister on the appointment of a board of directors to administer the Training Advisory Service.

The Industrial Training Act has three main objectives: (1) to ensure an adequate supply of properly trained men and women at all levels in industry; (2) to secure an improvement in the quality and efficiency of industrial training; (3) to share the cost of training more evenly between firms. To achieve these objectives, the Act gives the Minister of Labour power to set up industrial training boards and the first four to be established are those for engineering, construction, iron and steel and wool textiles. The establishment of the Central Training Council is provided for in the Act, which gives it the duty of advising the Minister of Labour “on the exercise of his functions under the Act and on any other matters relating to industrial or commercial training which he may refer to it”. The Act also requires the Council to report on its activities to the Minister from time to time, and whenever he may direct, and requires

the Minister to lay a copy of every such report before Parliament.

Influence on Progress

The Industrial Training Act could have an immense influence on Britain's economic progress, so it is good to know that the Minister is not content with the setting up of the first four Boards. He has already made it clear that he wants to get on with the task of setting up more Boards as fast as possible. A useful guide has just been published explaining what these boards aim to do and how they will go about it. The question now is how soon Mr. Godber's efforts can lead to the virtual revolution in industrial training methods which is still needed in British industry. If the training boards, and the sub-committees which they appoint, tackle their work with real determination it is clear that a great deal can be achieved. The boards, with their powers to impose a levy on all employers, to make grants to those employers who run approved courses and to provide their own training facilities direct, could change industrial attitudes to training radically. Or they could do very little. There are bound to be employers who regard the imposition of levies as an irritating interference and trade unionists who regard any attack on old-established systems of apprenticeship as intolerable. Together these could combine to defeat the object of the Act.

Can the Government overcome this kind of inertia? First, the Minister is likely to be in fairly close contact with the boards, since he will have substantial sums to add to those already raised by levy in each industry and will want to work out with the board members how the money should be spent. Secondly, the Act provides the Minister with a small inspectorate which will keep him informed on what the boards are doing and provide a flow of persuasive advice and assistance where it is needed. Thirdly, the Central Training Council will keep the whole system under review and advise the Minister on any failings. If the inspectorate is composed of men of sufficiently high calibre, if the Central Council does its job well, and above all, if the Training Boards throw themselves into their work, then a supply of trained people adequate to meet Britain's expanding needs will be in due course be forthcoming. But there are many “ifs” and it will need a lot of skill and energy to weave through them all successfully.

The whole conception of this scheme is sufficiently new and revolutionary to merit the explanation of its working which is provided in a small booklet, which has been made available by the Ministry of Labour, explaining the way in which the Boards will function and the Act will operate. Before he sets up a Board for any industry, the Minister will consult organisations representing employers and workers in the industry concerned. When he has decided that a Board should be set up, he will make, and lay before Parliament, an industrial training order giving effect to his decision. This order will include a definition of the industry for which the Board is to exercise its functions. Every Board will have a chairman (and possibly a deputy chairman) who will be a person with industrial or commercial experience.

There will be an equal number of employer and trade union members (appointed after consultation with appropriate organisations) and a number of educational members. Representatives of the Ministry of Labour, the Department of Education and Science and the Scottish Education Department will attend meetings of Boards, but will have no vote. It will be for the Minister to decide how many Boards are needed. This will be determined to some degree by the outcome of consultations with employers' and workers' organisations and by the way in which industries are defined. Because of the amount of work involved in setting up boards, however, it is likely to be some while before there are boards covering the full range of industry. The Act covers all activities of industry and commerce. That includes, for example, agriculture, distribution, finance, banking and insurance, in addition to manufacturing industries.

Duties of Boards

Boards will have two main duties: first, to ensure that sufficient training is provided; second, to publish recommendations on such matters as the nature, content and length of training for occupations in their industry (and also the further education which should be associated with the training). Before a Board can effectively start work it will have to put up proposals to the Minister on how it intends to exercise its powers. These proposals must have the Minister's approval. Once proposals have been approved, the Board will have to work within their framework unless and until new proposals have been submitted and approved. Separate proposals will have to be submitted for the raising of a levy. Before these can be put into effect, they must be approved by the Minister and incorporated in a levy order which will be laid before Parliament.

The Minister can direct a board at any time to submit proposals and if he is dissatisfied with them he can direct the board to revise them. In the last resort, if the board fails to submit satisfactory proposals, the Minister can declare it in default. In that case, the members of the board would be replaced by new members whom the Minister would be free to appoint without having to consult any interested organisation. The powers of a Board extend to all forms of training (including retraining) and to all occupations in its industry. This does not mean, however, that it is under an obligation to make recommendations for standards of training for every type of occupation. Many boards will, initially at least, probably concentrate their attention on technicians, craftsmen and operatives. First, it must find out how many people are already being trained. The Act gives both the Minister and the Boards (subject to the approval of the Minister) power to require employers to keep records and make returns, so that information about numbers being trained and other relevant statistics can be secured by the Boards. Secondly, the Board will have to prepare estimates of its industry's skilled manpower requirements in the future.

The Ministry of Labour's Manpower Research Unit, and the Economic Development Committee being set up by the National Economic Development Council, will be able to help in this. Finally, the Board will

have to draw up a programme designed to meet the training needs of its industry. It can provide its own training courses, or arrange for other organisations to provide training. But its main weapons will be its obligation to impose a periodic levy on employers, and its power to make grants to those whose training courses are approved by the Board. An employer who provides no training will have to pay a levy, but will get no grant from the Board: an employer who does approve training will pay the levy, but may receive grants towards the cost of training. In this way, an employer will have a greater incentive than before to see that his employees receive training, and in particular to see that the quality of training is of a standard approved by the Board. The only obligation on an employer will be to comply with requests for information and to pay a levy.

Obligations of Employers

The Act does not itself exempt any employer who comes within the scope of a training board from the obligation to pay a levy. But the Board may, if it thinks proper, propose that employers of a particular class should be exempted. Each Board, subject to the Minister's approval, will determine the rate of levy for its own industry, with voting confined to the employer and worker members only. The rate will have to be fixed in the light of the Board's general policy and plans; and it will have to be sufficient, together with the grant from the Minister, to meet the cost of the proposals put to the Minister. Firms will be able to appeal against assessment to special tribunals established by the Minister for the purpose, but not the rate of levy proposed and approved.

The levy will be an extra charge only on those employers who do not provide approved training. In effect, they will be paying, through the levy, for the training of the skilled men they recruit. But if a firm is doing its own training and its programme is approved by the board it may receive a grant which will offset all or part of the levy it pays. If it does more than its fair share of training it may receive more back in grant than it pays in levy. In this way, the Act will lead to a fairer distribution of the cost of training between one firm and another. The levy paid by a firm will, like other training expenses, be allowable in calculating the firm's profits for tax purposes, and grants will be liable to tax like other sources of income.

Boards will pay grants only to firms whose standards of training are in line with their recommendations. While no employer will have a legal obligation to follow the Board's recommendations, there will be a considerable incentive for him to do so. Firms will be subject to inspection by a board if they want a grant. Boards will have to satisfy themselves that grants are given only where standards are met. They can scarcely do this without some form of inspection—whether by officials or by members of local or district committees or in some other way.

The warm welcome which the White Paper on Industrial Training and the Act itself have received from employers, trade unions and educational interests is evidence of the recognition that industrial training arrangements in this country are capable of considerable improvement. The Act provides the machinery by which improvements can be achieved, but effective operation of that machinery requires that employers and trade unions show real readiness to re-examine existing arrangements, critically, and to accept the changes which such a reappraisal shows to be necessary.

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COMMITTEE TO BE SET UP FOR FIBRE DEVELOPMENT

IN place of a high-powered board under the Ministry of Food and Agriculture, as recommended by the Srivastava Committee, the Government of India has decided to set up a central committee for doing jute development work. It will consist of the State Agriculture Secretaries, and representatives of the Planning Commission, jute growers and the industry. The committee will also scrutinise all jute development programmes and offer advice to the Central and State Governments. It will be attached to the Indian Central Jute Committee, which has been in charge of all aspects of jute research during the last three decades. The Special Secretary to the Central Ministry of Food and Agriculture will preside over both the committees. A food and agricultural production commissioner will be entrusted with the task of supervising the jute development programme.

The Central Government has rejected the suggestion of the Srivastava Committee for an autonomous statutory board on the ground that jute is not a plantation crop like tea, coffee or rubber, whose development is being promoted by separate boards. A separate jute board, it is stated, will duplicate the functions of the State Governments which are already providing extension services to jute farmers. Besides, the Jute Commissioner has been supervising the orderly marketing of jute.

A phased nine-year programme has been drawn up for bringing the entire acreage under improved strains of jute. A package programme for intensive cultivation has been launched in three selected districts of West Bengal and two districts of Bihar. A number of steps have been announced to promote intensive cultivation and to provide improved seeds, adequate fertilisers and better retting facilities. The use of fertiliser-mixtures will also be popularised by subsidising them to the extent of Rs. 50 a ton. The Chief Development Officer of the I.C.J.C. has so far been helping the State Governments to formulate and implement better retting practices with Central financial aid.

Decline in I.J.M.A. Stocks

Mills reporting to the I.J.M.A. show a decline in the closing stocks of gunnies from 128,900 tonnes to 125,000 tonnes during May. Sacking fell by 3,500 tonnes to 41,300 tonnes, miscellaneous goods by 800 tonnes to 15,600 tonnes and hessian by 700 tonnes to 47,000 tonnes. Stocks of carpet-backing cloth, however, increased by 1,100 tonnes to 21,100 tonnes. At the end of May 1963, the inventories were 96,100 tonnes—32,400 tonnes of hessian, 45,700 tonnes of sacking, 5,400 tonnes of carpet-backing cloth and 12,600 tonnes of other goods.

Jute circles feel that the decline in stocks is due to reduced output following the loss of substantial man-hours during the month. Besides two days of closure due to the death of Mr. Nehru, there was an 11-day lock-out in a mill in the Barrackpore area and a four-day strike in a Kamarhatti mill.

Price Trends

Gunny prices have now reached a level where mills are just covered for their expenses in sacking and left with a profit margin of around Rs. 30 a ton in hessian. But consumers are sitting on the fence, awaiting a further decline in prices. On 6th June, 1963, raw jute, ready, basis

Assam Bottoms, was sold at Rs. 30 a maund and Upper Assam White Bottoms for September at around Rs. 30.62. B Twills, spot and ready, was transacted at Rs. 112.35 a hundred bags and hessian 40in. 10oz. at Rs. 51 a hundred yards. In the hedge market, hessian for August fluctuated between Rs. 49.42 and Rs. 49.08 to close at Rs. 49.16 and sacking for August moved between Rs. 113.70 and Rs. 112.85 to close at Rs. 112.90.

But on 6th June, 1964, Assam Bottoms, spot and ready, was quoted a rupee dearer at Rs. 31 a maund, and Upper Assam White Bottoms for September 62nP higher at Rs. 31.24. Spot B Twills, ready, was done at Rs. 111.70 and hessian at Rs. 44.20. In the hedge market, hessian for August moved between Rs. 44.60 and Rs. 44.44 to close at Rs. 44.56 and sacking for August fluctuated between Rs. 111.70 and Rs. 111.30 to close at Rs. 111.65.

The emergence of mills as keen sellers for all positions has, no doubt, contributed to the setback in the price trend. But tired long-liquidation, combined with aggressive short-selling, damaged sentiment in the hedge market on 2nd June when hessian for August dipped to Rs. 44 and B Twills for August to Rs. 110.40.

Floor Prices for Forward Deals

With a view to arresting such bear raids, the East India Jute and Hessian Exchange Association has fixed certain floor prices for hessian and sacking (August and November deliveries) from 3rd June with the prior approval of the Forward Markets Commission. The directive prohibits trading during any day whenever hessian prices rule at or below Rs. 44 a hundred yards or 25nP less than the respective closing rates for the previous day. In sacking, the minimum price has been fixed at Rs. 110.50 a hundred bags or 50nP less than the respective closing rates for the preceding day. Bear pressure seems to have abated since these restrictions were introduced.

Pakistani Industry Expands

Addressing the annual meeting of the Pakistan Jute Mills Association in Dacca early this month, Mr. M. M. Ispahani, chairman of the P.J.M.A., claimed that the Pakistani jute industry had secured a firm foothold in the world's sacking markets. He felt that it was time to direct its attention towards getting a larger share of the world's hessian business. Pointing out that the Indian jute industry had so far been enjoying a virtual monopoly in this sphere, he said that hessian offered better prospects in the long run.

Latest P.J.M.A. statistics show that Pakistan has been fast increasing her installed capacity. Of late, the emphasis has been shifted from heavy goods to hessian and carpet-backing cloth. That country has already expanded her hessian exports and shipped substantial lots of carpet-backing cloth. The average number of looms operating rose from 8,120 in 1961-62 to 8,837 in 1962-63, and the output from 271,081 tons to 298,161 tons. During the nine-month period ended March 1964 about 9,800 tons were in operation, producing 244,618 tons of gunnies. Although the capacity is expanding fast, at the March level of operation with about 11,000 looms, the annual output will be more than 350,000 tons. This is about 37.13 per cent of the third plan target of the Indian industry with a rated capacity of more than 70,000 looms in

January 1962. Besides, the Pakistani industry is setting up 12 mills with a loomage of 250 each in the heart of the jute-growing districts in East Pakistan. Another 500-loom mill is planned for Jaranwala in the Lyallpur district of West Pakistan. On completion of the projects by the end of next year, Pakistani loomage will rise to 18,000.

P.J.M.A. statistics show that the Pakistani industry produced 72,607 tons of hessian and 186,372 tons of sacking in 1961-62. The figures rose to 84,540 tons and 203,873 tons in 1962-63. For the nine-month period ended March 1964, they were 69,082 tons and 166,785 tons, respectively. Of the total output, hessian constituted 26.7 per cent and sacking 68.7 per cent in 1961-62. The corresponding percentages were 28.3 and 68.3 in 1962-63 and 28.2 and 68.1 during the nine months ended March 1964.

THE JUTE MARKETS

Manufactured Goods: Opening on a subdued note on reports of a decline in the spot and afloat burlap prices in New York by 0.05 cents a yard to 11.25 cents resulting from the apathy of the bag-makers, who held adequate stocks for near-term needs, the Calcutta gunny market looked up on the news that the U.S.A. had accepted Indian offers for 10 million yards of burlap. There were also scattered enquiries for sugar twills, woolpacks, and other non-standard constructions for ready delivery. But these were in short supply. The

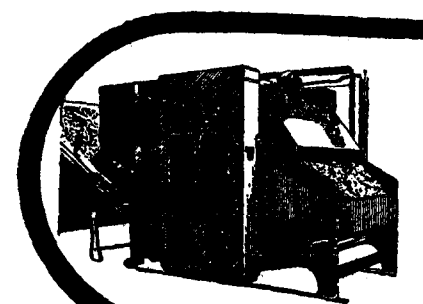
Government offtake of about 500 bales of B Twills for June delivery failed to satisfy market expectations. Sentiment again suffered a setback on reports of heavy liquidation in the hedge market. But on Tuesday, the publication of the I.J.M.A. stock figures for May showing a decline in stocks induced a minor rally, helping hessian to erase the week's losses and sacking to close with a small gain. A shortage of lighters holding up smooth loading was reported from Calcutta port. The hedge market continued to be stable since the introduction of floor-price restrictions in hessian and sacking for August and November deliveries. Fluctuations were narrow. Turnover was small in the spot market and moderate in the futures market. The closing undertone was steady.

Wednesday's quotations were as follows:

	June	July	July-	Oct.-
			Sept.	Dec.
40in. 73oz.	32.90	33.15	33.25	33.60
40in. 8oz.	35.65	—	—	—
40in. 10oz.	44.10	44.25	44.60	45.10
B Twills	111.95	112.00	112.06	112.75
Cornsacks	113.75	114.00	114.25	114.50
Heavy Cees (Plain)	114.00	112.75	112.25	112.50
A Twills	135.25	135.75	136.00	137.25
Liverpools	127.00	127.00	127.00	127.00

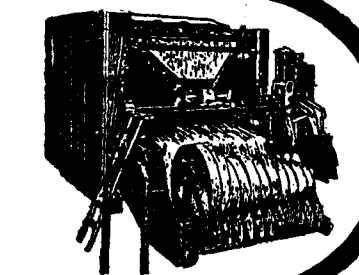
Raw Jute: Easy conditions prevailed in the raw jute market during the past week. Holders of substantial lots of off-grade fibre and mesta made frantic efforts to clear their stocks even at a discount from the derivative levels on the report that the new crop was thriving in the early-sown low-lying areas. Reports from Gangetic West Bengal and other adjoining districts also confirmed that the plants were well-developed and intercultural was going on in full swing. Alternate sunshine and showers induced expectations among growers of an early bumper crop. Besides, farmers were making use of the liberal facilities being extended by the Government for improving quality and yield. Some weak holders disposed of heavy lots of lower-grade

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L.J.M.A. STOCK FIGURES FOR MAY

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

Description	31st May, 1964		30th April, 1964		Increase over (+) or decrease from (-) last month		31st May, 1963	
	000 Metres (Lakh Yds.)	000 Tonnes (000 Tons)	000 Metres (Lakh Yds.)	000 Tonnes (000 Tons)	000 Metres (Lakh Yds.)	000 Tonnes (000 Tons)	000 Metres (Lakh Yds.)	000 Tonnes (000 Tons)
Hessian cloth and bag	15,15.92 (16.56)	47.0 (46.3)	15,39.30 (16.83)	47.7 (46.9)	-23.38 (-25)	-0.7 (-0.6)	10,37.54 (11.35)	32.4 (31.6)
Sacking cloth and bag	9,46.76 (10.38)	41.3 (40.7)	10,24.74 (11.21)	44.8 (44.1)	-75.98 (-83)	-3.5 (-3.4)	10,16.27 (11.11)	45.7 (45.0)
Carpet-backing	1,70.48 (1.86)	21.1 (20.8)	1,61.58 (1.77)	20.0 (19.7)	+8.90 (+9)	+1.1 (+1.1)	42.72 (47)	5.4 (5.3)
Others		15.06 (15.3)		16.4 (16.2)		-0.8 (-0.9)		12.6 (12.4)
Grand Total (000 Tonnes/Tons)		15.6 (1,23.1)		1,28.9 (1,26.9)		-3.9 (-3.8)		96.1 (94.5)

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

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CAPITAL, 11th June, 1964.

THE U.K. JUTE MARKETS

FIBRE RATES
UNCHANGED

(FROM OUR DUNDEE CORRESPONDENT)

THE raw jute market was quiet in Pakistan, and some adjustments took place in the E.P.C. values. The higher grades of both white and dark jute were reduced by £2 to £4 a ton, but better quality cuttings were raised. This possibly shows the present trend of buying with most interest shown in the lower qualities. Despite the above alterations, little or no change has been made in offers here. Prices are still very irregular with the lowest rates at £108 10s for Mill Lightnings, at £95 for Mill Hearts and at £81 for Grade Hearts, c.i.f. U.K., for June-July shipment. Grade Tossa-3 was available to a limited extent at £123 10s and Grade Tossa-4 at £105. Outport Tossa-3 was at £93 10s and Outport Tossa-4 at £84, June-July. Cuttings were steady at £59 for S.N.C. and at £51 for N.C. Only a few offers of mesta were being made with prices at £85 for A, at £76 for B, at £67 for C and at £49 for cuttings, c.i.f. U.K., June-July.

More offers of new crop long jute were being made, but most of the prices quoted were for groups. Mill Hearts ranged from £94 and Grade Hearts from £81 for August-September shipment. Dundee spinners prefer to purchase named marks, but in very many instances, current E.P.C. prices are being asked and this is of little interest to buyers. Very few offers of Siam jute were being made in the U.K. and prices were more or less nominal. Values are at £75 10s for grade A, at £69 for grade B and at £65 for grade C, delivered mill Dundee for June-July shipment.

The Calcutta goods market became easier at the beginning of the week, and hessian prices touched their lowest point for nearly four years. Subsequently, a slightly steadier tone developed and quotations were at 66s 8d for 40in. 10oz, and at 49s 5d for 7½oz, a 100 yards f.o.b. Calcutta for prompt shipment, at 67s and 49s 7d June and at 67s 3d and 50s July-September. B Twills were at 170s 6d for all the above shipment periods.

Prices of Dundee yarns and cloth were firm, and a small but steady movement took place. However, the heavy end of the trade was still quiet, and some short time working was in force where sackings were concerned.

HIDES AND SKINS

The market continued quiet and prices showed a downward tendency. Stocks were higher than in the previous week.

Bazaar Sales

(Between 2nd June and 8th June, 1964)

Cowhides: Wet salted (Ord.) 12,500 pcs. on the basis of Rs. 7.25 to Rs. 9; Wet salted (Slaughtered) 29,500 pcs. on the basis of Rs. 8 to Rs. 12 and Rs. 16 to Rs. 24; Wet salted (Ord.) 2,000 pcs. on the basis of 60 Paise a lb.

Goatskins: Wet salted (Daissee, Kustia) 60,800 pcs. on the basis of Rs. 310 to Rs. 325 and Rs. 360 to Rs. 370; Wet salted (he-killed) on the basis of Rs. 4 and (she-killed) on the basis of Rs. 3.75 a piece; Kissenganj 1,100 pcs. on the basis of Rs. 315; Kissenganj (Heavy) 4,200 pcs. on the basis of Rs. 510 to Rs. 520.

Bazaar Stocks

(8th June, 1964)

Cowhides: Wet salted 13,500 pcs. **Goatskins:** Wet salted (Daissee, Kustia, Killed) 93,000 pcs.; Assam-Dinajpur 289,000 pcs.; Muzafferpore-Patna-Pakur-Kissenganj 3,97,000 pcs.

CAPITAL, 11th June, 1964.

Commodity Markets

CASHEW PRICES RULE FIRM

(FROM OUR SOUTH INDIAN CORRESPONDENT)

ALTHOUGH the foreign buyers are less active now, the cashew market is ruling firm with the price of processed kernel ruling at 60 U.S. cents (approximately Rs. 2.85) a lb. This is a price considered rather "too high" by several foreign buyers of this protein-rich edible nut. Their reported disinterest is attributed by processors in Quilon to this "high price" of the kernel. The principal buyers, the U.S.A. and Russia, bought substantial quantities of processed kernels recently and their immediate requirements might have been adequately covered. This might be another reason for their keeping away from the market at present. This does not, however, mean that no business is taking place at present. The actual position is that buying is not so brisk as it was about a month ago. In spite of the present slackness in purchases by foreign buyers, there is no accumulation of stocks in the market, according to trade circles. Most shippers have entered into adequate commitments to keep them in good stead for the next two or three months, it is said. Therefore, the inactivity on the part of the foreign buyers now noticed does not worry them very much.

Export of processed kernels is running ahead of last year's. The Cashew Export Promotion Council has just announced that there has been a further improvement in exports during April at 185,000 cases of 50 lbs each, compared with 145,000 cases in the same month last year. Exports during the first four months of 1964 are estimated by the Council at 674,000 cases valued at Rs. 6.94 crores. This was a Rs. 34-lakh gain over that of the previous corresponding period. Shipments to important destinations during January-April 1964 with the figures for the corresponding period of last year in brackets are given below: U.S.A. 352,000 cases (401,000), Russia 98,100 (118,000), East Germany 67,500 (59,500), U.K. 51,600 (37,500), Australia 22,100 (27,900), West Germany 17,000 (12,700), Japan 9,800 (6,700), the Netherlands 8,600 (6,700), Canada 14,500 (16,100) and France 5,900 (3,800).

Export of cashewnut shell liquid has also registered a fair increase during this period. It amounted to 3,800 tonnes, valued at Rs. 53 lakhs, compared with 1,700 tonnes, valued at Rs. 20 lakhs during January-April 1963. As against this bright export picture, there are complaints from the processors that the quality of the rawnuts they have been getting from Africa this year has been far from satisfactory. Extensive damage is reported due to adverse weather in the producing areas. Consequently, the output of kernels may not be as large as it was last year unless the rawnut supply shows a substantial increase. The import of rawnuts from Africa last year was to the tune of 164,300 tons. Imports so far from the current season's crop is estimated at 130,000 tons. The available balance from this crop might come to another 30,000 tons to 40,000 tons, in the estimate of the processing circles in Quilon. The price difference between Angoch and Lourence varieties of African nuts had narrowed down considerably this season. The price of Angoch had declined because of its lower quality this time. The Angoch variety is at present quoted at about Rs. 800 a ton and the other variety Rs. 15 to Rs. 30 lower. Practically the whole of the Indian crop has reached the processing factories. The

crop, as usual, is estimated at the normal figure of 60,000 to 65,000 tons by the processors. The Indian crop was available at around Rs. 900 a ton.

LEMONGRASS OIL

S. T. C. Purchases

The State Trading Corporation will resume with immediate effect the purchase of lemongrass oil from Kerala as a measure of price support for its producers. It will buy lemongrass oil containing not less than 78 percent of citral at Rs. 11 and oil with 82 percent citral at Rs. 12 a kilogram. These prices have been fixed in consultation with the Kerala Government which took a very keen interest in getting this arrangement started last year resumed. The Central Government which instructed the S.T.C. to buy lemongrass oil this year also, responding to the request from the Kerala Government, has expressed the hope through a recent notification that the producers would fully co-operate with the Government in producing better quality and also by restricting their production to less than 80 percent of their last year's crop. Last year, India had produced as much as 1,300 tons of lemongrass oil of which the S.T.C. had bought about 1,000 tons. It was with great difficulty and at some financial loss that the S.T.C. could export about 400 tons from this quantity.

The world market for lemongrass oil has been slumping heavily during the last two years due to an excess supply, and also due to competition from synthetic substitutes. China and Guatemala have become serious

rivals to India in the world market for this essential oil. It was with a view to helping the producers of this oil who are confined to Kerala that the S.T.C. had entered the market under the price support scheme of the Government of India. It did really alleviate the distress of the producers by its purchases and the news that the S.T.C. is resuming the purchases is greeted with pleasure and relief by the producers. As overproduction has become a serious threat to the stability of the lemongrass oil market, it would be in their own interest if the producers voluntarily impose some restraint on production in the new season which has just begun in Kerala.

As in the previous year, the S.T.C. will open depots in Cochin, Alwaye, Calicut, Tellicherry, Muvattupuzha, Kuruppampady, Manantvadi, Taliparamba, Adimaly, Kothamangalam and Piravam where producers can bring their oil up to certain limits fixed for each of the depots. It will purchase in the coming six months quantities of lemongrass oil not exceeding 750 tonnes.

The S.T.C. director, Mr. K. P. U. Menon, said after a meeting with the Kerala Minister for Agriculture, Mr. E. P. Poulse, and officials of the State Government, that the State Government would be advising the lemongrass cultivators to reduce their production by 50 percent during the current season in view of the huge carry-over stocks from the previous season. The S.T.C. would buy only 750 tons of lemongrass oil this season, which represented only about 60 percent of the normal production in this country. Mr. Menon said that 88 percent of the world requirement of this essential oil was produced in Kerala. Lemongrass cultivation in Kerala covered as much as 70,000 acres. The annual yield from this cultivation was estimated at about Rs. 2.5 crores. Mr. Menon disclosed that the S.T.C. was having a carry-over stock of about 600 tonnes from the purchase it made last year. The Central Government had lost a few lakhs of rupees through this price support

measure. The Centre had now abolished the floor price fixed for exported oil. The exports would be canalised through the S.T.C. Exports would, however, be permitted through the normal trade channel with the prior approval of the S.T.C.

RUBBER

Natural Vs. Synthetic

A more rigorous competition between natural rubber and synthetic rubber in the coming years is forecast by the International Rubber Study Group which had its 17th meeting recently in Tokyo, Japan. The Study Group is of the view that those countries which are making earnest efforts to improve their efficiency in natural rubber production will be in a position to meet any challenge from synthetic. The key to successful competition with synthetic is progressive reduction in the cost of production of natural rubber and the experience so far is that this is possible.

The chairman of the Indian Rubber Board, Dr. Rama Varma, who attended this meeting of the International Rubber Study Group said on his return that synthetic rubber stocks were getting accumulated in various countries and consequently its price was also slumping. The Rubber Study Group felt that the chances for better understanding and co-operation between the producers of both natural and synthetic were getting brightened in view of the falling prices of both. There was now larger scope for joint action in sales promotion and market expansion. There was also need and scope for improving the quality of natural rubber. The Study Group felt that duplication could be avoided by sharing the knowledge gained through research in the various rubber research institutes. The director of the Malayan Rubber Research Institute would be visiting the Indian Rubber Research Institute in August this year on the basis of this recommendation.

NEPAL BANK LIMITED

Central Office: KATHMANDU

Estd:- 1994. B.S.

Estd:- 1937. A.D.

A network of 28 Branches throughout the country.

Banking and Exchange Business of every description transacted with the Principal Commercial Centres of the World.

Director General — Shri Bhekh Bahadur Thapa.

Acting General Manager — Shri Ananda Bhakta Rajbhandary.

Telegrams — "Nepaluxmi," Telephones: 11185 & 11337.

Liabilities				Assets	
	1963	April 12, 1962		1963	April 12, 1962
	Rs.	Rs.		Rs.	Rs.
Capital	2,500	2,500	Cash	33,993	27,992
Reserves	7,032	6,656	Investment	160	120
Deposits	94,503	80,382			
Other Liabilities	5,954	3,198	Loan & Discts.	74,069	63,006
Contra A/cs.	10,940	7,958	Contra A/cs.	10,940	7,958
Profit & Loss	699	790	Other assets	2,466	2,408
	<u>1,21,628</u>	<u>1,01,494</u>		<u>1,21,628</u>	<u>1,01,494</u>

COMPANY AND PUBLIC NOTICES

THE GROB TEA COMPANY LIMITED

THE Annual Ordinary General Meeting of the Shareholders will be held at the Registered Office of the Company, No. 14, Old Court House Street, Calcutta, on Monday, the 29th day of June, 1964, at 11-40 A.M. for the following purposes:—

1. To receive and adopt the Directors' Report and the audited Accounts for the year ended 31st December, 1963.
2. To declare a dividend.
3. To elect a Director in place of the retiring Director. In this connection Special Notice is hereby given of the intention to move the following Special Resolution at the meeting, that is to say—
"That Mr. W. N. Goldsmith who retires by rotation be and is hereby appointed a Director of the Company."
4. To elect Auditors for the ensuing year, and to fix their remuneration.

The Share Transfer Book of the Company will be closed from 22nd June, 1964 to 29th June, 1964, both days inclusive.

OCTAVIUS STEEL & CO. LTD.,

I. P. GOENKA,

Managing Director

Managing Agents.

Calcutta, 5th June, 1964.

Note:—(i) A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and on a poll to vote instead of himself and the proxy need not be a member.
(ii) In connection with the business to be transacted under Item 3 of this Notice, an Explanatory Statement has been sent to the Shareholders.

The Company Meetings and Dividends Table appears on page 903

OFFICE OF THE SUPERINTENDING ENGINEER, DELTA IRRIGATION CIRCLE

Corrigendum of Tender Notice for Supplying of Pumping Set.

THE last date of receiving the tender for Pumping sets is hereby extended up to 15-7-64. All other particulars of tender notice are remain unchanged.

Sd/- (B. Misra),

Superintending Engineer,

Delta Irrigation Circle.

ANALYTICAL

Consulting and Technical Chemists
Soil Water. (including Bacteriological),
Minerals. Oils. Fertilizers. Shellac.
Foods and Drugs—Gold and Silver
assayers.

R. V. BRIGGS & CO.

PRIVATE LTD.

16, Old Court House Street,
West End Watch Co., Top Floor.

THE NEW SAMANBAGH TEA COMPANY, LIMITED

NOTICE is hereby given that the Sixty-first Annual General Meeting of the Members will be held at the Registered Office of the Company, No. 4, Bankshall Street, Calcutta, on Monday, the 29th June, 1964 at 10-40 A.M. for the following purposes:—

1. To receive and adopt the Directors' Report and the Audited Accounts for the year ended 31st December, 1963.
2. To declare a Dividend.
3. To elect a Director in place of one retiring.
4. To appoint Auditors and to fix their remuneration.
5. AS SPECIAL BUSINESS to consider and if thought fit to pass with or without modification the following Resolution, of which Notice has been received by the Company from a Member under Section 257 of the Companies Act, 1956, which will be proposed as ordinary resolution.
"That Mr. H. G. Ablitt be and is hereby appointed a Director of the Company."

With regard to Item No. 5 above it is pointed out that Mr. H. G. Ablitt was appointed as additional Director. In terms of Section 260 of the Companies Act, 1956, he now vacates his office and your Directors recommend the adoption of the resolution in the best interest of the Company.

The Transfer Registers will be closed from the 19th June, 1964, to 29th June, 1964 both days inclusive.

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

By Order of the Board,

SHAW WALLACE & COMPANY LIMITED,

Managing Agents.

Calcutta, 28th May, 1964.

ANDREW YULE & CO., LTD.

Annual General Meeting of Members.

NOTICE is hereby given that the Register of Members and the Transfer Register of the Company will be closed from 20th to 29th June, 1964, both days inclusive.

By Order of the Board,

ANDREW YULE & CO., LTD.,

L. R. PURI,

Secretary.

Registered Office:

8, Clive Row,

Calcutta-1.

29th May, 1964.

STATE BANK OF INDIA

NOTICE is hereby given that the Principal Register and the Branch Registers of the State Bank of India will be closed for transfer of shares from Monday, the 15th June, 1964 to Tuesday, the 30th June, 1964, both days inclusive.

N. A. KRISHNAN,

Managing Director.

Bombay, the 12th May, 1964.

22nd Vysk. 1886 (Saka).

DUNCAN BROTHERS & COMPANY LIMITED

NOTICE

NOTICE is hereby given that the Sixty-fifth Annual General Meeting of the Shareholders of Duncan Brothers & Company Limited will be held at the Registered Office of the Company, No. 31, Netaji Subhas Road, Calcutta on Monday, the 29th June, 1964 at 11-00 A.M. for the following purposes:—

1. To consider and adopt the audited Accounts for the year ended 31st December, 1963 and the Reports of the Board of Directors and the Auditors.
2. To declare dividends on the Cumulative Preference, Redeemable Preference and Ordinary shares.
3. To elect a Director.
4. To appoint Auditors for the current year and to fix their remuneration.

SPECIAL BUSINESS

To consider and, if thought fit, to pass with or without modification the following resolutions:—

5. As a Special Resolution: "Resolved that Mr. R. P. Goenka be and is hereby appointed a Director of the Company whose period of office is liable to determination by retirement of Directors by rotation."
6. As an Ordinary Resolution: "Resolved that Mr. A. F. Macdonald be and is hereby appointed a Director of the Company whose period of office is liable to determination by retirement of Directors by rotation."

The Register of Members and Share Transfer Books of the Company will be closed from 19th to 29th June, 1964, both days inclusive.

By Order of the Board,

S. K. MITRA,

Secretary.

31, Netaji Subhas Road,

Calcutta, 1st June, 1964.

Note: A member entitled to attend and vote at the meeting may appoint a proxy to attend and, on poll, to vote on his behalf. The proxy need not be a member of the Company.

An Explanatory Statement has been annexed to the Notice sent to the Shareholders.

THE CALCUTTA TRAMWAYS COMPANY, LIMITED
(Incorporated in England)

NOTICE is hereby given that the Preference Shares Transfer Books will be closed from the 17th to 30th June, 1964 (both days inclusive) for the preparation of Dividend Warrants in respect of the Interim Dividend of 2½%, less Income-tax, payable on the 1st July, 1964, on account of the profits for the year ending 31st December, 1964.

By Order of the Board,

R. W. TURNBULL,

Agent.

P4, Mission Row Extension,

Calcutta-1.

5th June, 1964.

TEZPORE TEA COMPANY, LIMITED

NOTICE is hereby given that the Forty-sixth Annual General Meeting of the Members will be held at the Registered Office of the Company, No. 4, Bankshall Street, Calcutta, on Monday, the 29th June, 1964 at 10-50 A.M. for the following purposes:—

1. To receive and adopt the Directors' Report and the Audited Accounts for the year ended 31st December, 1963.
2. To declare Dividends.
3. To elect a Director in place of one retiring.
4. To appoint Auditors and to fix their remuneration.

The Transfer Registers will be closed from the 19th June, 1964 to 29th June, 1964 both days inclusive.

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

By Order of the Board,

SHAW WALLACE & COMPANY, LIMITED,

Managing Agents.

Calcutta, 28th May, 1964.

THE BENGAL PAPER MILL CO. LTD.

Registered Office:

14, Netaji Subhas Road, Calcutta.

NOTICE is hereby given that the Register of Loan Stock holders of the Company will remain closed from 20th June to 29th June, 1964, both days inclusive for the purpose of payment of interest for the half-year ending 30th June, 1964 on 6½% Unsecured Convertible Loan Stock 1963/70 of the Company.

By Order of the Board,

THE BENGAL PAPER MILL COMPANY, LTD.,

B. P. DHANUKA,

Director,

1st June, 1964.

ESCORTS LIMITED

26, Faiz Bazar,

Delhi-6.

(Registered Office)

NOTICE is hereby given that the 19th Annual General Meeting of the above Company will be held in its premises at 16, Barakhamba Road, New Delhi-1 on Tuesday, the 30th June, 1964 at 10 a.m. to receive, consider and adopt the Directors' and Auditors' Reports and audited accounts for the year ended 31st December, 1963 and to consider other matters as Ordinary and Special Business of which notice is being given to the Members.

By Order of the Board,

P. L. JAITLEY,

Secretary.

May 29, 1964.

Delhi-6.

Note: 1. The Transfer Register and Members' Register (both of Equity and Preference capital) shall remain closed from 15th to 30th June, 1964 both days inclusive.

2. Explanatory statements as required under Section 173 of the Companies Act, 1956 in regard to the items under special business will be forwarded to the Members with the notice.

"CAPITAL" STOCK AND SHARE LIST THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

Official quotations of the Calcutta, Bombay, Madras, London Stock Exchange Associations and other sources.

Figures given after stroke (/) mean Naye paise.

Wednesday, 10th June, 1964.

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GOVERNMENTS LOANS

Outstanding Amount Rs. Interest per cent Year of issue Repayable Market quotations

GOVERNMENT OF INDIA

Outstanding Amount	Rs.	Interest per cent	Year of issue	Repayable	Market quotations
2,48,91,06,000	3	1946	1986 or later	63/70	90.24,300 76.90,100
8,93,33,000	3	1896-97	At the option of the Government of India after a months notice.	63/00	68.02,300 1,50,00,000
14,77,48,000	2½	1946	1976	83/50	£892,600
1,10,11,78,000	3	1943	1966-68	98/25	£901,000
30,33,10,000	3	1950	1964	99/90	1,24,00,000
1,15,05,83,000	3	1948	1970-75	90/45	50,00,000
1,58,17,94,000	3½	1954	1964	99/90	1,50,00,000
1,53,67,92,000	3½	1955	1965	99/05	80,00,000
86,63,53,000	3½	1956	1974	96/75	60,00,000
56,99,30,000	3½	1957	1967	99/95	50,00,000
1,97,40,92,000	3½	1956	1967	99/75	50,00,000
70,00,000	3½	1958	1968	98/50	50,00,000
1,56,64,22,000	3½	1958	1968	99/65	50,00,000
1,90,85,42,000	3½	1959	1969	97/80	25,00,000
82,65,41,000	3½	1960	1966	99/95	50,00,000
1,54,70,22,000	4	1957	1972	98/90	50,00,000
94,51,44,000	4	1958	1973	98/85	50,00,000
81,06,39,000	4	1959	1979	98/25	50,00,000
98,05,17,000	4	1960	1980	98/25	50,00,000
65,96,55,000	4	1961	1981	98/30	50,00,000
84,12,53,000	4	1963	1969	99/75	50,00,000
28,07,95,000	4½	1962	1972	100/10	50,00,000
52,01,71,000	4½	1963	1986	100/05	50,00,000
1,14,03,37,000	4½	1962	1985	100/00	50,00,000

BOMBAY

Outstanding Amount	Rs.	Interest per cent	Year of issue	Repayable	Market quotations
3,40,34,300	4	1952	1964	99/95	1,00,00,000
6,37,22,800	4½	1957	1968	98/40	1,00,00,000
6,58,20,700	4½	1958	1970	98/85	1,00,00,000
4,35,25,000	4½	1958	1971	98/70	1,00,00,000

MADHYA PRADESH

Outstanding Amount	Rs.	Interest per cent	Year of issue	Repayable	Market quotations
2,03,28,800	3	1948	1964	98/50	1,00,00,000
5,24,81,200	4	1952	1964	99/95	1,00,00,000
5,55,57,300	4½	1958	1970	98/80	1,00,00,000

MADRAS

Outstanding Amount	Rs.	Interest per cent	Year of issue	Repayable	Market quotations
5,55,57,300	4½	1958	1970	98/80	1,00,00,000

UTTAR PRADESH

Outstanding Amount	Rs.	Interest per cent	Year of issue	Repayable	Market quotations
1,55,31,200	3	1938	1961-66	93/25	1,00,00,000
5,89,13,900	4	1952	1964	99/95	1,00,00,000
7,65,53,900	4½	1958	1970	98/70	1,00,00,000

WEST BENGAL

Outstanding Amount	Rs.	Interest per cent	Year of issue	Repayable	Market quotations
2,00,00,000	4	1952	1964	99/95	60,00,000
7,58,72,200	4	1952	1967	99/15	47,50,000
7,11,46,100	4	1956	1968	98/90	21,10,000
5,10,49,700	4½	1958	1970	98/75	87,36,000
7,69,69,400	4	1959	1971	97/50	2,22,72,000
7,00,00,000	4	1960	1969	98/60	1,67,32,000
73,07,21,000	4½	1961	1972	98/80	73,36,000
7,00,00,000	4½	1962	1974	99/50	100/00

MYSORE

Outstanding Amount	Rs.	Interest per cent	Year of issue	Repayable	Market quotations
2,95,85,200	4	1933	1952-63	100/00	73,36,000
					57,72,000

PORT TRUST LOANS

Outstanding Amount Rs. Interest per cent Year of issue Repayable Market quotations

CALCUTTA

Outstanding Amount	Rs.	Interest per cent	Year of issue	Repayable	Market quotations
98/25	36,50,000	4	1904	1964	96/00
98/25	35,00,000	4	1905	1965	96/00
82/00	15,00,000	4	1906	1967	96/00
144/00N	44,00,000	4	1907	1968	96/00
£61	75,00,000	4	1908	1968	96/00
£61	40,00,000	4	1909	1970	96/00
99/50	56,00,000	4	1910	1971	92/00
99/00	75,00,000	4	1911	1972	92/00

BOMBAY

Outstanding Amount	Rs.	Interest per cent	Year of issue	Repayable	Market quotations
£892,600	5	1923	1953-83	£63	60,00,000
£901,000	5	1924	1954-84	£63	50,00,000
£835,100	5½	1932	1962	£96½	50,00,000
72/00	20,00,000	4	1906	1966	97/50
83/75	15,00,000	4	1907	1967	97/50
28,48,275	3½	1947	1977	A	30,00,000
93/00	8,88,000	3	1947	1977	A
72/00	8,00,000	3	1949	1979	A

MADRAS

JOINT STOCK COMPANIES PREFERENCE SHARES

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

Year of Issue	NAMES	Amount Issued in 000's	Rate per Share	Paid-up per Share	Market Quotations		Year of Issue	NAMES	Amount Issued in 000's	Rate per Share	Paid-up per Share	Market Quotations		
		Rs.		Rs.	10-6-64.	A year ago			Rs.		Rs.	10-6-64.	A year ago	
BANK														
1901	Allahabad Bank (May Nov.)	15.00	6	100	94/50	96/00	1895	Bengal Assam Steamship (Nov.)	3.00	7	60	57/00	47/00	
COALS														
1896-97	Borra (June Dec.)	4.00	6	100	84/00	84/00	1926	Bengal Chemical (Aug.)	6.25	7	10	11/81	11/62	
1901-19	Burrakur (Jan. July)	22.98	7	100	99/00	93/00	1899	Bengal Paper Mill (Mar. Sept.)	2.00	7	50	51/00	46/50	
1946	Burrakur (June Dec.)	4.50	6T	10	5/21	5/85	1928	Bengal Paper Mill "A" (Mar. Sept.)	4.00	7	100	98/00	98/00	
1948	Equitable (May Nov.)	4.00	6	100	90/00	79/00	1936	Birds Investments (Dec.)	24.00	5	100	52/50	53/37	
1895	Khas Kajora (March Sept.)	1.93	5	10	9/00	6/87	1962	Braithwaite & Co.	40.00	9T	100	106/00	..	
1931	New Beerbhoom (Jan. July)	2.00	7	10	10/62	10/25	1918	Britannia Biscuit (Feb. Aug.)	15.00	8	10	11/00	11/00	
1920	Ondal (June Dec.)	2.00	5	100	85/00	64/10	1920	British India Corporation (Feb.)	81.00	8	100	110/00	115/00	
1898-90							1905-99	Burn Eng (1st & 2nd) (Feb. Aug.)	13.00	7	100	111/75	115/50	
COTTONS														
1902	Ahmedabad Advance (Apr. Oct.)	10.00	5	100	77/00	70/00	1909-11	Burn Engineering (Feb. Aug.)	15.00	6	100	103/50	101/00	
1902	Bangalore (Jan. July)	6.00	6	100	95/71	106/90	1937	Calcutta Electric Supply (Mar. Sept.)	£1,900	5	£1	7/78	8/06	
1894	Basanti (Oct.)	5.00	6	10	7/19	7/00	1937	Calcutta Silk Manufacturing (July Jan.)	2.00	6	100	70/50	49/12	
1938	Bengal-Nagpur (Apr. Oct.)	3.00	7	100	48/00	48/00	1906	Calcutta Tramways (Jan. July)	£250	5T	£1	8/25	8/25	
1898	Bowrah "A" (Apr. Oct.)	6.00	8	10	111/00	114/00	1938	Carew & Co. (Jan.)	8.00	6	100	73/50	73/00	
1900	Bowrah "B" (6) (1) (Apr. Oct.)	6.00	7	100	88/00	82/50	1905-24	Cawnpore Sugar Works (Feb. Aug.)	10.00	8	100	110/00	117/00	
1900	Bradbury "B" (Jan. Dec.)	6.00	7	50	60/50	53/00	1940	Chrestien Mica Industries Ltd.	30.00	5	100	39/00	38/00	
1919	Buckingham & Carnatic (Jan. July)	14.85	7	100	105/59	114/59	1937	Dalmia Cement (Bharat)	35.00	6	10	8/00	8/56	
1920	Cambodia (July)	1.00	7	100	76/13	83/63	1916	Dethi Flour Mills (Oct.)	90.00	7T	100	101/00	101/00	
1928	Central India (Apr. Oct.)	50.00	5	500	416/25	405/00	1935	Deshergarh Power Supply "A" (Jan.)	18.00	5	100	69/50	73/62	
1912	Delhi Cloth & General (Oct.)	20.00	4	25	16/63	16/63	1940	Duncan Brothers & Co. Ltd.	45.00	4	100	57/00	56/00	
1912	Elgin (May Nov.)	11.00	8	100	113/00	113/00	1926	Dunlop Rubber "First" (Jan. July)	30.00	8	100	103/00	103/50	
1912	Elgin "B"	10.00	5	10	6/44	6/25	1936	Dunlop Rubber "Second" (Apr.)	40.00	5	100	65/00	76/50	
1943	Elphinstone (May Nov.)	25.00	7T	100	78/00	74/00	1897	East India Distilleries (Jan. July)	£200	7	20st	17/83	18/90	
1919	Kesoram (June Dec.)	20.00	7	100	106/00	107/00	1908	General Investment & Trust (Feb. Aug.)	1.00	5	100	56/00	56/00	
1925	Khatua Makarji (Nov.)	10.00	6	100	90/00	80/50	1947	General Investment & Trust (Feb. Aug.)	1.00	6T	100	48/00	48/00	
1937	Kothari (Nov.)	12.00	8	10	7/85	8/76	1946	Gillanders Arbuthnot (Apr. Oct.)	25.00	5T	100	56/50	55/00	
1900	Muir (Feb. Aug.)	30.00	6	100	120/00	128/00	1946	Gladstone Lyall & Co. Ltd.	15.00	6T	100	60/00	60/00	
1913	New Great Eastern (Mar.)	8.00	5	200	120/00	107/00	1948	Godfrey Phillips India Ltd.	30.00	5	100	60/00	56/00	
1920	Palani Andavar (Mar.)	18.06	6	2	2/06	2/96	1940	Gwalior Sugar (Redeemable) (Dec.)	6.75	7	100	62/00	62/00	
1933	Swadeshi (Bombay) (May)	2.00	7	50	115/45	118/64	1936	Gwalior Sugar (Dec.)	5.00	7	100	62/00	62/00	
1927	Swadeshi (Cawnpore) (Mar.)	35.00	6	100	69/25	68/00	1936	Humayan Properties Ltd. (Nov.)	12.00	6	10	7/00	6/62	
1931	Vasanta (Apr. Oct.)	3.00	6	100	79/70	92/04	1936	Indian Aluminium (Mar. Sept.)	40.00	5T	100	66/75	67/50	
1908	Vishnu (Apr.)	16.00	7	500	390/00	385/00	1927	Indo Burma Petroleum (Jan. July)	50.00	7T	100	65/87	74/50	
JUTES														
1927	Agarpara (Jan. July)	10.00	7	100	95/50	90/50	1899	India General Navs & Railways	£244	6	£10	83/50	79/00	
1905	Alexandra (Feb. Aug.)	9.00	7	100	94/25	85/50	1923	Indian Cable Co. (Nov.)	12.88	6	10	31/75	31/75	
1895	Alliance (March Sept.)	15.00	6	100	76/00	68/50	1918	Indian Standard Wagon (Aug. or Sept.)	19.66	7	100	112/00	113/50	
1917	Anglo-India (May Nov.)	40.00	7	100	99/00	93/00	1936	Indian Iron & Steel	2,69.95	5	100	81/00	84/50	
1909	Auckland (July Jan.)	10.00	5	100	71/00	68/50	1936	Investment and Finance (Feb. Aug.)	2.00	5	100	69/00	69/00	
1945	Bally (Jan. July)	15.00	4	100	58/50	56/00	1935	Investment and Finance (Feb. Aug.)	2.00	6T	100	60/00	60/00	
1918	Barnagore (Oct. Dec.)	£200	5T	25	105/00	97/00	1937	James Wright (Jan. July)	1.30	6	90	14/00	14/00	
1896	Bengal (June Dec.)	10.00	5	100	41/50	38/00	1937	Jardine Henderson Ltd.	50.00	5	100	55/00	55/00	
1940	Birds (June Dec.)	41.50	6	100	70/00	62/50	1941	Jessop & Co.	10.00	5	100	76/25	75/50	
1919	Budge Budge (May Nov.)	23.64	7	100	79/50	77/00	1915	Kumardhubi Engineering (June)	12.00	5	100	72/00	72/00	
1894	Calcutta (Jan. July)	9.00	7	100	95/00	90/50	1915	Martin Burn Ltd.	30.00	5	100	79/50	68/00	
1934	Caledonian (June Dec.)	6.00	6	100	65/00	59/00	1946	McLeod & Co.	10.00	5T	100	43/50	44/00	
1915	Cheviot (June Dec.)	10.00	7	100	92/00	91/50	1930	McLeod & Co.	40.00	5	100	59/75	45/00	
1919	Chitavalah (Mar. Dec.)	5.00	7	100	96/00	91/50	1936	Mettur Chemical & Industrial (Sept.)	20.00	6	10	8/23	61/00	
1928	Clive (First) (May Dec.)	8.00	6	100	89/00	89/00	1940	Metal Box Co. of India Ltd.	30.00	6T	100	75/00	9/50	
1900	Clive "A" (Second) (May Dec.)	8.00	7	100	57/00	52/00	1938	Mysore Chemical Mfr. (Sept.)	2.00	6	10	6/73	83/50	
1905	Dalhousie (July Jan.)	11.76	7	100	63/00	68/50	1942	National Tobacco (June Dec.)	25.00	5	100	69/00	7/83	
1903-13	Delta (June Dec.)	5.00	6	100	74/50	64/75	1944	National Tobacco (Jan. Dec.)	20.00	4	100	57/50	66/00	
1897	Empire (Jan. July)	10.00	7	100	95/00	90/25	1917	Poona Electric Supply Co. Ltd. (June Dec.)	4.00	7	100	99/50	57/50	
1912	Fort Gloster (Jan. July)	14.00	7	100	111/00	97/00	1935	Premier Construction "First" (Apr.)	10.00	6	100	74/00	101/00	
1890-93	Fort Gloster (2nd)	7.00	5	100	69/75	65/50	1936	Premier Construction "Second" (Apr.)	15.00	6T	100	77/00	73/50	
1948	Fort William (May Nov.)	10.00	7	100	115/00	102/00	1922	Purtapore (Sugar) (Oct.)	0.00	10	10	10/56	69/50	
1911	Ganges (June Dec.)	6.00	8	100	106/00	102/00	1933-36	Ramnugger Cane & Sugar (Aug.)	4.00	6	100	82/00	10/56	
1916	Gourepore (June Dec.)	26.50	6	100	89/00	87/00	1935	Rohas Industries (April)	20.00	7	100	103/00	82/00	
1895-04	Hastings (Aug. Feb.)	28.00	6	100	86/25	83/50	1935	Rohas Industries "B" (April)	88.00	4	100	58/00	97/00	
1935	Howrah (July Jan.)	11.76	10	10	12/25	10/25	1944-48	Shaw Wallace & Co. Ltd.	75.00	6T	100	55/00	52/50	
1890	Howrah "A" (Jan. July)	17.50	7	100	92/50	90/50	1936	Shree Gopal Paper	7.50	7	100	98/50	55/00	
1903-06	Hukumchand (June Dec.)	40.00	7	100	95/50	92/00	1936-38	Shree Krishna Gyanoday Sugar "A" (Oct.)	6.00	6	100	45/00	104/00	
1919	Kamakhya (Apr. Oct.)	16.00	6	100	81/00	73/00	1927	Shree Krishna Gyanoday Sugar "B"	12.00	5	100	70/00	62/00	
1898-04	Kankarnarrah (Apr. Oct.)	10.00	6	100	80/00	79/00	1918	Smith Stanistreet (Chemists) (Nov.)	5.00	10	50	74/50	70/00	
1900	Kedarnath (Jan. July)	2.00	7	100	90/50	86/00	1933	South Behar Sugar (Oct.)	5.00	9	100	20/50	62/50	
1935	Kelvin (Mar. Sept.)	10.00	7	100	96/00	91/50	1897	Spencer & Co. "A" (Provisions) (Jan. July)	23.20	9	100	20/50	20/50	
1895-09	Kinnison (July Jan.)	9.00	6	100	74/00	77/00	1923	Spencer & Co. "B" (Provisions) (Jan. July)	36.80	8T	10	9/65	6/69	
1900-13	Landsdowne (July Jan.)	15.00	7	100	95/00	90/00	1925	Star Paper (Apr. Oct.)	10.00	5	100	68/50	9/55	
1905	Lawrence "A" (July Jan.)	5.00	7	100	86/00	91/00	1938	Surat Electricity (April)	5.00	6	100	102/50	65/00	
1912	Lawrence "B" (July Jan.)	5.00	7	100	95/00	89/50	1910	Tata Chemicals (Nov.)	63.00	5	100	93/50	85/50	
1906-07	Nalhathi (July Jan.)	7.50	5	100	71/00	64/50	1906	Tata Hydro Electric Power (Sept. Mar.)	89.28	7	100	99/50	92/50	
1905-06	Nalhathi (July Jan.)	10.00	4	100	115/00	112/00	1918	Tata Iron & Steel (First) (Nov.)	75.00	6T	150	126/25	132/50	
1917	National (May Nov.)	6.00	7	100	95/50	87/00	1919	Tata Iron & Steel (Second) (May)	6.93.82	7T	100	106/50	100/00	
1939	Nellimarla (Apr. Oct.)	5.00	6	100	91/00	87/00	1928	Tata Paper (May Nov.)	36.97	7	1,000	1,020/00	980/00	
1915	Northbrook (July Jan.)	33.00	7	100	91/00	87/00	1934	Titagur Paper Mills "2nd" (Mar. Sept.)	11.50	8	100	112/50	117/00	
1908-09	Rameshwara (Jan. July)	15.00	7	100	72/00	70/00	1934	Vellore Electric (Sept. Mar.)	1.25	6	10	5/78	5/81	
1935	Reliance (Jan. July)	7.00	6	10	12/44	12/44	TEAS							
1906-12	Shree Ambica (Mar. Sept.)	20.00	7	100	116/00	95/00	1903	Amluckie (May Nov.)	75.00	7	10	21/96	21/96	
1928	Soorah (Feb. Aug.)	11.70	7	100	91/50	82/55	1901	Banarhat (Jan.)	4.00</					

COTTON MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		10-6-64	3-6-64	A year ago		1960	1961	1962		10-6-64	3-6-64	A year ago
Basant	..	..	..	10	12/50	12/50	11/50	Elgin P.	11½	17½	17½-17½*	10	18/00	17/94	18/06
Bengal Luxmi	..	..	..	40	30/00	30/00	28/00	J. K. Cotton (Rayon) P.	12½	..	..	10	10/75	10/69	12/75
Bengal Nagpur P.	Nil	..	..	10	2/44	2/44	3/00	Jaya Shree	10	10	..	10	13/75	14/62	14/25
Bharat Commerce	5	15	15	10	21/25	21/00	22/50	Muir P.	..	..	..	100	63/00	63/00	106/00
Birla Cotton	10	20	20	10	27/00	27/00	26/75	New Victoria P.	Nil	..	..	2½	1/22	1/25	1/62
Bowreah P.	10	20	15	10	23/75	23/75	23/19	Orissa Textiles P.	Nil	Nil	..	10	7/06	7/06	9/00
Cawnpore Textile	7 1/5	10	10	5	6/25	6/25	6/31	Rampooria Cotton	3	Nil	..	10	13/00	13/00	12/00
Delhi Cloth & Genl P	12	13	13-13*	25	45/00	45/00	41/75	Swadeshi (Kanpur) P.	5.51	..	..	100	11/00	11/00	11/50
Dunbar	20	20	15	10	27/25	27/25	27/44						6/62	6/62	7/05

* 1963

BOMBAY COTTON MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		9-6-64	2-6-64	A year ago		1960	1961	1962		9-6-64	2-6-64	A year ago
Ahmedabad Advance P.	16	12	..	100	140/00	140/00	170/00	Indian	23 1/5	25	..	250	870/00	870/00	781/25
Apollo	Nil	Nil	..	2	1/70	1/72	2/00	Indore Malwa United	8½	10	7½	100	212/00	209/00	187/00
Beharilal Ramcharan	Nil	Nil	..	100	131/50	131/00	76/00	Khatana Maknaji P.	32	16	..	100	172/50	180/00	437/50
Bombay Dyeing, etc.	14	14	14	50	145/00	145/00	150/00	Kolindor	15	18	..	100	314/25	317/00	312/00
Bradbury P.	30	30	..	100	578/50	605/00	550/00	Lakshmi Vishnu P.	5 1/2	6	Nil	100	87/50	92/50	95/00
Century	30	30	Nil-Nil*	100	89/00	89/00	102/00	Morarijee Goudals P.	21½	24	24-20*	100	252/00	265/00	435/00
Central India P.	Nil	11	..	100	168/50	169/50	142/00	Myasore Spg. & Mfg. P.	14	14	..	50	39/00	38/50	47/00
Cooria	30	30	..	50	154/00	153/00	142/00	New City of Bombay	Nil	Nil	..	100	188/75	188/75	142/50
Dawn	9	9	6	200	280/00	260/00	325/00	New Great Eastern P.	Nil	12	..	100	165/00	178/00	270/00
Edward Textiles	18	22	18	50	98/00	97/00	100/00	Phoenix	Nil	Nil	..	100	224/00	225/00	200/00
Elphinstone P.	23	23	..	100	284/00	303/00	315/00	Sassoon & Alliance	17	20	10	10	36/50	36/25	48/00
Finlay	14	18	..	100	173/50	182/00	164/00	Simplex	15	Nil	22-16*	50	120/00	119/00	130/00
Gokak	50	50	..	250	950/00	950/00	810/00	Shree Niwas P.	18	20	14	100	231/00	233/00	235/00
Hindooistan	8	14	..	10	21/80	21/68	23/00	Svadeshi P.	17	19	17	100	248/50	250/00	248/00
India United	13½	37½	..	100	2/62	2/62	2/54	Swan	36	21 3/5	..	100	275/00	275/00	300/00
								Tata	20	22	20	25	57/50	56/50	58/50
								Western India	46 2/5	25	..	250	850/00	850/00	785/00

* 1963

BOMBAY MISCELLANEOUS COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		9-6-64	2-6-64	A year ago		1960	1961	1962		9-6-64	2-6-64	A year ago
CEMENT								INSURANCE COMPANIES							
ENGINEERING & METAL								British India General	..	..	..	10	12/48	12/48	11/52
Associated Cement	12½	12	12	100	150/75	150/50	140/75	Jupiter General P.	38	38	..	15	7/00	7/00	9/00
ELECTRIC LTD., POWER								New India	20	20	..	10	48/75	49/00	61/00
Ahmedabad Electricity	7	6	..	100	97/00	96/50	91/20	Vulcan	20	20	..	10	15/84	15/84	15/52
Andhra Valley Power P.	5½	5	5	1000	1,062/50	1,062/50	1,002/50	MISCELLANEOUS							
Bombay Suburban Elec.	8	8½	8½	100	104/25	104/75	99/00	Belapur Sugar	58	50	..	50	198/00	199/00	179/00
Tata Hydro Elec. Power P.	5½	5	5	100	112/50	112/00	104/00	Bombay Burmah Trading	30	33	33-33 1/5*	25	56/70	58/00	64/00
Tata Power P.	5½	5	5	1000	1,122/50	1,120/00	1,041/25						43/50	44/00	..
Alcock Ashdown	17	22½	..	100	274/00	288/93	304/00	Hindustan Lever	26	26	12	10	31/50	31/50	36/50
Jost's Engineering	8	10	10-11½*	50	47/00	47/00	98/00	Industrial Invt Trust	6½	6½	..	100	77/00	77/00	68/50
Larsen & Toubro P.	12½	18	14-14*	10	22/32	22/36	21/88	Kemp (Chemists)	12½	12½	..	200	260/00	260/00	305/00
Mackenzies	10	12	14	100	135/00	135/00	150/00	National Rayon	22	..	..	100	350/50	357/00	343/00
Premier Construction P.	43 1/3	33 1/3	..	300	164/00	167/00	136/00	Scindia Steam Navign.	3	3	20	10	14/32	14/32	9/80
Tata Eng. & Locomotive P.	12½	14½	14½-14½*	100	270/50	274/00	273/50	Shivrajpur Synd.	80	Nil	..	10	16/52	17/00	16/52
Tata Iron & Steel P.	9.1	10.36	10.36-11*	750	144/75	146/00	132/75	Tata Chemicals P.	6	6½	6½-10*	10	17/04	17/16	14/32
								Tata Oil P.	23	23	23-22*	25	59/20	58/20	60/00
								Voltas	13	14	14-14*	100	241/50	245/00	253/00
								Western India Match	16	16	16	100	240/00	251/50	261/25

* 1963

TEA COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		10-6-64	3-6-64	A year ago		1960	1961	1962		10-6-64	3-6-64	A year ago
ASSAM GARDENS								Brooke Bond P.	15	10	7½-7½*	10	11/50	11/50	11/81
Amluckie	Nil	10	7½	10	17/25	17/25	20/00	Dejoo Valley	15	20	30	10	45/50	45/50	49/25
Anandabag P.	30	32½	20	10	33/25	33/25	33/25	Dessai & Furbutia	Nil	10	15	100	181/00	181/00	140/00
Baghmari	Nil	15	7½	10	13/62	13/62	18/56	Dhelakhat	12½	10	..	10	20/75	20/75	19/62
Barduar Tea	..	..	..	5	8/50	8/50	8/50	Dhunseri P.	20	40	10	10	11/12	11/12	13/87
Basmatia	35	25	20	10	24/25	24/25	27/25	Dibruagarh	25	20	30	10	32/00	32/00	31/25
Batell	30	30	..	5	15/25	15/25	17/25	Dimakusi P.	25	25	30	10	25/19	25/19	21/87
Beijan	40	45	30	10	30/37	30/37	30/56	East India	Nil	Nil	10	10	28/12	28/12	27/75
Bishnauth	13	13	20	10	17/06	17/06	18/19	Gillapukri	25	20	15	10	12/00	12/00	14/25
Bokakhat	Nil	12	13	10	13/12	13/12	13/70	Gohpur	Nil	5	20	10	27/56	27/56	25/44
Bormah Jan P.	15	15	15	10	11/00	11/00	14/25						14/69	14/69	16/56
Bor Pukhuri	Nil	Nil	10	10	11/50	11/50	11/75								

* 1962

TEA COMPANIES—Contd.

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		10-6-64	3-6-64	A year ago		1960	1961	1962		10-6-64	3-6-64	A year ago
				Rs.	Rs.	Rs.					Rs.	Rs.	Rs.	Rs.	
Erob	6	6	6	5	6/12	6/12	7/97	Singell	Nil	Nil	Nil	100	36/75	36/75	36/75
Hoograjuli (Assam)	20	20	17	10	27/62	27/62	27/12	Singtom	2	Nil	2	10	3/50	3/50	3/50
Hoolungoorce	10	7½	20	100	185/00	185/00	195/00	Soom	50	40	40	10	39/00	39/00	35/00
Jutlibari	30	30	20	10	27/87	27/87	31/50	Sungama	15	15	20	10	14/25	14/25	15/06
Kingsley Golaghat P.	35	35	..	100	125/00	125/00	140/00	Teesta Valley	Nil	..	8 4/7-10*	10	13/44	13/44	11/25
Kotamullai P.	Nil	Nil	Nil	5	9/87	9/87	10/31	Tukvar	Nil	Nil	..	10	3/75	3/75	7/12
Krishnabehari	15	8	10	10	11/50	8/06	10/50	DOOARS							
Kyang Tea	Nil	..	..	10	8/06	8/06	8/06	Banarhat P.	22½	21	21	100	220/00	230/00	226/00
Ledo	Nil	Nil	Nil	10	13/75	13/75	17/25	Baradighi	30	25	25	10	23/25	23/25	23/25
Maud Tea & Seed	10	7½	7½	10	12/00	12/00	14/81	Bhatkawa	15	15	20	10	16/16	16/16	18/00
Methoni	5	14	20	10	14/00	14/00	17/31	Birpara P.	17½	12½	17½	100	160/00	160/00	160/00
Moheema	Nil	Nil	..	10	11/50	11/50	11/50	Carron	20	5	7½	100	117/00	117/00	145/00
Mothola	30	30	35	100	507/00	507/00	507/00	Choonabuthi P.	32½	20	20	100	211/00	211/00	210/00
Murphulani (Assam)	5	15	25	10	26/50	26/50	26/50	Ellenbarrie	5	5	10	100	173/00	173/00	184/00
	10.63	20.63	30.63	10	26/87	26/87	28/75	Engc	60	30	40	100	136/00	136/00	136/00
Naga Hills	10	10	10	10	21/25	21/25	22/25	Ethelbari	5	5	7½	10	11/87	11/87	13/12
Namburnadi	12	12	..	10	12/87	12/87	14/56	Gairkhata	25	20	11	10	16/12	16/12	21/50
New Cinnatolliah	Nil	Nil	Nil	100	455/00	455/00	302/00	Gopalpur	12	2	10	25	19/50	19/50	19/50
Raigarh	40	13½	17½	10	18/56	18/56	21/37	Hantapara P.	15	5	10	100	108/00	108/00	104/00
Sapoi	22½	20	10	10	19/50	19/50	19/87	Hasmapra P.	17	..	18-15*	10	12/37	12/37	12/31
Seajuli	22½	15	30	10	25/12	25/12	21/12	Hulidibari	22½	..	19 2/7-11*	10	12/25	12/25	12/62
Teloiian	25	25	25	10	21/44	21/44	47/75	Jaybirpara	10	Nil	Nil	10	8/94	8/94	11/75
Tengpani	30	30	22½	10	36/50	36/50	35/00	Killcott	25	15	15	10	15/56	15/56	16/25
Tezpora P.	20	12½	..	10	14/69	14/69	15/37	Manabarrie	10	6	10	10	9/50	9/50	9/50
Tongani	Nil	Nil	..	10	5/31	5/31	7/00	Nagasuree	25	15	15	100	165/00	165/00	140/00
Tyrcon	10	15	25	10	27/37	27/37	34/37	New Dooars P.	35	20	14½	100	234/00	234/00	230/00
CACHAR								Oodlabari	12½	7½	10	100	125/00	125/00	129/00
Arcuttipore	Nil	5	6	10	7/00	7/00	7/00	Phaskowa	Nil	Nil	Nil	100	9/87	9/87	12/00
Baitakhal	2½	2½	..	10	7/87	7/87	8/06	Rajabhat	15	15	7½	10	12/00	12/00	16/12
Central Cachar	5	7½	5	100	73/00	73/00	72/00	Rancherra	25	20	25	10	24/96	24/96	25/44
Eastern Cachar	Nil	Nil	..	10	4/62	4/62	4/12	Rydaik	40	40	40	10	36/25	36/25	36/25
Kallinugger Khoreel	6	2	..	100	84/00	84/00	87/00	Sarugaon	20	20	20	10	36/25	36/25	36/25
Hattikhira	Nil	8	Nil	10	7/75	7/75	9/12	TERAI							
Kunchanpore	Nil	Nil	..	10	6/00	6/00	6/00	Atal	5	..	..	10	5/37	5/37	8/75
Loobah	Nil	Nil	Nil	10	4/69	4/69	4/37	Belgachi	20	20	..	10	20/00	20/00	20/50
North Western	30	20	10	100	160/00	160/00	160/00	Gungaram	20	12½	12½	100	126/00	126/00	131/00
Pathemara	Nil	Nil	Nil	10	7/81	7/81	7/50	New Chumta	15	10	12 6/7-20*	10	19/00	19/00	20/00
Roopacherra	Nil	10	Nil	10	9/94	9/94	13/62	New Tera	22½	15	15	10	20/50	20/50	36/00
Rungamattee	5	5	5	50	49/25	49/25	53/50	Pahargoomiah	20	20	2½	10	13/75	13/75	31/12
Sonai River	Nil	Nil	..	10	5/06	5/06	9/12	Putinbarce	14	14	..	10	55/00	55/00	45/00
DARJEELING								Tirribhannab P.	60	60	60	10	49/00	49/00	49/00
Bloomfield	Nil	..	..	10	3/19	3/19	3/00	CHITTAGONG							
Chamong	Nil	10	10	10	8/87	8/89	9/00	Kodala	Nil	Nil	..	10	9/25	9/25	9/25
Darjeeling Tea & Chin.	30	30	30	100	197/00	197/00	197/00	Kornafull	Nil	Nil	..	10	9/12	9/12	13/06
Dilaram	8	4	..	100	102/50	102/50	102/50	Oodleah	Nil	Nil	..	10	8/00	8/00	8/00
Guelle	Nil	..	8 4/7-15*	10	15/87	15/87	11/69	SYLHET							
Lingia P.	15	10	17½	..	14/00	14/00	14/56	Chundeecherra	Nil	Nil	Nil	10	26/00	26/00	26/00
Longview	12½	10	..	10	9/25	8/25	11/00	Dauracherra	22½	22½	20	10	14/00	14/00	7/56
Margaret's Hope	15	15	15	10	12/31	12/31	11/62	New Samanbagh P.	25	Nil	Nil	10	18/37	18/37	18/37
Mim	22½	27½	27½	100	410/00	410/00	191/50	Patrakola	32½	40	15	100	130/00	121/00	134/00
Nagri Farm	30	25	35	10	29/87	29/87	27/00	Rajnaraj	Nil	Nil	Nil	10	9/56	9/56	9/56
Okarty	25	25	..	100	600/00	600/00	600/00	Tellapara	22½	22½	10	100	148/00	156/50	99/00
Pashor	10	Nil	..	10	20/00	20/00	20/00								
Poobong	Nil	Nil	5	10	10/12	10/12	7/56								
Pussimbing P.	Nil	Nil	Nil	10	7/84	8/00	7/12								
Runklee Rungliot	35	20	7½	100	300/00	300/00	386/00								
Seeyok	15	Nil	..	10	8/50	8/50	8/50								

MISCELLANEOUS COMPANIES—Contd.

Dividends per cent								Latest Market Quotations as available until			Dividends per cent								Latest Market Quotations as available until				
NAMES								A year ago			NAMES								A year ago				
1960	1961	1962	Paid-up per Share	Rs.	10-6-64	3-6-64	A year ago	1960	1961	1962	Paid-up per Share	Rs.	10-6-64	3-6-64	A year ago	1960	1961	1962	Paid-up per Share	Rs.	10-6-64	3-6-64	A year ago
ENGINEERING & METAL.																							
Arthur Butler (Muzaffarpore) P.	Nil	Nil	10	10	21/25	21/25	14/94	J. K. Synthetics	3	Nil-16*	10	11/19	11/31	10/31									
Bhartia Electric Steel	10	10	12½	10	15/37	14/75	14/37	James Wright P.	50	2/75	2/75	2/75											
Braithwaite India	25	25	14	10	33/00	33/00	29/50	Jardine Henderson Ltd P	7	6-7*	100	74/00	74/00	86/50									
Bridge & Roof	30	30	30	10	52/25	52/25	52/25	Jay Shree Industries P.	14	12½	10	14/31	14/31	15/75									
Britannia Building & Iron P.	Nil	Nil	Nil	10	3/20	3/20	3/65	Kesoram Industries P.	5	12	12-13*	10	24/94	24/87	21/75								
Britannia Engineering P.	10	10	10	10	9/69	9/69	9/87	Macfarlane & Co.	50	4/87	4/87	7/00											
British India Electric Cons.	45	20	15	10	29/12	29/12	33/12	Macneill & Barry Ltd. P.	8	7½	100	95/00	95/00	93/50									
Burn P. (Engineering)	28½	28½	28½-25*	100	264/00	267/00	463/00	Martin Burn Ltd. P.	27½	27½	25-25*	10	26/25	26/25	25/25								
Calcutta Steel	15	15	15-12½*	10	15/00	14/69	13/00	McLeod & Co. P.	15	15	18	1000	213/00	213/00	210/00								
Dalmia Iron	10	10	10-10*	10	10/94	10/87	10/62	Metal Box Co. of India Ltd. P.	25	25	19	10	31/37	31/37	49/87								
Guest, Keen, Williams	16	14	14	10	23/25	23/25	33/00	National Insulated Cable P.	25	25	23-18*	10	22/50	22/50	24/25								
Hooghly Docking	Nil	Nil	12½	50	89/00	89/00	108/00	National Pipe & Tubes P.	20	20	20	10	25/81	25/81	27/25								
Indian Iron & Steel P.	15	16	16-16*	10	24/22	24/16	22/62	National Rolling & Steel Ropes	13	15	15-15*	10	18/50	18/50	18/87								
Indian Malleable Casting	Nil	..	..	50	6/00	6/00	6/00	National Rubber P.	Nil	6½	8	10	11/31	11/37	11/62								
Indian Standard Wagon P.	28½	28½	28½-20*	10	33/75	33/37	33/00	National Tobacco P.	16	7	7	10	11/12	11/12	11/69								
Indian Steel & Wire Products	23	24	23-28*	100	33/50	33/50	40/50	New India Investment Corp.	8.7	..	..	75	54/00	54/00	65/00								
Industrial Containers	Nil	10	10	10	24/00	24/00	21/37	Octavius Steel P.	10	7½	7½	100	27/12	27/75	26/37								
Jay Engineering	17 3/20	17 3/20	15-10*	10	17/50	17/44	21/75	Philips India	12	12	13	4	22/62	22/62	26/62								
J. K. Steel P.	20	20	10	10	14/94	14/94	14/06	Publicity Society	10	75	75-50*	4	22/62	22/62	26/62								
Jessop & Co. P.	8.58	8.58	8.58	10	20/50	20/81	22/00	Rallis India P.	4	8½	8½-10*	100	116/00	117/50	116/00								
Kumardhubi Engineering P.	10	11½	15	3	5/06	5/53	7/87	Rontas Industries P.	20	10	8-9*	10	11/44	11/12	11/50								
Marshall Sons (India)	Nil	Nil	Nil	2	3/12	3/12	2/84	Sirsluk P.	Nil	..	..	10	7/69	7/69	9/19								
National Iron and Steel	Nil	Nil	Nil	10	5/75	5/81	3/87	Sen-Raleigh Industries P.	8	8	8	10	13/50	13/25	13/50								
Saran Engineering	8½	10	12½-10*	4	6/25	6/25	8/00	Shaw Wallace P.	15	15	7½	10	15/37	15/62	14/94								
Steel Containers	30	20	20	10	28/12	28/12	29/50	Spencer's Hotel	2½	2½	1/25	10	30/37	30/00	38/50								
Textile Machinery	10	10	..	10	27/60	27/25	23/35	Union Carbide	18	18	12½	10	1/25	1/25	0/99								
SUGAR BREWERIES ETC.																							
Balrampur Sugar	8	8	4-Nil*	2½	1/75	1/75	2/12	Walford Transport	30	20	..	1PO	2/87	2/87	2/37								
Belsund Sugar	18½	10	6/2/3	7½	7/28	7/19	7/81	INSURANCE COMPANIES	20	20	20	5	10/00	10/00	10/25								
Bharat Sugar P.	15	15	15-15*	10	15/00	12/56	13/00	Concord of India	22½	26½	26½	10	23/50	23/50	24/19								
Carew (Sugar) P.	Nil	Nil	Nil	10	12/19	12/19	12/50	Hercules	10	13½	15½	8	12/37	10/87	9/31								
Cawnpore Sugar P.	Nil	Nil	Nil	10	9/31	9/31	10/06	Ruby General	..	..	..	10	7/75	7/75	6/00								
Champaran Sugar	15	12	Nil-Nil*	10	10/78	10/78	15/87	Standard General	45	50	50	25	134/00	134/00	132/00								
Durbhanga	4	Nil	5	10	7/12	7/12	7/94	Triton	20	20	20	10	10/00	10/00	10/25								
New Savan Sugar and Gur	..	..	..	10	3/62	3/62	5/62	Bengal	40	25	25	10	32/50	32/50	34/25								
Purbabpur Sugar P.	..	..	..	10	8/00	8/00	11/50	Delhi P.	..	..	..	10	14/00	14/00	14/00								
Ramnugger Cane & Sugar P.	30	35	30-15*	10	29/31	29/31	26/37	Ganes P.	..	..	..	10	12/25	13/00	15/75								
Raza Buland	12½	10	10-10*	10	10/25	10/25	9/37	Hooghly	15	Nil	Nil	10	19/75	19/75	19/75								
Ryam Sugar P.	..	..	..	10	3/25	3/25	5/20	United	35	10	7½	10	27/81	27/81	27/81								
Samastipur Central Sugar	..	..	..	10	3/75	3/75	9/62	OIL COMPANIES															
Shree Krishna Gyanodaya Sugar P.	15	..	..	10	7/87	7/87	7/06	Attock Oil	13½	13½	13½	21	sh. 33/6	sh. 33/6	sh. 35/6								
Shree Sitaram Sugar	..	..	..	10	8/00	8/00	7/12	Burmah Oil P.	9-2/5	..	..	21	sh. 64/4½	sh. 64/4½	sh. 53/6								
Sitalpore Sugar	4	Nil	Nil-Nil*	10	3/69	3/69	6/12	Indo Burmah Petroleum P.	30	25	22½	10	20/69	20/69	21/87								
United Provinces	15	5	Nil	10	11/25	11/25	10/62	Tide Water Oil	30	35	35	10	33/19	33/19	25/25								
Upper Ganges Sugar P.	72½	72½	72½	10	60/25	60/25	65/00	PAPER MILLS															
MISCELLANEOUS																							
A Firpo (Restaurant)	7½	10½	8	10	5/90	5/90	5/90	Bengal P.	32	27½	20	10	27/37	27/37	29/06								
Aluminium Corporation P.	12	12	12-5*	10	11/75	11/50	12/75	India Paper Pulp	15	13	12-15*	10	21/12	21/12	18/94								
Anderson Wright Ltd. P.	11½	Nil	6	10	11/50	11/50	11/50	Orient Paper P.	22½	22½	22½-20*	10	35/35	35/35	34/15								
Angelo Bros	25	28½	28-28*	10	23/31	23/31	21/12	Shree Gopal Paper P.	17-6/7	17-6/7	17-6/7	10	24/87	24/87	23/37								
Assam Match	18	20	20	10	26/37	26/37	28/75	Sirpur P.	6½	8½	8½-5*	10	11/37	11/37	11/87								
Assam Saw Mills & Timber	Nil	Nil	3	3	2/69	2/69	2/87	Star Paper P.	Nil	Nil	Nil	10	9/06	9/06	10/06								
Associated Battery	25	15	15-15*	10	22/12	22/00	23/31	Titagur P.	10	13	13-13*	2½PO	3/31	3/31	3/78								
Associated Hotels of India P.	Nil	10	10-15*	10	10/31	10/31	10/31	West Coast P.	25	20	10-10*	10BO	14/00	14/00	16/00								
Balmer Lawrie & Co.	25	25	25	100	255/00	256/00	239/00	Calcutta Safe Deposit	..	..	..	100	158/00	158/00	160/50								
Bararee Coke	Nil	Nil	15-15*	10	19/58	19/58	24/37	Humayan Properties P.	6	..	..	100	7/37	7/37	7/87								
Birds Investments P.	9½	10	10	10	9/00	9/00	9/94	Midnapore Zemindary P.	Nil	Nil	Nil-Nil*	85	18/00	18/00	10/50								
Britannia Biscuit P.	25	30	25-21*	10	38/00	38/00	41/62	Bengal Bonded Warehouse	11	8	8-9*	A500	995/00	995/00	1,050/00								
British India Corporation P.	4	7	9	5	8/50	9/50	8/75	Calcutta Safe Deposit	..	..	..	B62½	125/00	125/00	135/00								
British Palms	12½	15	10	10	20/50	20/50	18/75	Calcutta Safe Deposit	..	..	..	C100	186/00	186/00	122/00								
Calcutta Silk Manufacturing P.	Nil	Nil	..	10	6/94	6/94	7/15	Calcutta Safe Deposit	..	..	..	D12½	45/00	45/00	14/15								
Clive Row Investment	8	7½	7½	10	8/37	8/37	8/50	Calcutta Safe Deposit	..	..	..	100	7/37	7/37	7/87								
Duncan Brothers & Co. Ltd. P.	14	14	14	100	137/00	137/00	147/00	Calcutta Safe Deposit	..	..	..	100	11/00	11/00	11/00								
Dunlop Rubber Co. (India) P.	21½	20	15	10	33/62	33/56	31/56	Calcutta Safe Deposit	..	..	..	100	7/37	7/37	7/87								
Dyer Meakin (Breweries)	25	30	..	8	25/50	25/50	26/00	Calcutta Safe Deposit	..	..	..	100	7/37	7/37	7/87								
Eastern Investments Ltd. P.	14	14	12-10*	100	107/00	107/00	129/00	Calcutta Safe Deposit	..	..	..	100	7/37	7/37	7/87								
Electric Construction	10	10	10-10*	10																			

in official circles what damage is being done by persisting in the policy of large-scale investment in public-sector heavy industry financed out of massive taxation. The argument that it somehow strengthens national security is ludicrous; by holding back the pace of economic advance it, in fact, endangers it. India cannot hope in the foreseeable future to produce herself all the weapons needed for her own defence. Only two nations in the world are at present able to do that; any attempt on India's part to do the same can only result in economic progress being disastrously retarded for the sake of acquiring a small number of weapons which, by the time they can be turned out, will be hopelessly obsolete.

The theory that the concentration on heavy industry will eventually be import-saving is another myth. Generally speaking, the more industrialised a country becomes, the greater is its reliance on foreign trade and the higher is the proportion of this taken up by manufactured imports and raw materials. This may not be true of Russia, but for India to expect to repeat the performance of that country without at the same time adopting its methods is simply unrealistic. Planning here has already vastly expanded the bill for "maintenance imports"; there is not the slightest evidence that this trend will not continue. In the meantime, the inflation, the loss of production in other sectors of agriculture and industry, the damage to national savings, and the spawning of bureaucratic practices, are all proving more than the economy can stand. This is obvious enough when viewed from abroad; the fact that it is only slowly being appreciated in India is something which it may be possible to explain, but scarcely to excuse.

An effective development policy, as Professor Shenoy infers, must concentrate on avoiding inflation, expanding exports, attracting private

foreign capital, diminishing the influence of the bureaucracy, improving productivity and savings, keeping taxation to the minimum, and encouraging effort and enterprise by all available means. There is a good case for examining the value of the rupee, as Professor Shenoy suggests, but this would produce few long-term benefits if undertaken in isolation from a drastic reform of economic planning as a whole. The criterion here must be whether inflation could be permanently cured; under existing circumstances, this would be obviously impossible. At present the value of the Indian rupee is being maintained by massive foreign aid. It may not always be so fortunate and future development policies, which do not provide for such a contingency, would certainly be unsound.

Increasingly India is being threatened with having to adjust her economic policies so as to allow for sudden reductions in foreign aid—perhaps made for purely political reasons—and in order to promote alternative methods of earning foreign exchange. This much the current trend of international thinking on aid problems makes clear. Under existing conditions as induced by the rigidities of planning, a reduction in the flow of assistance would constitute a national disaster. Clearly there is something wrong with a system based so heavily on foreign support, and unless India's planners can effectively diagnose what it is and devise the necessary adjustments before foreign benefactors become thoroughly disillusioned, the nation is in for a thin time indeed. It is the ultimate condemnation of current planning for self-sufficiency in this country that it is making us progressively dependent on foreign assistance. If that trend is not speedily reversed by amending the policy which Professor Shenoy calls Statism, then the present obvious risks will inevitably and rapidly become realities.

may be able to do better now with the larger resources allocated to them by the Finance Ministry, but the bulk of the requirements will still have to come from private savings. The Unit Trust cannot be expected to catch on if the small investor sees no prospect of capital gain in a market where equity values are severely depressed by the heavy fiscal burden placed on the corporate sector.

Finance is, however, not the only restraint on growth. Licensing policies are equally to blame, as is evident from the case histories compiled by the Indian Engineering Association. In the field of instrumentation, for instance, a licence has been refused to a private entrepreneur on the plea that the item is to be taken up in the public sector. The refusal would have been perfectly valid if the State enterprise could be expected to commence production within a reasonable period of time, but this was out of the question in the particular case cited. In another, a very attractive private scheme was turned down because something similar was contemplated by a State-owned enterprise at a far bigger cost. These cases apart, the ever present threat of the State branching out into new industries has an obviously deterrent effect because of the fear of unequal competition. Discrimination in the allocation of scarce resources and in the making of State purchases is not always easy to pin down, but it is a possibility which the affected industries know they may have to reckon with. Something more than generalised assurances of fair treatment are needed if the fears that exist are to be allayed.

Another major handicap resulting from the present policies is the disadvantage in which a serious entrepreneur is placed by the farming out of the capacity to be licensed among many applicants regardless of their qualifications or resources. The high proportion of licences which remain infructuous (but block serious aspirants nevertheless) tell their own story. The Swaminathan Committee's recommendations do not touch upon this issue, which raises the delicate problem of adjudicating between new entrepreneurs and the well-established ones who can reasonably be expected to fulfil what they set out to do. But even if the lapse rate in licences can be reduced by applying a stricter means test than in the past, the fragmentation of capacity to satisfy regional ambitions is far more difficult to tackle. The only possible solution is to determine the minimum viable size of units on the basis of objective technical appraisals by independent experts. This is a field where the Department of Technical Development can be expected to make a contribution if it is called upon to do so.

Armed with expert opinion, the administrative ministry may be better able to resist pressure from State capitals than it can do at present. In the now famous case of scooters, the Planning Commission had proposed that the capacity of 50,000 to be licensed during the third plan should be allocated between just two units, but actually seven were licensed. Many months later, the Minister in charge sadly confessed that there was no hope of bringing costs down to a reasonable level unless there was some measure of integration in the production facilities. He had the same plea to make concerning textile machinery, where again there was similar disarray. If such problems are to be avoided in the future, licensing will have to be placed on a rational basis from the start. Apart from the waste of resources implicit in needless duplication, it is a positive deterrent to the serious entrepreneur. The fragmentation may discourage him altogether from entering an industry where his participation may well make all the difference between fulfilment of targets and serious shortfalls. But these larger policy issues were unfortunately outside the purview of the Swaminathan Committee.

NEW PRICE POLICY FOR COTTON

THE Government of India has decided to maintain the floor and ceiling prices of cotton for the 1964-65 season at the same level as in the current season (1963-64). Marginal increases have, however, been made in the floor and ceiling prices of some of the varieties, in view of the improvement in their quality. Important among them is the increase of Rs. 8 a quintal (Rs. 28 a candy) made in the floor and ceiling prices of Digvijay

"A". Further, the varieties AK-235 and AK-277 have been included for the first time in the price schedule and they have been given the same floor and ceiling prices as for Gaorani 6 and 12. A premium has also been provided for saw-ginning in all varieties, excluding Bengal Deshi, at a uniform rate of Rs. 14.10 a quintal (Rs. 50 a candy) at the floor level and Rs. 21.10 a quintal (Rs. 70 a candy) at the ceiling level. In the case of Bengal Deshi,

the premium will continue at the existing level of Rs. 9 a quintal (Rs. 30 a candy). The prices specified in the schedule will be reduced for cotton which appears to have been deliberately mixed or watered. In such cases the minimum and maximum prices will be determined by the Price Control Committee after examining the samples submitted by the buyer or the seller. In the case of improved varieties of cotton approved by the State Department of Agriculture, if they are certified to have been grown in areas reserved for procuring pure seed for sowing and the crop has been rouged by removing off-type plants, the basic maximum price for the particular description of cotton shall be deemed to be increased by Rs. 14.10 a quintal (Rs. 50 a candy).

That the new cotton policy does not deviate materially from that in the 1963-64 season should cause little surprise. Growers have, no doubt, been agitating for an upward revision of ceiling prices—some had urged complete decontrol—but with Indian cotton prices already out of world parity and the textile industry bitterly complaining about mounting costs of production, the Government could not be expected to agree to a flat increase in the ceiling prices. But while resisting the growers' plea for a general rise in the ceiling prices, the Government has allowed an increase in the ceiling prices of Digvijay "A" and certain other selected varieties. This should reward discriminating growers as the increase is based on technical considerations such as spinning value and quality factors and not merely on staple length. Gujarat cotton interests and the State Government have been pressing for an increase of Rs. 75 to Rs. 100 a candy in the price of Digvijay "A", which has become extremely popular with spinners because of its improved quality. They are naturally disappointed with the small increase of Rs. 28 a candy,

but it is good to bear in mind that the increase that has now been sanctioned had been accepted by the Cotton Advisory Board on which growers are also represented. Moreover, a much bigger increase would have evoked strong protests from the textile industry which could not be easily ignored. Cotton growers in Maharashtra have every reason to feel happy over the recognition given to the varieties AK-235 and AK-277 grown in Vidarbha. The increase in premiums for all varieties, excepting Bengal Deshi, of saw-ginned cotton is welcome, and this will enable the farmer to meet part of the additional cost incurred in saw-ginning.

The official announcement of cotton policy does not make any mention about compulsory survey and distribution control. The omission is perhaps deliberate. Marketing policy must be clearly distinguished from price policy. While the policy relating to prices needs to be announced before the commencement of the sowing season—this time it is late by a month or so because sowings have been nearly completed in the Punjab and they are in progress in certain other places—the marketing policy should be announced only when it is possible to have a fairly clear idea of the crop. This will be some time in October. There is no need for compulsory survey and distribution control if the supply position is such as is likely to keep cotton prices well within the statutory ceilings. One might add here that far more important than the vexed question of prices is the need to step up production. It is idle to pretend that incentives in the form of higher prices can help much in increasing production. The problem of stepping up cotton production, as of many other agricultural commodities, is essentially organisational.

Current News and Comment

Agency for Building Steel Plants

Mixed motives seem to have prompted New Delhi to set up a steel plant construction corporation in the public sector. In India where the expansion of steel capacity can be assumed without break for many years, specialist construction agencies are certainly needed. If they can offer permanent careers to construction workers the team that is built up on one job can be transferred intact to the next. The accumulation of experience, now dissipated when teams are disbanded at the end of each contract, should bring benefits making for greater speed and sureness of execution. That, however, does not necessitate allocation of construction to the public sector since continuity could be preserved just as well by suitably timing the award of contracts to the numerous competent private agencies now in the field. This matter of timing will still be important for a public sector corporation to ensure that periods of idleness in between jobs do not needlessly inflate costs. If continuing work can be arranged for the latter, there is no reason, except ideology, to refuse to extend the same principle to private agencies. The more assured the work, the better will the agencies—whether public or private—be able to organise themselves to handle it.

Today construction companies cannot often get the best men since they prefer securer employment, even if less well paid, to intermittent work. There is also some reluctance to add to capital equipment because overheads may bear too heavily during idle spells. Unless assured of year-round work, a State-owned agency can no more overcome these handicaps than private concerns, except by over-charging its public-sector clients. This is a kind of book adjustment which may not worry New Delhi unduly but will certainly show up in the bills the tax-payer has to meet.

A developing economy with so much construction still ahead of it requires to foster a large number of agencies to cope with the work. This should incline the policy-makers to encourage growth in the private sector instead of inhibiting it by threats of exclusion from specific fields im-

PLICIT in the setting up of public-sector construction corporations. This is where ideology takes over to the detriment of common sense, the motive being that the profit of contracting should accrue to the State to help it enlarge its resources. At a steel plant, construction as a component of the total cost may be as much as 20 percent, but how much will the State gain by taking over? Real profit—if contract prices are not inflated to accommodate a sister Government agency—will in all likelihood be swallowed up by higher overheads which the public sector seems to incur. This will even more be so in contracting where flexibility—beyond the reach of the public sector almost by definition—has a direct bearing on cost. A case for the State stepping into contracting is thus difficult to make out except by reference to ideological considerations. Are these considerations valid in a country wedded to the concept of a mixed economy?

The shape which the steel plant construction corporation is taking shows that the policy-makers themselves have not been free from doubts. The agency was originally to have started with a paid-up capital of Rs. 20 crores. This was whittled down in the first round to Rs. 5 crores and finally to Rs. 1 crore, a clear evidence of the half-hearted support this brave socialist idea gets in New Delhi's highest echelons. A one-crore outfit can hardly make any impact; it may have been kinder, therefore, to drop the scheme altogether than to give it such an unpromising start.

Voluntary Cloth Price Control Ends

Quite a few prominent mills in Bombay and elsewhere are reported to have put up their prices by 10 percent to 15 percent from the beginning of this month. This marks the virtual end of the voluntary price control scheme which had been reduced to a farce in any case. That price control was being circumvented on a large scale, through the manufacture of innumerable new varieties which did not come strictly within the purview of the voluntary price control scheme,

has been common knowledge, although the Price Reviewing Committee, presided over by the Textile Commissioner, recently certified that the price stamping scheme had, by and large, been a success. In May, however, the Indian Cotton Mills Federation made it plain to the Government that it was no longer possible for the textile mills to carry out their responsibility in relation to the existing scheme of voluntary control of prices. It had represented that the scheme had become unworkable in the absence of any periodic revision of prices to cover the increase in the cost of cotton, labour, power and stores. Whereas cloth prices have been kept pegged at the 1961 level, there has been an appreciable increase since then in the industry's costs of production estimated at around 16 percent. The scheme did not provide any escalator clause for raising cloth prices to cover the increase in the costs of production due to factors beyond the industry's control.

The Government has long been apprised of the situation, but it has been unable to make up its mind on the vexed question. The delay in taking a decision on the Tariff Commission's report and on the industry's repeated representations for suitably revising cloth prices is intriguing. The Government's anxiety to hold the price line is understandable, but there is no reason why uncertainty over cloth prices should be allowed to persist indefinitely. The recent increase in cloth prices by certain prominent mills might have caused annoyance to it, but that is perhaps the only way of forcing the authorities to take a final decision at an early date.

Helping the Tea Industry

India's tea exports during 1963 were higher than those of the previous year, the respective figures being 224 million kilograms and 214 million kilograms. This was creditable in a year of reduced output. The crop outlook for 1964, it is generally thought, is better. But there is no guarantee that a higher production will automatically lead to bigger exports. For one thing, the tea crop is largely dependent on weather; for another, world consumption may not keep pace with the expansion in output. Yet if India must continue to increase her output in line with the plan target, the industry must be given every encouragement to promote production. Unfortunately, the Government's fiscal and labour policies have been hampering the efforts of the industry. The third plan production and export targets of 900 million lbs and 610 million lbs have already had to be revised downwards to 830 million lbs and 530 million lbs, respectively, because of the shortfall in tea output.

The Government is of the view that production holds the key to more exports, provided the output of quality grades expands simultaneously. The industry has no serious quarrel with this view, but it asks for the necessary facilities. As Mr. S. R. Daga, president of the Tea Association of India, said at the annual meeting of the Assam branch of the Association, held last week in Jorhat, the industry needs sympathetic approach from the Government "in obtaining finance for developing and expanding tea production, better irrigation facilities, reduction in taxes and the like." Obtaining finance, for example, has been an acute problem for the industry. Apart from the high cost of borrowing, procedural and legal difficulties have made the problem more complicated. Mr. Daga was happy that the Government and the Reserve Bank were now taking a closer interest in this matter and were willing to assist in all possible ways. The Indian Board of Trade at its recent meeting has set up an expert committee to go into this question. Since the Agricultural Refinance Corporation has not been able to provide much help, the industry hopes that the committee will approach the problem in a more helpful spirit.

The industry's internal resources have been depleted by the steep rates of taxation and the ever-growing welfare burdens on account of labour. The latter burden is likely to increase further because of the final award of the Wage Board, whose work is now almost complete. The Assam Government's new specifications for labour housing in tea gardens will add to the welfare obligations. Mr. Daga agreed that in the Central

Budget for 1964-65 some relief had been given in income tax, super tax and surtax to tea as one of the industries specified for the purpose, but what is not realised is that this relief would be available only on 40 percent of the assessable income. Tea being an export industry, it should have been given more relief to enhance its competitive strength. The continuance of the heavy excise duty is affecting exports since no refund of the duty is permitted on teas exported. The Government has also not so far accepted the plea for allowing the cost of new plantings as a revenue charge. Mr Daga hoped that the Government would soon give this fiscal relief to the industry, without which it would be impossible to raise the output of quality teas. It is time that a uniform tax policy was evolved by both the Centre and the States. While the Central Government is inclined to provide some relief, the Assam Government is adopting a contrary policy. For example, in its latest Budget, the latter has enhanced the rates of agricultural income tax and sales tax. These increases came on top of a substantial rise in agricultural income tax in the previous year. The Assam rates for these taxes are the highest in the country and they will hasten the financial debilitation of the tea estates.

Prospects for the Unit Trust

The Unit Trust of India, which was set up under an Act of Parliament in 1963, will start offering units for sale from 1st July. The Trust, as is well known, will offer an opportunity to small savers to invest in diverse types of securities. The stock markets are naturally interested in the Unit Trust's operations. The latter is reported to have made large investments out of its initial capital of Rs. 5 crores, although so far the effect of these purchases has been negligible in the market. Being the only organisation of its kind in India, the Trust should be careful to avoid the pitfalls of a monopolistic institution. It would have been better had the Government established several unit trusts on a regional basis or permitted the private sector to start them. This would have encouraged greater competition and created an urge to show better results through efficient working. It is a pity that in spite of its advantages, the unit trust idea was not given a practical shape so far.

At a Press conference in Bombay last week, Mr. R. S. Bhatt, chairman, said that the Unit Trust scheme would offer the triple advantages of safety, liquidity and steady return to investors. He added that the Trust would endeavour to reach the maximum number of investors through the agency of stock brokers of recognised stock exchanges and 36 scheduled banks, which together commanded a network of over 3,500 branches in the country. It will sell units of Rs. 10 each in multiples of ten from 1st July, and there is no ceiling on investment in units. Two guide lines have been laid down to ensure the safety of the Trust's investments. Investment in any one company will not exceed 5 percent of the value of the total investible funds of the Trust or 10 percent of the value of the securities issued and outstanding of such a

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company, whichever is lower. Secondly, not more than 5 percent of the funds will be invested in the initial issues of new industrial companies; the Trust will prefer to invest in the new issues of existing undertakings.

The Trust, according to its chairman, will aim at an average yield of 6 percent. Ninety percent of the Trust's income would be distributed, and it would not pay any taxes on dividends received or paid out by it. Investments in units will be readily encashable since the Trust will buy and sell units at prices fixed by it on the basis of the quotation for its holdings. But the chairman added that he did not expect units to change hands frequently. "Units are a long-term investment for small and medium investors who can derive the benefit of appreciation over a period of two to three years."

Pakistani Budget: Taxes Rationalised

The Pakistani Finance Minister, Mr. Mohammed Shoaib, presented the 1964-65 Central Budget to the National Assembly on Friday. The Budget shows a surplus of more than Rs. 18.80 crores over the contemplated expenditure of Rs. 356 crores for the next financial year. The two main features of the Budget are the rationalisation of the tax structure and a liberal policy on imports to boost the country's industrial production. The rationalisation of the various taxes and duties, said the Finance Minister, would not have an adverse effect on the economy. The liberal import of various raw materials will help step up production and enable the authorities to bring down prices. Among the major concessions Mr. Shoaib offered to companies was the extension of the "tax holiday" by five years up to June 1970, a 10-percent rebate in the tax on the mining industry and the extension of the 5-percent rebate admissible to companies with an income of up to Rs. 25,000 a year and to industrial companies with an annual income of up to Rs. 50,000. The abolition of the wealth tax on private companies will, however, be compensated by an increase in the rate of wealth tax on individuals. Mr. Shoaib proposed that the foreign incomes of Pakistani enterprises remitted to Pakistan would be entitled to a tax rebate of 15 percent. Among other concessions announced by the Finance Minister were a reduction of the export duty on jute and cotton by 50 percent and the abolition of sales tax on cotton, locally-made furniture and some sports goods.

The Finance Minister has made a novel proposal to impose a rehabilitation surcharge of 1 percent on all commodities liable to sales tax in order to meet the expenditure on the rehabilitation of refugees coming into Pakistan. The excise duty on cigarettes has been raised by 25 percent and on tobacco by 10 paise to 60 paise a lb. Pakistan's defence expenditure during 1964-65 will total Rs. 129.65 crores. This is as much as 46.5 percent of the estimated revenue expenditure of Rs. 278.56 crores and 43.5 percent of the estimated revenue receipts of Rs. 297.37 crores. The defence expenditure shows a rise of about Rs. 7 crores over the revised Budget estimates and of more than Rs. 20 crores over the original estimates for 1963-64. As for foreign aid, the Finance Minister said that the consortium of western countries aiding Pakistan would disburse about Rs. 193 crores this year, which is an increase of Rs. 63 crores over the past year.

West Bengal Financial Corporation

In its latest report for the year ended March 1964, the West Bengal Financial Corporation has emphasised the need for stimulating the industrial growth of the State in order to increase the employment potential. Although the financial assistance extended by the Corporation to various industries has been steadily rising, there is still scope for encouraging industrial enterprises by providing more financial facilities. But if the Corporation is to perform its task more efficiently, it should have to be provided with bigger resources. Judging from experience, it looks as if the Corporation has not succeeded in doing all it could in providing financial facilities due to the shortage of resources. Applications for financial help amounting to Rs. 2.38 crores are pending with the

Corporation. It has reinforced its resources by borrowing from the Reserve Bank against *ad hoc* bonds and from the Refinance Corporation for Industry by way of refinancing. It proposes to accept deposits from the public since it is authorised to do so. But the directors doubt whether substantial deposits can be obtained from the public under the present circumstances. The Corporation has raised Rs. 2 crores by issuing bonds. It has recently decided to issue fresh bonds for Rs. 1 crore, and some scheduled banks have already agreed to subscribe to the new bonds. The lending rate of the Corporation has been maintained at 7½ percent.

The Corporation has been appointed an agent of the State Government for the purpose of routing funds to small-scale industries. But because of certain procedural difficulties, it has been restrained from doing so. The Reserve Bank has taken up the matter with the State Government, and it is hoped that the difficulties will soon be removed. Since technical advisers have been appointed by the Corporation to process loan applications, it is hoped that its work of financing will be facilitated. The Corporation's financial results for 1963-64 have been more satisfactory than those for 1962-63. The net profit has risen from Rs. 6.99 crores to Rs. 8.19 lakhs, after providing Rs. 2,761 (against Rs. 1,603) for depreciation and Rs. 2.18 lakhs (against Rs. 49,350) for reserve funds. Income tax absorbs Rs. 4.69 lakhs and the guaranteed dividend of 3½ percent has been declared. This is the third year in succession that the Corporation has been able to declare dividends without asking for any subvention from the State Government. Total subventions so far received by the Corporation to pay the guaranteed dividends amount to Rs. 11.87 lakhs, while reserve funds amount to Rs. 5.21 lakhs. There is a sum of Rs. 2.8 lakhs held in a special reserve fund representing dividends on the Corporation's shares held by the State Government and the Reserve Bank. Both these bodies have forgone the dividends. The Corporation sanctioned loans of Rs. 1.71 crores for 1963-64 and disbursements amounted to Rs. 1.29 crores. It also underwrote shares and debentures worth Rs. 25 lakhs.

POINTS ABOUT PENSIONS

INDIA, like the United States, is a great Pension Land; but the disabilities of the Pensioner in India, in contradistinction to the Pensioner's advantages at Home are worth devoting a little attention to; particularly as the revised rates of pensions for Departmental Officers with honorary rank and Warrant Officers of the Indian Army Departments have just received the sanction of the Secretary of State for India. The point to which especial attention should be drawn is the unfair discrimination which is made between a servant of the Government who draws his pension in India, and an individual of the same rank who draws his pension at home. We will take the case of what is called a "Commissary." Now a Commissary on full pension gets £216 a year if he takes his pension at home; and Rs. 216 per mensem if he stays in the country and draws his pension here. Now Rs. 216 per mensem at Rs. 15 to the pound sterling is only approximately £173 per annum; and why a man should be fined £43 per annum or 25 per cent of his pension for remaining in India we entirely fail to see. The men who obtain these pensions are, it should be remembered, men who have spent the whole of their services practically in India. They are domicile Europeans with, in most cases, their wives and families out here; and there is no particular reason, so far as we can see, to charge them a heavy impost for electing to spend the remainder of their lives in the country. If the man goes home, his pension has to be paid out of Indian revenues; and his income circulates at home. If the pension is paid here, his income naturally circulates here, and he is a factor, though doubtless a humble one, in directly contributing to the taxation, the trade and the up-keep of the country generally. Again, in theory at least, India is supposed to now possess a "gold standard," and at this rate a man who is entitled to £216 a year should receive 270 rupees per mensem. Pension, it should be borne in mind, is an allowance made by the state for services rendered.

FROM

CAPITAL
23rd June, 1964

A Ditcher's Diary

I AM NOT SO SURE THAT CRITICS ARE RIGHT in telling Mr. Lal Bahadur Shastri that he is unwise to be his own Foreign Minister. Granted that without the encumbrance of a portfolio the Prime Minister would have more time to carry out the all-important task of co-ordination; but I think there is much to be said for Mr. Shastri taking two early steps. One, to make himself better known to the world; and two, to get to know the world better. And both are easier done from the Ministry of Foreign Affairs. Mr. Grimond, the Liberal leader, almost moaned the other day that India will never again have a Prime Minister from Harrow. Well, London should be given an early opportunity of looking at the obvious non-Harrowian India has got instead. In the dialogue between New Delhi and London far too much was taken for granted on both sides. Teen Murti Marg and No. 10 spoke the same language—as the two No. 10s now never again will. The distance between Cambridge and Kashi Vidyapith is not so many miles as the crow flies but so many light years. London may well have to change its idiom while speaking to New Delhi. On the other hand, Mr. Shastri has seen too little of the world; and even at 60 one can learn a great deal from foreign travel. This wider perspective Mr. Shastri certainly needs. Even to me it often seemed that India was paying excessive attention to the world without and neglecting the problems within. With Mr. Nehru's departure, there is bound to be what a writer has called a calculated contraction in India's international involvement. From this may arise the other danger, that of forgetting that India is very much a part of a big world to which she cannot possibly be totally indifferent. Mr. Shastri needs to see for himself how modern countries run their governments. He needs to see the prosperity of the United States of America and western Europe to get the full measure of India's appalling poverty; he may then know what inhibitions the Indian economy must be rid of. From Russia too there is a good deal to learn. After all this is done Mr. Shastri may consider whether he should be Foreign Minister indefinitely.

WHEN A GOVERNMENT IS SHUFFLED PRETTY ROUGHLY only six days after its creation, suggestions inevitably get about that there's something wrong somewhere or that somebody is not very sure of himself. We may never know just what went behind Saturday's announcement; maybe nothing very serious, or so we must all hope. The point needs to be made still that Mr. Shastri will need all the co-operation he can get from his colleagues

in the Congress. At some point many Congressmen placed self above country and Party; the Party has never been the same since and the country has been the loser. I suggest that selfishness is not always the motive. I can, for instance, see Mr. Morarji Desai persuading himself that he wants to be Prime Minister simply because he is convinced that he is the best man, in India's interests, to be Prime Minister. Reallocation of portfolios may be caused also by considerations of status. Over the years certain assignments have gathered—or lost—a sort of undefined prestige; this ministry is important, that is not. Not having a portfolio at all can give the holder a very important position, as Messrs Krishnamachari and Shastri have shown in their different ways. With all that talk about No. 1 and No. 2 in the Government, I am wondering whether this business of ranking has not gone too far. In his book, *India Wins Freedom*, the late Maulana Azad had a great deal to say about the relative powers of the Ministry of Finance and the Ministry of Home. You may remember that in the interim Government of 1946 the Congress had to choose between Finance and Home and opted for Home while the Muslim League got Finance. According to the Maulana, Sardar Patel chose wrongly and thus strengthened the League's demand for partition. It is difficult to see that the League would have been less dangerous in the Home Ministry. The very remoteness of the argument should impress upon the contenders today that more important than what portfolios they get is how ably and authoritatively they conduct themselves not only in their respective ministries but also at Cabinet meetings. And do I have to remind the Government that it is not an uneasy coalition? Or, is it?

IN RETROSPECT IT SEEMS ALTOGETHER A GOOD IDEA that Sardar Pratap Singh Kairon was not Kamarajed last year as were Bakshi, Ghulam Mohammed and some others. That plan, however well conceived by the author, saved quite a few people from a number of probable embarrassments. It seems equally good that the Das Commission held its enquiry in public. As for Mr. Kairon's resignation and its acceptance, it has not so far happened to me to meet anyone who is sorry for his departure. If the findings were quasi-judicial, the subsequent decision had to be political. But both the Government of India and the Congress Party owe the people something more. It will be unfair to both the Das Commission and Mr. Kairon to withhold the report from the public. Publication will have to be fol-

lowed by further action according to the laws of the land—if, that is, the report reveals activities which in your case or mine would attract the I.P.C. Neither the Government nor Mr. Kairon must be allowed to get away with the idea that there is no equality before the law when the men involved are Congressmen in high office. From what I hear, the long-term effects of the Kairon years may be the more difficult to deal with. The whole administration is said to have been vitiated at almost every level; the political atmosphere just stinks. As Mr. Rajagopalachari pointed out at the time of the Malaviya episode, there should not be one kind of treatment for political delinquents and another for the ordinary citizen. This is where Mr. Nanda can make a beginning with his crusade against corruption: let the law take its own course and set officials free to proceed against ex-ministers as they do against any other set of people. Mr. Shastri will have to work hard to dispel the almost universal suspicion that there is political protection for the politically powerful. Against this background, it seems ominous that Mr. Kairon has threatened to continue in Punjab politics.

ON SUNDAY I HAPPENED TO PASS BY A BAZAR in the Bhowanipore area; and I saw the long queues before the shops. The sight was at once pathetic and infuriating. The impudence of the rice and mustard oil trade seems to match the impotence of the Government of West Bengal. After a lot of procrastination—during which, you may be sure, some people made money and others went without essentials—we seem to have come back to the idea of fair price shops. If it is true that there are 3,000 groceries in Calcutta, how long will it take the Government to evolve a comparable chain? If the plan is to find fair traders from among the existing ranks, the job of screening must be fantastic. At the stage of production, organisation is extremely difficult, as even Mr. Khrushchev has found in Russia. But even the retail trade is better organised than is usually believed; the wholesale trade is a well-knit unit. There is no reason why the Government should not be able to guide and control them and punish the guilty. At the slightest indication of trouble the police now round up thousands of suspected miscreants; and a good thing it is too. I do not believe that it is beyond the competence of the police to know just who the dishonest wholesalers and retailers are; and the arm of the Defence of India Rules is long. I have heard that the dishonest trade is the principal source of funds for almost all political parties. I do not dismiss the theory but I do not think this is the complete explanation. In the absence of exemplary severity in dealing with offending traders, they have been able to put about the notion among policemen that it is safer not to touch economic

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criminals. It is not that a large part of the administration has actually been bought by the trade; just that a great many officials have been demoralised to the extent of conniving at evil even when the result is hardship and widespread distress. But, surely, basic deprivations have political consequences which can do the ruling Party no good at all? Mr. P. C. Sen's statistics impress me less and less.

IT WAS RATHER SAD, I THOUGHT, THE WAY A CLASH of personalities was allowed to interfere with the 20th anniversary of D-day. What ought to have been a subdued, solemn occasion, dedicated to the memory of those who fell in what was, after all, the greatest international military operation of all time, should never have been turned into an opportunity for raking up old personal controversies. I say this despite a shrewd suspicion that Lord Montgomery might be right when he claims the Americans took all the glory for the subsequent break-out, while the British were left to do most of the fighting. If Rommel had ever lived to write his memoirs, I imagine he would have regarded the battle for Caen as the wound through which his defensive strength was bled away. Patton's sweep to the east and the turning operation which followed, could hardly have been possible without continued British pressure at the hinge. I am also more than half inclined to believe Monty when he says that if his plan for a massive drive into the heart of Germany had been adopted, not only would the war have been over six months earlier, but all the difficulties which have arisen because the Russians were the first to get into Berlin, might have been avoided. There is, when all is said and done, nothing in Monty's record, both before D-day and since, to suggest that he would not have proved capable of doing exactly what he had in mind. But whether he was held back because Eisenhower wanted to reserve all honours for the Americans, or simply because the plan for a slower advance on a broader front was genuinely considered the best one, matters little now except to the historians. The operation was eventually a success, although the patient very nearly died, and we all know that despite his shortcomings in the field of diplomacy, Monty is a great soldier. So that is, perhaps where the matter ought to have been allowed to lie until it can be taken up again by those whose controversies will be sufficiently academic not to constitute an affront to the memory of the men who paid with their lives for the mistakes that were made.

THOSE WHO, UNLIKE MYSELF, FOLLOW U.S. INTERNAL politics closely, have been saying that Senator Goldwater's remarkable successes in his fight for the Republican presidential nomination have indicated that American isolationism is reviving. They may be right. Personally, I would not be surprised if they were because the setbacks U.S. foreign policy has met with recently are almost bound to have such an effect. The same would have been true for any country, even one without an established tradition of isolationist feeling. But I think the view that Senator Goldwater's support represents more than a simple, vague expression of frustration with world responsibility, owes more to an emotional interpretation of the scene than a reasoned one. It could, for instance, merely signify that the Republicans have no real faith in their ability to win the presidential election, because if there is one thing a Goldwater candidature will ensure, it is a victory for Mr. Johnson. But I do think the Senator's progress has some significance in the field of internal politics, and now that it has been reported he has decided to shift his ground and espouse the Civil Rights Bill, I suspect his popular support has been irretrievably damaged. Just occasionally every country throws up a Goldwater, or a Poudjare, and for a time their success is frightening. What rarely follows, however, is a smooth accession to power, and the reason is partly their essentially sectional appeal, but mainly the fact that their apparent popularity with the voters is due to their becoming identified as a gesture against existing authority rather than as an alternative to it. Perhaps the most alarming feature of the Goldwater interlude is the evidence it provides of the current shortage of Republican talent.

THE DITCHER

Guide for Investors

GUEST, KEEN, WILLIAMS DIVERSIFIES

THE growth prospects for Guest, Keen, Williams, Ltd have been stressed by Sir N. Raghavan Pillai, chairman, in his address at the annual general meeting of the Company held in Calcutta last Friday. (A fuller version is printed on a later page in this issue of *Capital*.) The Company has steadily grown, and its growth is likely to continue as years pass by. Capital expenditure during 1964-66 on plant expansion and rehabilitation projects is likely to amount to Rs. 7.50 crores, of which Rs. 2.50 crores represents foreign exchange. The chairman said that expansion would continue beyond this period. The construction of the new steel melting shop is making good progress and the stage No. 1 plant should begin production next year. The re-organisation of the rolling mills has been approved by the Government, and it includes the installation of a new merchant bar mill. The old plant in the Calcutta bolt works will be renovated by modern equipment. This should diversify the range of the manufacture of fasteners. The bright steel bar shop is being extended. The new plant has begun production and should contribute to the Company's earnings in 1964. The equipment at Bhandup works is being renovated and modernised. The capacity for wood-screw has been extended. The Government has approved the expansion of the self-tapping screw capacity and the plant will be installed next year.

Production for 1963 rose substantially, although working was interrupted by the shortage of various raw materials. There was a shortage of good-quality steel billets. But the output of rolling mills and the production of spring steel bars for transport services rose satisfactorily. There was a substantial rise in the production of bright steel bars, but the full capacity could not be used due to the shortage of free cutting steel. The equipment is being renovated to improve production in the forge. The output of crossing, slip-pers and points and crossings increased considerably. The Bhandup works did well in spite of unstable conditions in the market.

Turnover rose from Rs. 13.06 crores for 1962 to Rs. 16.37 crores for 1963. The pre-tax profit has improved from Rs. 1.28 crores to Rs. 2.17 crores. Taxation has absorbed a large part of the profit, but the chairman said that the Company would not be liable to surtax on profits for 1963. The taxable ordinary dividend of 12 percent, including an interim of 6 percent, has been declared and the cut of 20 paise a share in the total distribution has been mainly due to the payment of additional taxes on bonus shares and dividends. The authorised capital of the Company has been increased to Rs. 10 crores and the paid-up capital to Rs. 6.32 crores from Rs. 4 crores by issuing shares to the Tata Iron and Steel Co. Ltd in exchange for their holdings in the Sankey Electrical Stampings Ltd and by the allotment of bonus shares to the existing shareholders. The issue of debentures for Rs. 1.5 crores was fully subscribed.

The Company has invested Rs. 38.2 lakhs in the Sankey Wheels Ltd which has been formed to make passenger and commercial vehicle wheels. Sankey Electric Stampings Ltd, a subsidiary, has been amalgamated with Guest, Keen, Williams

with a view to improving the Company's operational efficiency.

Bird-Heilgers Coal Group Results

THE results of the coal Companies in the Bird-Heilgers group for the year ended December 1963, have been published. The Borrea Coal Company raised 220,596 tons of coal, against 206,745 tons in 1962, and despatches rose from 206,987 tons to 222,852 tons. The directors say that the overall output was lower than expected due partly to the difficulties experienced in collecting land for the 18 seam incline project in Aralgoria. The bulk of output was despatched to the Tata Iron and Steel Company. Since despatches have improved considerably, stocks have declined to a normal level. The profit has risen from Rs. 1.23 lakhs to Rs. 1.42 lakhs, after transferring Rs. 1.56 lakhs (against Rs. 1.40 lakhs) to depreciation, Rs. 4,012 (against Rs. 3,62 lakhs) to taxation, Rs. 53,000 to surtax on profits (against Rs. 45,000 for the super profits tax), Rs. 78,600 (against Rs. 1.16 lakhs) to statutory development rebate reserve, Rs. 2.83 lakhs (against Rs. 1.25 lakhs) to general reserve and Rs. 25,139 (against Rs. 25,000) to bad and doubtful debts reserve. The taxable ordinary dividend of 15 percent has been repeated to give a yield of 7.4 percent at the present price of Rs. 20.25 a share of Rs. 10 each. The carry-forward is Rs. 6,037, against Rs. 10,774 brought in.

The Ondal Coal Co. Ltd has incurred a loss of Rs. 2,057, against a profit of Rs. 37,340, after providing Rs. 6,232 (against Rs. 7,265) for depreciation and Rs. 1.32 lakhs (against Rs. 28,042) for taxation. After transferring Rs. 65,721 from general reserve and bringing in Rs. 9,250, the distributable amount is Rs. 54,400. The taxable ordinary dividend has been reduced from 7½ percent to 5 percent. The yield amounts to 3.7 percent at the present price of Rs. 13.50 a share of Rs. 10 each. Although the Company has obtained the opening permission from the Coal Board and has begun drilling, it has been restrained from carrying on any operations in connection with mining or prospecting by an injunction from the Calcutta High Court. The Company's portfolio is representative of investments which are quoted on the Calcutta Stock Exchange with the exception of some shares in Karanpura Mining Syndicate, Coal Shipments Ltd and Chora Coal Co. Ltd. The market value of investments for which quotations are available amounts to Rs. 12.19 lakhs.

The Standard Coal Co. Ltd has maintained the taxable ordinary dividend at 10 percent which works out to a yield of 9.6 percent at the present price of Rs. 10.44 a share of Rs. 10 each. The profit has dropped from Rs. 87,662 to Rs. 80,887, after providing Rs. 53,337 (against Rs. 49,088) for taxation. General reserve is allocated Rs. 30,000 (against Rs. 40,000), leaving a carry-forward of Rs. 4,723, against Rs. 18,570 brought in. The Company's portfolio is representative of investments which are quoted on the Calcutta stock market with the exception of certain shares costing Rs. 1½ lakhs for which no quotations are available. The total market value of all investments amounted to Rs. 28.58 lakhs on 31st

December, 1963. The Company has been awarded compensation by the Central Government for mining rights acquired in the Sowardih property amounting to Rs. 40,112, against a claim for Rs. 4.45 lakhs. The book value of the property stands at Rs. 1.30 lakhs. Arrangements are being made to withdraw the amount awarded and to refer the matter to a special tribunal in Ranchi.

The taxable ordinary dividend of the Sendra Coal Co. Ltd has been increased from 2½ percent to 3 percent. The yield amounts to 6 percent at the present price of Rs. 5 a share of Rs. 10 each. The loss has amounted to Rs. 3,257, against one of Rs. 14,281, after providing Rs. 295 (against Rs. 3,110) for depreciation and Rs. 54,434 (against Rs. 23,631) for taxation. After transferring Rs. 37,000 from general reserve and bringing in Rs. 5,159, the available balance amounts to Rs. 38,902. The carry-forward is Rs. 382. The Company's portfolio is representative of investments which are quoted on the Calcutta stock market with the exception of some shares in the Karanpura Mining Syndicate for which no quotations are available. The market value of all investments amounts to Rs. 17.64 lakhs.

In their report, the directors of the Karanpura Development Co. Ltd say that a further 998 bighas of land have been notified and acquired by the Central Government in the Karanpura field and claims for additional 1,367 bighas have been submitted to the National Coal Development Corporation. The Company's claims in relation to Bachra and Saunda have been heard by the tribunal and judgments given. The claim in relation to Bachra which has been sanctioned is not in favour of the Company, since a negligible amount has been awarded as compensation. So the Company intends to appeal against the award. As for Saunda, the claim sanctioned is more encouraging and it is expected that an award of at least Rs. 2 lakhs will be made, against a claim of Rs. 3 lakhs. Hearings in relation to claims concerning Gudi and Kurkuta have begun. The suit filed by the Company in relation to Karanpura royalties has been decreed in favour of the State of Bihar.

Raisings and despatches each amounted to 1.9 million tons of coal. The profit has dropped from Rs. 1.37 lakhs to Rs. 14,276, after providing Rs. 51,913 (against Rs. 34,539) for depreciation, Rs. 8,100 (against Rs. 44,600) for statutory development rebate reserve, Rs. 44,446 (against nil)

for capital reserve and Rs. 35,304 (against Rs. 33,793) for taxation. The taxable ordinary dividend of 3 percent has been maintained. The yield amounts to 9.6 percent at the present price of Rs. 9.69 a share of Rs. 10 each. The taxable dividend on founders' shares has also been repeated at 9 percent. The carry-forward is Rs. 1,570, against Rs. 37,294 brought in.

Gillanders Tea Companies Cut Dividends

THE result of the tea Companies in the Gillanders group for the year ended December 1963, have been discouraging as the dividends have been reduced all-round. The profits have dropped mainly due to smaller crops. The Betjan Tea Co. Ltd (an Assam garden) has earned a trading profit of Rs. 3.19 lakhs, against Rs. 5.57 lakhs for 1962, after providing Rs. 1.14 lakhs (against Rs. 1.16 lakhs) for depreciation. The taxable ordinary dividend has been reduced from 30 percent to 25 percent to give a yield of 8.2 percent at the present price of Rs. 30.37 a share of Rs. 10 each. Taxation is allocated Rs. 1.80 lakhs (against Rs. 3.21 lakhs) and development rebate reserve Rs. 2,556, leaving a carry-forward of Rs. 7,512, against Rs. 10,436 brought in. The crop dropped from 405,929 kilograms to 377,284 kilograms, and the average sale price from Rs. 6.66 to Rs. 6.20 a kilogram. The crop for 1964 is estimated at 424,600 kilograms, provided weather conditions continue to be as favourable as they are at present.

The Jutlibari Tea Co. Ltd (an Assam garden) has reduced the taxable ordinary dividend from 20 percent to 14 percent to give a yield of 5 percent at the present price of Rs. 27.87 a share of Rs. 10 each. The profit has fallen from Rs. 6.32 lakhs to Rs. 2.74 lakhs, after providing Rs. 1.30 lakhs (against Rs. 1.32 lakhs) for depreciation. Taxation is allocated Rs. 1.12 lakhs (against Rs. 3.44 lakhs) and development rebate reserve Rs. 4,400 (against Rs. 4,196). The carry-forward is Rs. 8,060, against Rs. 2,835 brought in. The crop dropped from 533,423 kilograms to 492,625 kilograms, and the average sale price from Rs. 6.50 to Rs. 6.23 a kilogram. The 1964 crop has been estimated at 557,700 kilograms.

The profit of the Tengpani Tea Co. Ltd (an Assam garden) has amounted to Rs. 2.56 lakhs, against Rs. 4.20 lakhs, after transferring Rs. 1.11 lakhs (against Rs. 1.05 lakhs) to depreciation. The taxable ordinary dividend has been cut from 22½ percent to 12 percent. The yield works out to 3.3 percent at the present price of Rs. 36.50 a share of Rs. 10 each. Taxation absorbs Rs. 11.59 lakhs (against Rs. 2.27 lakhs) and development rebate reserve Rs. 4,661 (against Rs. 10,174). The carry-forward is Rs. 3,546, against Rs. 364 brought in. There was a rise in the crop from 338,378 kilograms to 340,080 kilo-

**MADRAS
MACHINETOOL LATHES**

Armstrong Smith Ltd.

P. 17, MISSION ROAD, 1ST FLOOR, CALCUTTA - 1

grams, but the average sale price fell from Rs. 6.81 to Rs. 6.52 a kilogram. The crop for 1964 has been estimated at 373,787 kilograms.

The Ananda-Bag Tea Co. Ltd (an Assam garden) reduced the taxable ordinary dividend from 20 percent to 12½ percent, which works out to a yield of 3.8 percent at the present price of Rs. 33.25 a share of Rs. 10 each. The profit has declined from Rs. 3.50 lakhs to Rs. 1.57 lakhs, after providing Rs. 1.01 lakhs (against Rs. 90,188) for depreciation. Taxation is allocated Rs. 75,055 (against Rs. 1.98 lakhs) and development rebate reserve Rs. 300 (against Rs. 12,631). The carry-forward is Rs. 3,367, against Rs. 3,627 brought in. Production amounted to Rs. 305,534 kilograms, against 301,064 kilograms, and the average sale price fell from Rs. 6.71 to Rs. 6.38 a kilogram. The crop for 1964 is estimated at 337,500 a kilogram.

The Gaikhatia Tea Co. Ltd (a Doorga garden) has earned a profit of Rs. 1.14 lakhs, against Rs. 3.65 lakhs, after transferring Rs. 1.08 lakhs (against Rs. 86,763) to depreciation. The taxable ordinary dividend has been cut from 11 percent to 7 percent. The yield amounts to 4.3 percent at the present price of Rs. 16.12 a share of Rs. 10 each. Taxation absorbs Rs. 67,098 (against Rs. 1.64 lakhs) and development rebate reserve Rs. 4,756 (against Rs. 9,201). The carry-forward is Rs. 1,890, against Rs. 2,548 brought in. The crop fell from 504,794 kilograms to 469,544 kilograms and the average sale price from Rs. 5.46 to Rs. 5.18 a kilogram. The 1964 crop is estimated at 515,320 kilograms.

Duncan Tea Group Disappoints

THE results of the Duncan group of tea Companies for the year ended December 1963, have been published. The profit of the Hantapara Tea Co. Ltd (a Doorga garden) has amounted to Rs. 5.23 lakhs, against Rs. 7.94 lakhs for 1962, after transferring Rs. 2.80 lakhs (against Rs. 2.64 lakhs) to depreciation. The taxable ordinary dividend has been reduced from 10 percent to 7.5 percent which works out to a yield of 6.9 percent at the present price of Rs. 108 a share of Rs. 100 each. Taxation absorbs Rs. 2.44 lakhs (against Rs. 3.51 lakhs), revenue reserve Rs. 1.50 lakhs (against Rs. 1.2 lakhs) and development rebate reserve Rs. 15,000 (against Rs. 5,500). The carry-forward is Rs. 14,755, against Rs. 24,266 brought in. The Company will be amalgamated with Birpara Tea Co. Ltd on 1st July, 1964. The crop amounted to 1.42 million kilograms, against 1.37 million kilograms, but the average sale price dropped from Rs. 4.76 to Rs. 4.52 a kilogram. The crop for 1964 has been estimated at 1.4 million kilograms at a cost of Rs. 59.77 lakhs.

Clevedon Tea Co. Ltd has earned a profit of Rs. 5.38 lakhs, against Rs. 8.03 lakhs, after providing Rs. 43,494 (against Rs. 44,785) for depreciation. The Company has declared a taxable ordinary dividend of 20 percent, but this dividend and those for the previous seasons will be paid as soon as profits can be remitted from Pakistan. Taxation is allocated Rs. 3.50 lakhs (against Rs. 4.55 lakhs), revenue reserve Rs. 1.50 lakhs, development rebate reserve Rs. 1 lakh and contingency reserve Rs. 3.80 lakhs. The carry-forward is Rs. 15,826, against Rs. 22,095 brought in. The crop amounted to 234,566 kilograms, against 224,804 kilograms, and the average sale price declined from Rs. 7.49 to Rs. 6.42 a kilogram. The 1964 crop has been estimated at 236,000 kilograms at a cost of Rs. 13.28 lakhs.

The Ellenbarrie Tea Co. Ltd (a Doorga garden) has reduced the tax-

able ordinary dividend from 10 percent to 7.5 percent. The yield amounts to 4.3 percent at the present price of Rs. 173 a share of Rs. 100 each. The profit has dropped from Rs. 1.36 lakhs to Rs. 98,827, after providing Rs. 35,499 (against Rs. 33,482) for depreciation. Taxation absorbs Rs. 40,000 (against Rs. 48,000), revenue reserve Rs. 50,000 (against Rs. 85,000), and development rebate reserve Rs. 1,500 (against Rs. 3,000). The carry-forward is Rs. 621, against Rs. 10,500 brought in. The crop rose from 225,971 kilograms to 234,951 kilograms, but the average sale price declined from Rs. 4.59 to Rs. 4.42 a kilogram. The crop for 1964 has been estimated at 210,000 kilograms at a cost of Rs. 9.38 lakhs.

The profit of Birpara Tea Co. Ltd (a Doorga garden) has declined from Rs. 5.75 lakhs to Rs. 3.08 lakhs, after transferring Rs. 1.37 lakhs (against Rs. 1.17 lakhs) to depreciation. The taxable ordinary dividend has been cut from 17.5 percent to 10 percent which works out to a yield of 6.3 percent at the present price of Rs. 160 a share of Rs. 100 each. Taxation absorbs Rs. 1.64 lakhs (against Rs. 2.64 lakhs), revenue reserve Rs. 120 lakhs (against Rs. 2.50 lakhs), capital reserve Rs. 10,000 and development rebate reserve Rs. 6,000. The carry-forward is Rs. 2,643, against Rs. 13,620 brought in. The crop improved from 669,958 kilograms to 679,448 kilograms, but the average sale price dropped from Rs. 5.01 to Rs. 4.71 a kilogram. The crop for 1964 has been estimated at 670,000 kilograms at a cost of Rs. 27.90 lakhs.

Dauracherra Tea Co. Ltd has earned a profit of Rs. 6.14 lakhs, against Rs. 8.01 lakhs, after providing Rs. 45,014 (against Rs. 41,910) for depreciation. Taxation is allocated Rs. 4.25 lakhs, including Rs. 40,000 for surtax on profits (against Rs. 8.35 lakhs), revenue reserve Rs. 2.50 lakhs, development rebate reserve Rs. 1,250 (against Rs. 17,000), and contingency reserve Rs. 8.89 lakhs. The carry-forward is Rs. 17,494, against Rs. 30,452 brought in. The directors say that they cannot propose any dividend due to non-availability of funds in India. The dividends proposed for 1959, 1960, 1961 and 1962 amounting to Rs. 4.80 lakhs could not be declared as no remittance was obtained from Pakistan. The sums previously set aside for meeting these dividends are now released, and the directors propose that the total amount of Rs. 4.80 lakhs be transferred to contingency reserve account. The crop rose from 203,558 to 233,398 kilograms, but the average sale price declined from Rs. 8.17 to Rs. 6.87 a kilogram. The crop for 1964 has been estimated at 218,000 kilograms at a cost of Rs. 12.67 lakhs.

Gungaram Tea Co. Ltd (a Doorga garden) has reduced the taxable ordinary dividend from 12.5 percent to 10 percent. The yield amounts to 7.9 percent at the present price of Rs. 126 a share of Rs. 100 each. Profit has declined from Rs. 4.67 lakhs to Rs. 3.79 lakhs, after transferring Rs. 1.39 lakhs (against Rs. 1.13 lakhs) to depreciation. Taxation absorbs Rs. 1.84 lakhs (against Rs. 2.16 lakhs), revenue reserve Rs. 1 lakh (against Rs. 1.85 lakhs), development rebate reserve Rs. 11,000 (against Rs. 10,000) and capital reserve Rs. 15,000. The carry-forward is Rs. 5,071, against Rs. 10,812 brought in. The crop improved from 722,909 kilograms to 802,864 kilograms, but the average sale price declined from Rs. 4.63 to Rs. 4.33 a kilogram. The crop for 1964 has been estimated at 750,000 kilograms at an outlay of Rs. 31.40 lakhs.

Phaskowa Tea Co. Ltd (a Doorga garden) produced a crop of 124,724 kilograms, against 126,816 kilograms and the average sale price declined from Rs. 4.64 to Rs. 4.39 a kilogram. The loss has amounted to Rs. 20,200, against a profit of Rs. 9,288, after providing Rs. 14,405 (against Rs. 15,274)

for depreciation. Bringing in Rs. 5,824 and making other adjustments, a credit balance of Rs. 2,974 has been carried forward. The dividend has been passed. The crop for 1964 has been estimated at 130,000 kilograms at a cost of Rs. 6.20 lakhs.

The profit of Rungamatttee Tea Co. Ltd (a Cachar garden) has risen from Rs. 33,759 to Rs. 58,231, after transferring Rs. 65,911 (against Rs. 55,680) to depreciation. The taxable ordinary dividend of 5 percent has been repeated which amounts to a yield of 5.1 percent at the present price of Rs. 49.25 a share of Rs. 50 each. Taxation is allocated Rs. 36,863 (against Rs. 37,109), development rebate reserve Rs. 10,000 (against Rs. 2,500) and investment reserve Rs. 10,000. The carry-forward is Rs. 1,285, against Rs. 4,316 brought in. The crop rose from 279,277 kilograms to 293,522 kilograms, but the average sale price declined from Rs. 4.46 to Rs. 4.34 a kilogram. The crop for 1964 has been estimated at 290,000 kilograms at a cost of Rs. 12.87 lakhs.

Macneill and Barry Earns More

IN their report for the year ended December 1963, the directors of Macneill and Barry Ltd say that the Company's relinquishment of the agency of the Rivers Steam Navigation Co. Ltd in 1964 and less favourable trading conditions in the jute, tea and coal industries, will bring about a substantial reduction in the income. Steps have nevertheless been taken to cover the losses as quickly as possible. The development programmes of the Company have been concentrated on the production of Fork lorries in collaboration with Lancing Bagnall Ltd of England. The acquisition proceedings by the Government of West Bengal for the Company's property at 37, Tangra Road, near Calcutta, are continuing. The Company has disposed of its holding in the Bhubandhar Tea Co. Ltd.

The profit has risen from Rs. 33.70 lakhs for 1962 to Rs. 45.30 lakhs for 1963, after transferring Rs. 1.93 lakhs (against Rs. 1.50 lakhs) to depreciation and Rs. 3.49 lakhs (against Rs. 1.51 lakhs) to interest on loans. The taxable ordinary dividend has been increased from 7½ percent to 8½ percent, which works out to a yield of 9.1 percent at the present price of Rs. 93.50 a share of Rs. 100 each. Taxation is allocated Rs. 19.50 lakhs (against Rs. 13.25 lakhs), general reserve Rs. 7.50 lakhs (against Rs. 6.50 lakhs) and pension reserve Rs. 1 lakh (the same). The carry-forward is Rs. 40,503, against Rs. 43,205 brought in. The improvement flowed from favourable trading conditions in the jute industry and from the increased profitability of the agency department, following a larger sale of mining machinery and equipment. The Company also benefited from the income from its leasehold tenancy of the land in Calcutta acquired from Kilburn properties Ltd and Meserhat Properties Ltd.

British India Corporation Fares Well

BRITISH India Corporation Ltd has produced excellent results for 1963. Turnover rose substantially and the profit has improved from Rs. 1.42 crores to Rs. 2.36 crores. The taxable ordinary dividend has been raised from 45 paise to 75 paise a share. A sum of Rs. 45.61 lakhs has been ploughed back in the form of depreciation, development rebate and general reserve. Commenting on the satisfactory results for 1963 in his chairman's address at the annual

general meeting of the Corporation in Kanpur recently, Mr. Satish Chandra said that the affairs of the Company had been consolidated to show tangible results. (A fuller version of the statement is published on a later page in this issue of Capital.)

The chairman said that except for the sugar factories managed by the Corporation, other departments had worked satisfactorily. The problems of the sugar factories are being tackled in a constructive way. The working of Cooper Allen and North West Tannery branches have shown considerable improvement. They have made profits instead of incurring losses as in the past. There have been increased capacities for footwear, chrome and bark leather departments. The results could have been better but for the shortage of imported materials. The Company proposes to introduce new lines in civilian footwear and to diversify the range of products. The Lal-Imli and Dhariwal woollen branches have shown excellent results and their output rose substantially. Steps have been taken to rehabilitate and modernise the equipment by installing semi-automatic looms. Meanwhile, foreign equipment from various countries is being imported.

Although the three cotton textile mills managed by the Corporation have done fairly well, their profits have been squeezed by the rising prices of raw cotton and stores in the face of voluntary control imposed on cloth prices. Steps have been taken to install more spindles and automatic looms. The latter are expected to be installed by the end of 1964. The new spindles will also begin production in the near future. The rehabilitation and modernisation programme of the cotton mill units is proceeding according to plans. The various sugar factories of the Company have suffered due to the shortage of cane supplies. The price of sugar has also been kept down to an uneconomic level. The Company has taken steps to modernise the equipment in the sugar factories and about Rs. 40 lakhs have already been spent for rehabilitating and modernising the factories. The subsidiary Companies, Brushware Ltd and Saran Engineering Co. Ltd, have also shown improved results.

Good Results from Shaw Wallace

COMMENTING on the satisfactory results achieved by Shaw Wallace and Co. Ltd for the year ended December 1963, Mr. C. M. A. Bathurst, chairman, in his statement to shareholders has said that the working so far during 1964 shows good progress. (A fuller version of the speech appears on a later page in this issue of Capital.) It is intended to expand and develop the traditional activities of the Company rather than to go in for diversification. This should help to improve production and sales in the various fields. The sale of fertilisers, including superphosphates, rose from 178,888 tonnes for 1962 to 187,762 tonnes in the following year. The sale of fertilisers dropped in north-east India due to the inadequate profit margins allowed by some State Governments. Since this difficulty is likely to be overcome, better results in West Bengal and Assam have been forecast.

Although the Company has decided not to manufacture fertilisers in Mangalore, other projects are being considered. The output of sulphuric acid and superphosphate in the Madras factory rose substantially. The Madras sprayer factory and the sprayer organisation in Calcutta have earned satisfactory profits. The Company has been allowed to enter into collaboration with Micron Spray-

ers Ltd of the U.K. for the manufacture of power sprayers. The output of glue in the Madras factory reached a new record and the unit has earned good profits. The production of wine and spirit in the Calcutta distillery increased considerably and the possibility of increasing the output is being considered. Tea produced by the Companies under the management of Shaw Wallace for 1963, showed a small drop over that for 1962, but prices for teas realised were disappointing. The Tinplate Company of India Ltd produced 84,107 tonnes, against 77,346 tonnes. An industrial licence for the modernisation and expansion of the unit has been obtained. It is intended to increase production by further 80,000 tonnes a year. The increased output is expected to be available by 1967. Referring to the collieries under the management of Shaw Wallace, Mr. Bathurst pointed out that stock accumulations have begun to run down at a satisfactory rate. If the demand for coal catches up with the supply, the collieries will resume maximum working without delay. The Indian Yeast Co. Ltd has reached a revenue-earning stage, although it will take some time to wipe off the accumulated losses of this Company.

The group profit of Shaw Wallace has risen from Rs. 70.16 lakhs for 1962 to Rs. 99.29 lakhs for 1963, after transferring Rs. 18.76 lakhs (against Rs. 20.46 lakhs) to depreciation. The taxable ordinary dividend has been increased from 7½ percent to 12½ percent, which works out to a yield of 8.1 percent at the present price of Rs. 15.37 a share of Rs. 10 each. Taxation is allocated Rs. 62.47 lakhs (against Rs. 47.35 lakhs) and general reserve, including development rebate reserve, Rs. 22.95 lakhs (against Rs. 14.07 lakhs). The carry-forward

is Rs. 25,301, against Rs. 76,764 brought in.

Good Results from Esso

ESSO Standard Refining Company of India reports encouraging results for 1963. Sales of its products recorded an increase of about 14 percent from Rs. 37.20 crores to Rs. 42.51 crores. The gross profit, however, is slightly lower at Rs. 4.68 crores, against Rs. 4.70 crores. Appropriations include depreciation Rs. 96.07 lakhs (against Rs. 94.11 lakhs), taxation Rs. 2,597 crores (against Rs. 1,823 crores), newly created reserve for super profits tax Rs. 41.02 lakhs (against nil), statutory development rebate reserve Rs. 2.05 lakhs (against Rs. 7.50 lakhs) reserve for privilege leave, annuities, etcetera, Rs. 2.81 lakhs (against Rs. 2.76 lakhs) and debenture issue expenses Rs. 52,712 (the same). After making these allocations, there remains a balance of Rs. 72.20 lakhs (against Rs. 1,533 crores) which has been transferred to general reserve No. 2 from which preference dividend absorbing Rs. 4.50 lakhs (the same) is being paid.

Foreign exchange savings generated by the Company during 1963 were of the order of Rs. 11.3 crores, raising the total foreign exchange saving effected since the start of the refinery to Rs. 46 crores. The Company exported considerable quantities of gasoline and asphalt during 1963. There was an appreciable increase in the manufacture of special products, particularly hexane. An agreement has been reached for erecting a lubricating oil manufac-

turing plant which will be jointly owned by the Government of India and Esso Standard Eastern Incorporated. The Company has plans for manufacturing Solvent 2445 used extensively in the textile industry. Debentures worth Rs. 80 lakhs were redeemed on 30th April, 1964, in accordance with the terms of the debenture trust deed.

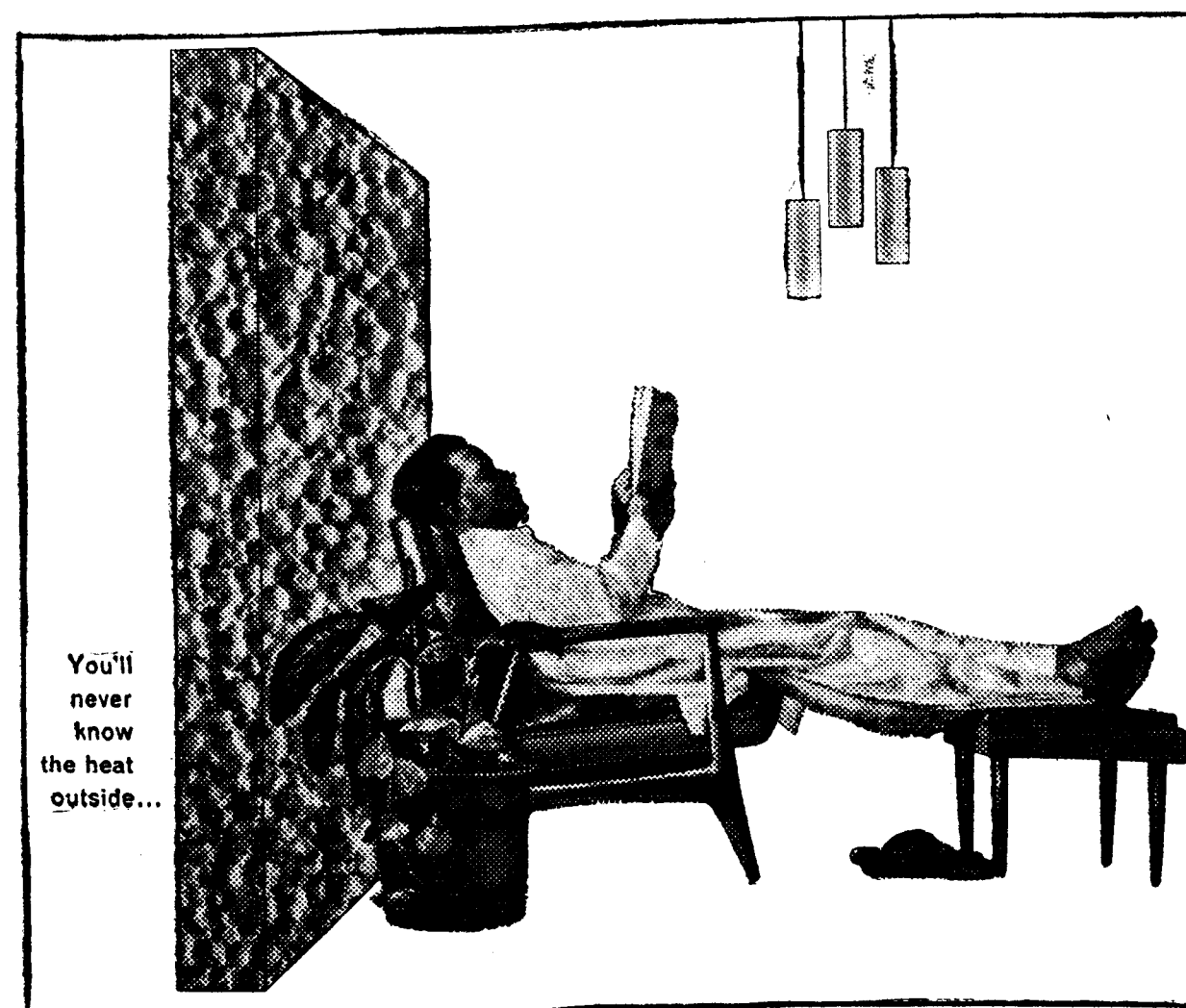
Bright Prospects for Hindustan Aluminium

IN spite of the severe slump in the stock market which has hit particularly hard the shares of companies which have made their appearance over the past few years, the scrip of Hindustan Aluminium Corporation continue to command a premium—the Rs. 10-paid share is currently quoted around Rs. 12. The investors' confidence in the Company's future seems fully justified by its recent performance. It did fairly well in 1963 and from what Mr. M. P. Birla, who presided over the Company's annual meeting in the absence of its chairman, Mr. G. D. Birla, stated at the annual meeting, shareholders can look forward to the future with greater confidence. Last year, the Company produced 22,138 tonnes of aluminium, against the rated capacity of 20,000 tonnes. The production during the first five months of the current year is placed at 10,000 tonnes, and the turnover is around Rs. 3.50 crores.

Sales during 1964 are expected to reach Rs. 8.5 crores, yielding a gross profit of Rs. 3.5 crores to Rs. 4 crores, compared with Rs. 1.99 crores in 1963. The Company's profitability is expected to increase further in 1965 when

the fabrication plant will be in full operation making sheets, circles and extruded items. The Company is going ahead with its expansion programme. It has already received permission to increase the capacity from 20,000 tonnes to 60,000 tonnes. The expansion will be undertaken in two stages. The first phase, which will raise the capacity to 48,000 tonnes, will require a capital outlay of Rs. 13 crores and is expected to be completed by the end of 1965. The chairman, Mr. G. D. Birla, is already in the U.S.A. to negotiate a loan of \$11 million from the Export-Import Bank. The balance of the cost will be met from the Company's internal resources and P.L. 490 loans. Hindustan Aluminium is not likely to approach the shareholders with a rights issue for some time to come. Further expansion of the Company's capacity will be taken up at a subsequent stage. The Company is putting up its own power plant and this will be erected by its wholly-owned subsidiary—the Renuagar Power Company. Negotiations to secure foreign exchange and rupee loans are said to be under way.

Explaining the reasons for the delay in the payment of a maiden dividend, Mr. M. P. Birla pointed out that the aluminium industry was highly capital-intensive, necessitating large provisions for depreciation and development rebate. The Company provided last year about Rs. 1.95 crores by way of depreciation on a two-shift basis, but no provision had been made for development rebate. It is estimated that in 1964, the Company will have to provide about 4 crores for depreciation and accumulated development rebate reserve. The management expects to clear all the arrears of preference dividend in



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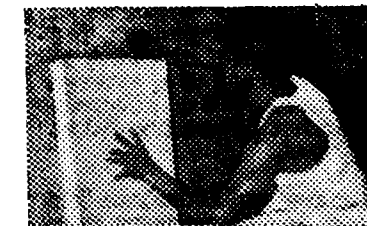
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1966, and pay a maiden dividend in 1967. Mr. Birla said that the Company could have paid the preference dividend a little earlier, if it had not decided on expansion and had made smaller provisions for depreciation.

Caltex Oil Refinery Earns Less

THE Caltex Oil Refining (India) Ltd processed 7,771,988 barrels of crude oil during 1963, compared with 7,079,023 barrels in the previous year and its income from refining amounted to Rs. 2.63 crores, against Rs. 2.62 crores. The gross profit, however, declined from Rs. 1.46 crores to Rs. 1.415 crores. After providing Rs. 89.46 lakhs (against Rs. 90.55 lakhs) for depreciation, Rs. 34.25 lakhs (against Rs. 54.18 lakhs) for taxation and Rs. 64,885 (against Rs. 92,862) for development rebate reserve, the net profit amounts to Rs. 17.12 lakhs, against Rs. 68,519 in the preceding year. This together with the previous years' surpluses has been used to create a general reserve of Rs. 3,506 crores.

The Company has declared a dividend of 9.42 percent which will be paid out of the Reserve No. 2, representing profits exempt under Sections 84 and 101 of the Income Tax Act and this will absorb Rs. 42.4 lakhs. The directors state that the Company has started the production of liquid petroleum gas which is being marketed under the trade name "Calgas". The Company is continuing its discussions with the Government of India for the expansion of the Visakhapatnam refinery, and the sanction is expected shortly. The Caltex tanker movements in the Visakhapatnam port accounted for nearly 48 percent of the total port tonnage, and contributed Rs. 58 lakhs to the port's revenue by way of wharfage. The Company is said to have contributed about Rs. 29 crores to the Government of India by way of excise duty on its refined products.

New Monkhoosi, Darjeeling Tea Results

THE results of the New Monkhoosi Tea Co. Ltd and Darjeeling Tea and Chinchona Association Ltd, under the management of Macneill and Barry Ltd, for 1963 have been published. New Monkhoosi has earned a trading profit of Rs. 3.11 lakhs, against Rs. 2.75 lakhs for 1962, after transferring Rs. 83,455 (against Rs. 87,692) to depreciation. Taxation absorbs Rs. 59,000 (against Rs. 1 lakh) and Assam agricultural tax Rs. 1.10 lakhs (against Rs. 1.09 lakhs). General reserve is allocated Rs. 80,000 (against Rs. 25,000) and development rebate reserve Rs. 1,100 (the same). The taxable ordinary dividend of 7.5 percent, against 5 percent, has been paid. The crop amounted to 317,507 kilograms, and the average sale price was Rs. 6.07 a kilogram. The 1964 crop has been estimated at 333,868 kilograms.

Darjeeling Tea and Chinchona has maintained a taxable ordinary dividend of 30 percent. The trading profit has risen from Rs. 2.24 lakhs to Rs. 2.60 lakhs, after providing Rs. 48,315 (against Rs. 44,958) for depreciation. Taxation absorbs Rs. 58,000 (against Rs. 42,000) and West Bengal agricultural tax Rs. 65,000 (against Rs. 47,000). General reserve is allocated Rs. 34,000 (against Rs. 25,000) and development rebate reserve Rs. 960 (against Rs. 4,400). The carry-forward is Rs. 664, against Rs. 3,530 brought in. The crop totalled 322,932 kilograms, and the average sale price amounted to Rs. 5.92 a kilogram. The

crop for 1964 has been estimated at 319,329 kilograms.

Kumardhubi Fireclay Pays the Same

KUMARDHUBI Fireclay and Silica Works Ltd has repeated a taxable ordinary dividend of 15 percent for the year ended December 1963. The profit has amounted to Rs. 6.87 lakhs, against Rs. 8.24 lakhs for 1962, after transferring Rs. 13.36 lakhs (against Rs. 9.63 lakhs) to depreciation, Rs. 7.12 lakhs (against Rs. 11.56 lakhs) to taxation, Rs. 90,700 (against Rs. 4.28 lakhs) to statutory development rebate reserve and Rs. 1 lakh (the same) to debenture redemption reserve. General reserve is allocated Rs. 1 lakh (the same) and plant renovation reserve Rs. 1 lakh (against Rs. 1.75 lakhs). The carry-forward is Rs. 24,231, against Rs. 25,499 brought in.

Output dropped from 98,789 tons to 95,083 tons. The output of silica fell by about 7,000 tons. The directors mention that the demand for silica is diminishing due to technological changes in the steel industry. The modernisation programme in the old fire brick section has not yet been completed, but a higher production of fire brick has been obtained. The total sale value dropped from Rs. 2.26 crores to Rs. 2.08 crores. The directors are trying to diversify production and negotiations for foreign collaboration and technical know-how have reached an advanced stage. It is proposed to reconstruct tunnel kiln No. 1.

Orissa Cement Repeats

ORISSA Cement Ltd has earned a profit of Rs. 22.54 lakhs for the year ended December 1963, against one of Rs. 95.45 lakhs for 1962, after transferring Rs. 35.39 lakhs (against Rs. 36.62 lakhs) to depreciation and Rs. 2.80 lakhs (against Rs. 3.30 lakhs) to development rebate reserve. A sum of Rs. 45,480 has been transferred from development and rehabilitation reserve. The taxable ordinary dividend of 10 percent has been repeated which works out to a yield of 7.7 percent at the present price of Rs. 12.94 a share of Rs. 10 each. Taxation absorbs Rs. 9 lakhs (against Rs. 51 lakhs) and development and rehabilitation reserve Rs. 3.34 lakhs (against Rs. 4.08 lakhs).

Cement production dropped from 380,000 tonnes to 353,000 tonnes. The directors say that the Company has incurred substantial losses on packing charges for cement which have been fixed by the Government of India. This has happened due to the sharp rise in prices of second-hand bags. It has been pointed out that the recent increase in cement prices sanctioned by the Government does not fully cover the rising production costs. The demand for silica bricks has declined sharply. There has also been a drop in the demand for basic refractories due to the delay in executing the expansion programme of the steel industry. The output of fireclay refractories has been held down by the lack of balancing equipment which cannot be obtained due to the shortage of foreign exchange. The production of bricks has been hindered by the shortage of suitable raw materials. Since the demand for refractories from the steel industry has dropped, the present capacity for producing refractories is considered excessive. The Company has completed the second stage of the expansion programme for the basic refractory plant, and it is expected to produce superior-quality basic refractories. The Company had received an industrial licence to manu-

facture cement from blast furnace slag which is available as a waste product in the Rourkela steel plant. But the licence has been revoked since the Company has not found the Rourkela slag suitable for making slag cement.

Bhartia Electric Steel Pares Well

BHARTIA Electric Steel Co. Ltd has produced satisfactory results for the year ended December 1963. Production rose from Rs. 1.56 crores to Rs. 2.01 crores. There was a substantial improvement in the production of steel castings. The Company received a large order for couplers and their output rose considerably. The capacity to produce centre buffer couplers has been raised, and it is hoped that orders from the Railway Board will increase. The Company has entered into technical collaboration with Messrs Amsted Industries International of the U.S.A. to produce cast steel boggies. The demand for steel castings continues to be satisfactory and the order-book has been well-filled. The expansion programme has made good progress. Land in Barupur, near Calcutta, has been acquired and about Rs. 20 lakhs have already been spent on the expansion programme. The total cost may amount to Rs. 1.07 crores. An application has been made to the Industrial Credit and Investment Corporation of India for a loan of Rs. 70 lakhs.

The profit has risen from Rs. 11.83 lakhs to Rs. 18.72 lakhs, after transferring Rs. 6.03 lakhs (against Rs. 5.69 lakhs) to depreciation, Rs. 1.20 lakhs (against Rs. 30,000) to development rebate reserve and Rs. 25.50 lakhs (against Rs. 22.30 lakhs) to taxation. The taxable ordinary dividend has been increased from 12½ percent to 15 percent to give a yield of 9.8 percent at the present price of 15.37 a share of Rs. 10 each. General reserve is allocated Rs. 11.25 lakhs (against Rs. 12 lakhs), leaving a carry-forward of Rs. 2,263, against Rs. 5,246 brought in.

Walford Transport Pays Less

WALFORD Transport Ltd has earned a profit of Rs. 4.01 lakhs for the year ended December 1963, against a profit of Rs. 4.32 lakhs for 1962, after providing Rs. 70,355 (against Rs. 59,854) for depreciation, Rs. 6 lakhs (against Rs. 7 lakhs) for taxation. The taxable ordinary dividend has been reduced from 30 percent to 27 percent. The yield amounts to 8.5 percent at the present price of Rs. 3.19 a share of Re. 1 each. Development rebate reserve is allocated Rs. 972 (against Rs. 2,134), general reserve Rs. 1 lakh (against Rs. 1.95 lakhs). The carry-forward is Rs. 21,687, against Rs. 5,406 brought in. The Company's expansion programme in Gauhati, Assam, has made good progress. The project should be completed by the end of 1965.

Hindusthan Heavy Chemicals Loses

HINDUSTHAN Heavy Chemicals Ltd has incurred a loss of Rs. 16.75 lakhs for the year ended December 1963, against a loss of Rs. 8.61 lakhs for 1962, after providing Rs. 7.45 lakhs (against Rs. 3.56 lakhs) for depreciation. The dividend has been passed, and a loss of Rs. 18.90 lakhs has been carried forward. The unsatisfactory results have been partly due to the uneconomic size of the plant, and

partly because of the control on the selling prices of caustic soda, chlorine and hydrochloric acid. Sales amounted to Rs. 21.83 lakhs (against Rs. 21.06 lakhs). The Company has completed the first phase of the expansion scheme for the caustic and chlorine plants.

The output capacity has been increased to 13 tons a day. Full working for 1963 was interrupted by the shortage of electric power. The directors are considering to make the operations of the caustic and chlorine plants more economic. They think that the output capacity should be increased to at least 15 tons a day. So the Industrial Finance Corporation of India has been approached for additional financial assistance for the purpose. If the expansion materialises, the working of the factory may be placed on a profitable basis.

Progress of Dr. Paul Lohmann

THERE being no manufacture or trading during 1963, the accounts of Dr. Paul Lohmann India Ltd show only the capital expenditure involved in the completion of the fine chemical factory. The plant has already gone into production. Trial production began early in 1964. A phased programme for the manufacture of many chemicals has been drawn up. The Government has granted the Company licences for importing some essential chemicals. The directors hope that the factory will reach a satisfactory level of production when raw material imports arrive by the second half of 1964. As for the basic chemicals project, the terms of foreign collaboration await the Government's sanction. An application for a licence to import capital goods has also been made. The Company has incurred a loss of Rs. 5,719 for the year ended December 1963, after providing Rs. 21,880 for depreciation and Rs. 17,000 for taxation.

Mafatlal Petro-chemical Projects

THE two major petro-chemical projects promoted by Mafatlal House have now taken a final shape. One of them—National Organic—is likely to enter the capital market shortly. The chairman of the Mafatlal group of industries, Mr. Arvind N. Mafatlal, revealed at the annual meeting of the Standard Mills Co. Ltd that both National Organic Chemical Industries Ltd and Polyolefins Industries Ltd had finalised arrangements with foreign collaborators for the establishment of the projects. The Government of India's sanction is expected within a few weeks. Both the plants will be located in the Thana region. Raw materials have been assured and the construction work for the National Organic factory is likely to start after the monsoon. And if all goes well, according to plan, National Organic's plant will go into production before the end of 1966.

The capital cost of National Organic's project is estimated at Rs. 30 crores, of which Rs. 10 crores will be in the form of share capital and the balance will be obtained as loans and borrowings. One-third of the share capital will be subscribed by Shell International Chemical Company and its affiliates who are collaborating in the project. Another one-third will be taken up by the Mafatlal group, their associates and friends, and the balance will be offered for public subscription at an appropriate time. Out of the Mafatlal group's share of the capital, Standard Mills has offered to subscribe for shares worth

Rs. 75 lakhs. In addition, the shareholders of Standard Mills will be offered one share in the new Company for every two shares of Standard held by them. The offer to the shareholders of the Standard Mills is being made in response to repeated requests from them. The foreign exchange component of the project is estimated at Rs. 14 crores, of which Rs. 3.3 crores will come from the foreign collaborators' subscription to the Company's share capital and the balance will be obtained as long-term loans from financial institutions. Mr. Mafatlal informed the shareholders that the Company did not propose to have the public issue underwritten as the promoters were confident of its success. The public issue will be placed in the market at an opportune time. Justifying Standard Mills' investment of Rs. 75 lakhs in National Organic, the chairman said that the investment will prove quite profitable over a period of time.

Mr. Arvind N. Mafatlal also disclosed that it was proposed to set up a new Company to be known as Polyolefins Industries Ltd to undertake the manufacture of polyethylene from the raw materials supplied by National Organic Chemical Industries Ltd. The West German firm of Farbwerke Hoechst A.C. will collaborate in this venture. This project is estimated to cost about Rs. 8.5 crores. The issued capital of the Company will be Rs. 3.60 crores, of which Rs. 1.20 crores will be taken up by the foreign collaborators. The National Organic will take up shares worth Rs. 1.20 crores, and the balance of Rs. 1.20 crores will be offered for public subscription. The plant will be located in the Thana-Belapur area and it will have a capacity of 20,000 tons of polyethylene a year.

Referring to shareholders' suggestion to issue bonus shares by capitalising the share premium account of Rs. 52.01 lakhs, Mr. Mafatlal pointed out that this could not be done now because of the uncertainty concerning tax liability as the premium account had been created by the amalgamation of New China Mills and Indian Bleaching Works. Speaking about the outlook for Standard Mills, the chairman said that the working during the first five months of the year had been normal and that the Company hoped to maintain its performance for the whole year. Justifying large sums spent on renovation and modernisation of the mills—about Rs. 2.50 crores have been spent over the past five years—the chairman said that this was essential for maintaining the mills' efficiency. The replacement cost of the mills would be as much as Rs. 14 crores. Standard Mills shares which had been marked down to Rs. 569 on 13th June—the lowest for the year—rallied to Rs. 585 the next day, following the chairman's encouraging remarks about the Company's future.

Kislokar Pneumatic Rights Issue

KIRLOSKAR Pneumatic is offering 15,090 equity shares of 100 each at par to the existing shareholders as on 19th May, in the ratio of three new shares for every seven shares held. Shareholders having less than seven shares will be offered three coupons for each share held. The new shares will rank equally with the existing shares for dividend that may be declared for the year ended 31st March, 1965, in proportion to the paid-up value thereon. Additional funds are required for financing the Company's expansion schemes.

The Company is engaged in diversifying its activities by expanding the range of its production of com-

pressed air equipment and by taking up new articles for manufacture. It has signed an agreement with Westinghouse Electric International Company of the U.S.A. for manufacturing compressors and components of air-conditioning units. It has finalised a technical assistance agreement with Westinghouse Brake and Signal Co. Ltd of the U.K. for the manufacture of air brake compressors suitable for the railways. It also proposes to step up its production of air compressors, rock drills, pneumatic tools and refrigeration compressors to meet the growing demand in the country.

Triton Insurance Maintains

THE distributable balance of the Triton Insurance Co. Ltd has amounted to Rs. 3.05 lakhs for the year ended December 1963, against Rs. 5.06 lakhs for 1962, after providing Rs. 5.20 lakhs (against Rs. 5 lakhs) for taxation, Rs. 14,601 (against Rs. 19,640) for expenses of management of capital and Rs. 71,433 (against Rs. 77,906) for depreciation on investments. The taxable ordinary dividend of 50 percent has been repeated, which works out to a yield

of 9.6 percent at the present price of Rs. 130 a share of Rs. 100 each on which only Rs. 25 has been paid-up. General reserve is allocated 17,367 (against Rs. 4.14 lakhs).

In the fire department, the net premium amounted to Rs. 27.75 lakhs and the net claims paid and outstanding to Rs. 14.61 lakhs. After making all adjustments, the accounts show a profit of Rs. 2.38 lakhs. Although there was a marked deterioration in the results of business written in India, the bulk of the fire losses occurred overseas. The net premiums of the marine department amounted to Rs. 9.94 lakhs and the net claims paid and outstanding to Rs. 4.54 lakhs. The account shows a profit of Rs. 1.94 lakhs, after making all adjustments. The net premium of the miscellaneous insurance department amounted to Rs. 5.28 lakhs and the net claims paid and outstanding to Rs. 2.55 lakhs. There has been a profit of Rs. 65,430, after making necessary adjustments.

Travancore Cements Pays Less

TRAVANCORE Cements Ltd has reduced the dividend for 1963

from 7 percent to 6 percent. This follows the setback in the Company's working results during the year. Sales are a little higher at Rs. 74.51 lakhs, against Rs. 73.51 lakhs, but the gross profit had declined sharply from Rs. 15.32 lakhs to Rs. 12.46 lakhs. The profit margin has been squeezed by the increase in manufacturing costs. After providing Rs. 5.16 lakhs (against Rs. 5.62 lakhs) for depreciation, Rs. 4.20 lakhs (against Rs. 5.60 lakhs) for taxation and Rs. 13,034 (against Rs. 2,170) for development rebate, the net profit amounts to Rs. 2.97 lakhs, against Rs. 4.08 lakhs in 1962. After transferring Rs. 50,000 from the deferred taxation reserve and writing back excess provision for doubtful debts, the directors have provided Rs. 49,999 (against Rs. 50,372) for rehabilitation reserve and the proposed 6 percent dividend absorbs Rs. 3 lakhs (against Rs. 3.50 lakhs), leaving a sum of Rs. 11,408 to be carried forward, against Rs. 14,085 brought in. The directors state that the Company's request for treating it on par with other cement factories in the matter of increase of Rs. 2.75 a tonne from 1st June, 1963, has been turned down on the plea that the price allowed to it earlier had already been higher than that for other units. The Com-

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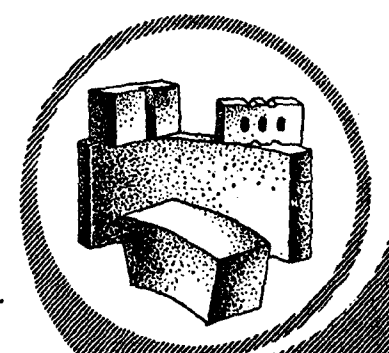
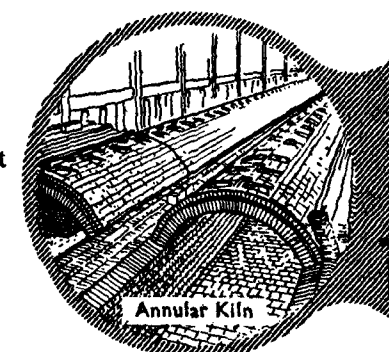
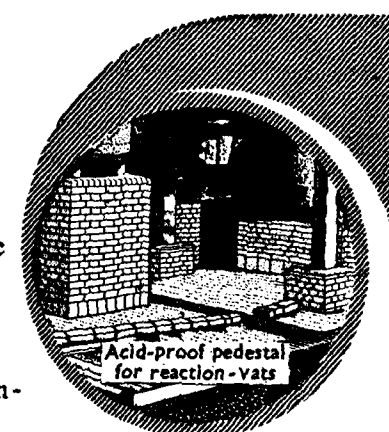
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pany has urged the Government to reconsider its decision.

Share Offer from Mohatta And Heckel

MOHATTA and Heckel Ltd which proposes to set up a factory in Khopoli (Maharashtra) for the manufacture of all kinds of wires, wire rope and high tensile wire is offering 287,000 equity shares of Rs. 10 each and 15,000 preference shares of Rs. 100 each for public subscription. The plant will have an annual capacity of 5,000 tons of steel wire and wire ropes. George Heckel GmbH of West Germany is collaborating in the venture; it will provide not only the technical know-how, but also participate in the capital of the Company. The project is estimated to cost Rs. 1.25 crores which is proposed to be met from the issued capital of Rs. 65 lakhs, a loan of Rs. 35 lakhs from the I.C.I.C.I. and bank borrowings amounting to Rs. 25 lakhs.

The Company has received licences to import plant and machinery worth Rs. 45.25 lakhs. A part of the plant has already arrived. Construction of the factory building has started and, if all goes well, the plant is likely to go into production early next year. The Company has received licences to import the required raw materials. The Company has an authorised capital of Rs. 1 crore made up of Rs. 80 lakhs in equity shares of Rs. 10 each and Rs. 20 lakhs in 9.5

percent cumulative redeemable preference shares of Rs. 100 each.

The issued capital is Rs. 65 lakhs of which Rs. 15 lakhs is in preference shares. Out of the the equity capital of Rs. 50 lakhs, the promoters, directors and their associates have subscribed for shares worth Rs. 10.70 lakhs. The foreign collaborators have agreed to take up equity shares worth Rs. 10.60 lakhs. The balance of Rs. 28.70 lakhs in equity shares and Rs. 15 lakhs in preference shares is now being offered for public subscription. The list will open on 20th June, and will close on 2nd July or earlier but not before 24th June. The entire public issue has been underwritten.

Seebpore Coal Earns Less

THE profit of Seebpore Coal Co. Ltd has dropped from Rs. 5.60 lakhs for 1962 to Rs. 4.61 lakhs for 1963, after transferring Rs. 93,508 (against Rs. 65,815) to depreciation. The taxable ordinary dividend has been reduced from 35-7/5 percent to 28-4/7 percent, including an interim of 10-5/7 percent. The yield works out to 5.8 percent at the present price of Rs. 34.75 a share of Rs. 10 each on which only Rs. 7 has been paid-up. Taxation, including Rs. 14,000 for surtax on profits, absorbs Rs. 2.34 lakhs (against Rs. 3.35 lakhs). The super profits tax amounted to Rs. 70,000 for 1962. Development rebate reserve is allocated Rs. 52,000

(against Rs. 30,000) and general reserve Rs. 80,000 (against Rs. 75,000), leaving a carry-forward of Rs. 16,284, against Rs. 15,849 brought in. Raisings amounted to 122,801 tons, against 125,503 tons and despatches totalled 128,071 tons, against 115,817 tons. The output of Koithi seam coal from the limited area of the Pretoria property continued during 1963. The new winders have been installed in the Lachipur Colliery.

Shahdara (Delhi) Saharanpur Light Railway

THE gross earnings of the Shahdara (Delhi) Saharanpur Light Railway Co. Ltd have been Rs. 37.54 lakhs for the year ended March 1963, against Rs. 34.94 lakhs for 1961-62, while working expenses have risen from Rs. 32.68 lakhs to Rs. 36.28 lakhs. So the net loss has amounted to Rs. 1.21 lakhs, after making all adjustments. Bringing in a debit balance of Rs. 6,488, the total loss amounts to Rs. 1.28 lakhs which has been offset by transferring sums from general reserve. The dividend has been passed. The directors referred to the competition from road transport which is hindering the earnings of the Company.

Same from Cambodia Mills

ALTHOUGH the dividend on ordinary shares is maintained at 9

percent (the same) for the year ended December 1963, the profit of Cambodia Mills has fallen. The directors' report says that the cost of raw materials continued to mount and manufacturing expenses were also high. There was no corresponding increase in the selling price of yarn. Consequently, the margin of profit was considerably reduced. The profit for the year amounts to Rs. 4,96,149, after providing Rs. 2,27,101 for depreciation, compared with the previous year's profit of Rs. 6,09,784, after providing Rs. 2,49,419 for depreciation. With the amount of Rs. 8,270 brought forward the total surplus comes to Rs. 5,04,419. Out of this, bonus and expenses relating to the previous years amounts to Rs. 2,69,111. The dividend on preference shares at 9.1 percent amounts to Rs. 9,100. The equity dividend at 9 percent takes in Rs. 1,80,000. General reserve gets Rs. 40,000 (against Rs. 1,40,000). The balance of Rs. 6,208 is carried forward. The sale of finished goods amounted to Rs. 1,42,39,654 (against Rs. 1,41,16,932).

United Flour Mills Pays More

THE United Flour Mills Co. Ltd has increased the taxable ordinary dividend from 7½ percent for 1961-62 to 20 percent, including an interim of 10 percent for the year ended November 1963. The yield amounts to 7.2 percent at the present price of Rs. 27.81 a share of Rs. 10 each. The profit has improved from Rs. 2.26 lakhs to Rs. 3.16 lakhs, after providing Rs. 28,590 (against Rs. 30,201) for depreciation. Taxation absorbs Rs. 1.65 lakhs (against Rs. 1.92 lakhs), general reserve Rs. 1.75 lakhs (against nil) and development rebate reserve Rs. 4,957 (against nil). The carry-forward is Rs. 8,262, against Rs. 6,571 brought in. The maximum selling prices of wheat produced except bran continue to be controlled by the Government of India. The extraction of atta was kept at about 45 percent for most of 1962-63. The supply of wheat from the Government of India has on the whole been satisfactory. Production rose from 252,082 quintals to 270,731 quintals.

Twyford Tea Raises Dividend

A SUBSTANTIAL improvement in profit, a better crop, and the stepping up of the dividend to 7½ percent from 5 percent, feature the working results of Twyford Tea Co. Ltd for the year ended December 1963. The net profit of the year after taxation amounts to Rs. 2,28,222.15 after providing for depreciation, managing agency commission, and also after providing Rs. 2,30,000 for taxation. This compares with the previous year's net profit of Rs. 88,557, after providing Rs. 65,000 for taxation. With the amount of Rs. 1,113.51 brought forward, and with Rs. 20,000 being the transfer from provision for contingencies, the total comes to Rs. 2,49,335.66. Out of this, a sum of Rs. 57,455 is transferred to general reserve (against nil). A sum of Rs. 50,000 is transferred to dividend equalisation reserve (against nil). The proposed dividend of 7½ percent (against 5 percent) on equity shares will absorb Rs. 1,18,125. The balance of Rs. 23,755.66 is carried forward. During the year, the Company harvested 594.973 kilograms of tea at an all-in-cost of 355 cents a kilogram, against 403 cents in the previous year. The average sale price was 432 cents a kilogram (against 432 cents). The estimated tea crop for 1964 is put at 600,000 kilograms at a cost of 337.66 cents a kilogram.

The Stock Markets

BIG FALL IN TURNOVER DUE TO UNCERTAINTIES

Wednesday Evening.

THE Calcutta stock market has been sluggish during the past week, and turnover has dropped greatly. The clearing on Wednesday was uneventful, and carry-forward charges were about the same as in the previous settlement. Business, which has been largely of a jobbing nature, is concentrated on clearing shares. Although the selling pressure in cash shares is not pronounced, they have tended to drop on any indication to sell. New shares, in particular, have suffered greatly. The response to various new issues during recent weeks has been poor, and the bulk of the issues had to be taken up by the underwriters themselves.

Investors and operators are not inclined to take a constructive view because of various uncertainties. The growing inflationary pressure, combined with an unchecked rise in the prices of foodgrains, have caused a great deal of concern. Full-scale State trading in foodgrains is unlikely, but the market is anxiously awaiting the measures which the Government will take to stabilise prices.

Lyons Range is not impressed by the news that the Unit Trust of India will start selling units from 1st July, 1964. Although the long-term effect of the Trust's operations on the stock market is expected to be healthy, a large amount of savings may be diverted to the units because they may give a better return than what is available on equities. The main attraction of the units is that the returns on them will be substantially tax-free.

Reports that the International Development Association has sanctioned India foreign exchange loans to finance the production of commercial vehicles, industrial machinery and construction equipment, have created little excitement. Even the recommendations of the Swaminathan Committee to help industries by simplifying licensing, import and other procedures have been treated indifferently.

The stock market has, for the time being, diverted its attention to the prospects of relaxation in the margin system. The Government may announce its decision on the subject at an early date. It is likely that various stock exchanges may approach the Central Finance Ministry to expedite the decision if it is delayed.

Indian Iron have slightly recovered towards the close due mainly to short-covering. Bears are inclined to cover their open position in view of an early announcement of the dividend for 1963-64. Engineering shares lack interest, but Binani Metals have enjoyed influential support. Bhartia Electric Steel have been marked higher due to the payment of a better dividend.

Clearing scrip have attracted most attention in the miscellaneous section. Turnover has been largely confined to Indian Aluminium, Hindustan Motors, Indian Copper, Rohtas, Kesaram Industries and Dunlop Rubber. Purchases in Alkali and Chemical and Metal Box have been scattered. Among new shares, Phillips Carbon have weakened, while Chemicals and Fibres have been supported. Electric company shares like Calcutta Electric are dull. Scattered business in United Bank and United Commercial has been transacted. Shaw Wallace, among managing agency shares, have

gained on paying a bigger dividend. Except for Orient which have moved both ways, paper shares are neglected. Sugar shares are difficult to transact due to the absence of buyers. In the cotton mill section, only Bharat Commerce and Dunbar have been about steady.

Business in jute section has been selective with shares like Birla, New Central, Champdany, Barnagore and Ganges drawing support. The sharp decline in U.S. burlap consumption in May, combined with an increase in U.S. stocks, has disturbed sentiment. Coal shares lack interest and stray business in Western Bengal and Central India has been done. Tea shares have been generally dull due to the disappointing dividends declared by many companies for 1963.

Government securities are fairly steady. The 3 percent Conversion Loan 1986 has been quoted around Rs. 63.75. There has been good support for short-dated loans, which have hardened. The prices of medium-dated stocks are about steady.

Bombay

GOOD COMPANY NEWS IGNORED

BUSINESS CONFINED TO CLEARING SHARES

Wednesday Evening.

THERE has been a substantial drop in turnover in the Bombay stock market during the past week. Operators have been disinclined to extend commitments either way due to the growing concern about the rising prices of commodities. Dalal Street has been disappointed over the Government's delay in taking a decision on relaxing the margin system. In spite of good corporate news, bulls have preferred to keep their commitments light lest share prices drop further.

There has been a great deal of uncertainty over cloth prices. Turnover has largely centred on clearing shares and business generally has been of a jobbing nature. Investment support has been negligible, so turnover in cash scrip has been at a low ebb. Dalal Street has virtually shown no enthusiasm over the report that the Unit Trust will begin to sell units from 1st July. Meanwhile, operators have been disturbed by the growing shortage of funds. The support from institutions, especially the Life Insurance Corporation, has been negligible in recent weeks.

Tata Steel ordinary have recovered to Rs. 145.50 towards the close on hopes that the Company will soon declare the dividend for 1963-64. Among engineering shares, Tata Locomotive and Mukand Iron have gained slightly. Premier Construction have reacted on reports that the prospect for amalgamating Hindustan Construction, a wholly-owned subsidiary, with Premier Construction is remote. Larsen and Toubro have retreated on the news that the Controller of Capital Issues has permitted the Company to raise a further capital of Rs. 66 lakhs by issuing ordinary shares of Rs. 10 each at a premium of Rs. 2 a share. The proceeds of the new issue will be used to finance the Company's

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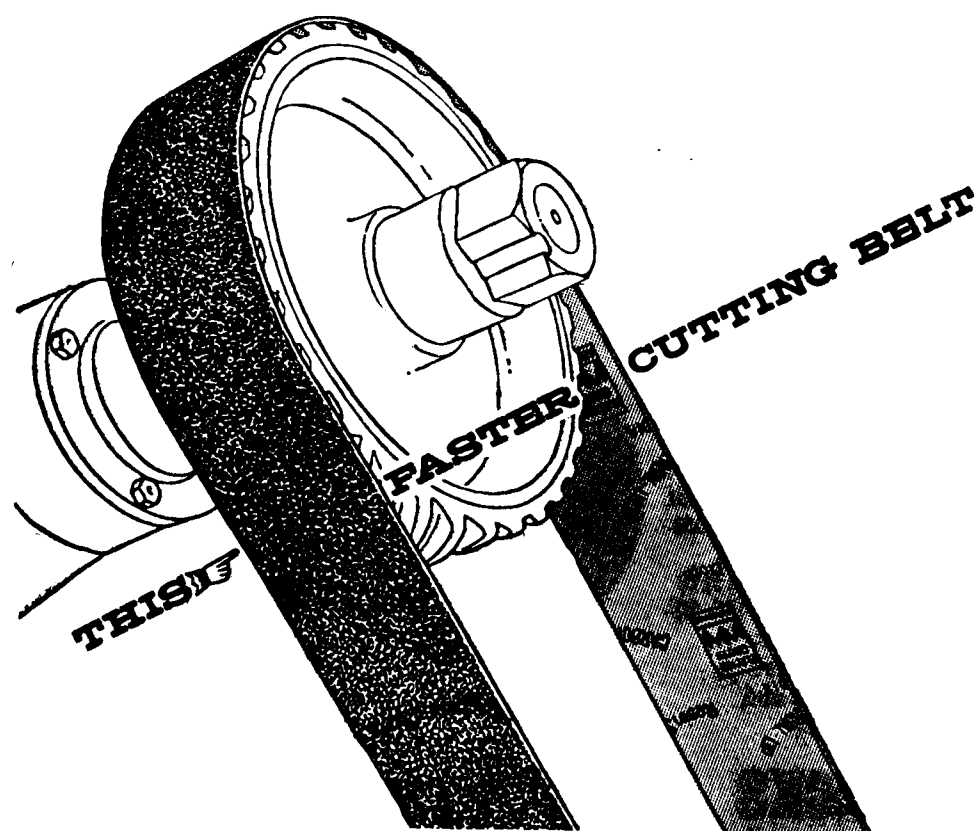
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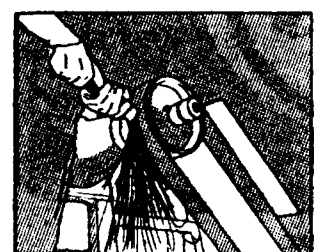
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be cut. National Rayon have dropped on pressure. Voltas and Tata Oil have been about steady.

In banks, scattered business has been done in Central Bank and Bank of India. Electric company shares have been steady, and support has been forthcoming for Ahmedabad and Tata Hydro.

Madras

PRICES STEADY IN SMALL TURNOVER

PLANTINGS SLUGGISH ON BAD CROP REPORTS

Tuesday Evening.

THE Madras stock market has been steady during the past week, although turnover has been limited. Better enquiries from outside sources, combined with short-covering, have helped to improve the prices of clearing shares. The news that the Unit Trust will start selling units from 1st July has been interpreted bullishly. Investors have, however, been cautious due to the growing

shortage of funds. The prospect of power cut has also called for caution.

Government securities have been fairly steady, and attention has centred on selected State Government loans. Although the prices of bank shares have been maintained, turnover has been negligible. Indian Overseas have come to hand at Rs. 139 and Indian at Rs. 151.50. In electric companies, scattered business has been done in Salem-Erode at Rs. 14.37 and in West Coast at Rs. 13.50. Sugar shares have been freely offered without attracting attention. Deccan have dropped to Rs. 11.22 and E.I.D. have been available at Rs. 34. Mysore have reacted to Rs. 28.33 and Jeypore to Rs. 16.50. Cauvery have been quoted at Rs. 96.50 and Madura at Rs. 9.44.

Planting shares have been hesitant due to unfavourable crop reports. Blue Mountain have been freely done at Rs. 2.35 and Cochin Malabar at Rs. 6.03. Consolidated Coffee have been taken at Rs. 21.80 and Ouchterlony at Rs. 3.45. Periakaramalai have changed hands at Rs. 3.43. Among rubber shares, Nilambur have been available at Rs. 12.75. Rajagiri at Rs. 21.50 and Travancore at Rs. 11.37. In tea companies, Mlamlam have been quoted at Rs. 34.60. Nonsuch at Rs. 22.25 and Peermade at Rs. 21.25. Coffee shares have declined on

balance. Coffee Lands have dropped to Rs. 17.65 and Ossor to Rs. 2.37, but Rajendra have been steady at Rs. 10.42.

In textile shares, South India Viscose have been done at Rs. 118.50 and Travancore Rayon at Rs. 20.65. Business has passed in Lakshmi at Rs. 131 and Madura at Rs. 32.55. Bangalore Woollen have been about steady at Rs. 248 and Buckingham at Rs. 270. Nataraj Spinning have been done at Rs. 7.50 on the decision to increase the Company's subscribed capital by issuing 50,000 preference shares of Rs. 10 each. Ramakrishna have been steady at Rs. 217.80 and Mettur at Rs. 277.50.

Among miscellaneous industries, Aluminium Industries have been quoted at Rs. 19.40 and Ashok Leyland at Rs. 6.60. In cement shares, Dalmia have been bought at Rs. 13.10 and India Cement at Rs. 5.53. Mettur Chemical have improved to Rs. 13.35 on replacement purchases, but F.A.C.T. have been quiet at Rs. 5.10. Seshasayee Paper have been sluggish at Rs. 7, but Enfield have attracted support up to Rs. 10.87. Parry's Confectionery have come to hand at Rs. 2.75 and Spencer at Rs. 21.65. T. Stanes have been supported up to Rs. 13.50, but Textool have reacted to Rs. 142.50. Madras Rubber has dropped to Rs. 11.25, but Kirloskar

CAPITAL, 18th June, 1964.

Electric have been maintained at Rs. 18.40.

THE WEEK'S TRANSACTIONS

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

CLEARED SECURITIES

Birla Jute—Rs. 29/94—30/00—29/62—29/81—(29/12).
Burrakur Coal—Rs. 15/50—15/50—15/47—15/50—(16/50).
Dunlop Rubber—Rs. 33/62—33/80—33/50—33/56—(31/37).
Guest, Keen, Williams—Rs. 23/31—23/40—23/12—23/25—(32/44).
Hindustan Motors—Rs. 17/78—17/84—17/69—17/75—(16/81).
Howrah Jute—Rs. 15/56—15/62—15/00—15/00—(20/00).
Indian Aluminium—Rs. 29/91—30/00—29/75—29/75—(34/12).
Indian Copper—Rs. 3/24—3/30—3/23—3/25—(4/74).
Indian Iron—Rs. 24/22—24/32—24/14—24/24—(22/98).
Indian Cable—Rs. 33/87—33/94—33/87—33/94—(31/12).
J. K. Cotton—Rs. 10/69—10/69—10/44—10/56—(12/50).
Jaipur Udyog—Rs. 11/16—11/19—11/00—11/06—(11/06).
Kesoram Industries—Rs. 25/06—25/06—24/75—24/87—(22/37).
Orient Paper—Rs. 35/20—35/35—35/20—35/20—(35/40).
Orissa Cement—Rs. 12/97—13/08—12/81—12/87—(13/94).
Rohtas Industries—Rs. 11/47—11/53—11/37—11/37—(11/17).
Shree Gopal Paper—Rs. 25/00—25/25—25/00—25/19—(23/81).
Textile Machinery—Rs. 27/60—27/60—27/40—27/50—(23/60).

GILT-EDGED

3 % Govt. Paper—Rs. 62/95—62/95—62/95—62/95—(62/95).
3 % Loan (1986)—Rs. 63/50—63/75—63/50—63/70—(63/70).
3½ % Loan (1985)—Rs. 100/00—100/00—100/00—100/00—(100/00).
3½ % " (1967)—Rs. 99/88—99/90—99/88—99/90—(99/90).
4 % West Bengal (1967)—Rs. 99/35—99/35—99/35—99/35—(99/35).
4 % Loan (1972)—Rs. 98/90—98/90—98/90—98/90—(98/90).
4 % " (1969)—Rs. 99/80—99/80—99/80—99/80—(99/80).
4 % " (1970)—Rs. 99/15—99/15—99/15—99/15—(99/15).
4½ % Loan (1973)—Rs. 100/00—100/00—100/00—100/00—(100/00).
4½ % " (1969)—Rs. 100/05—100/15—100/05—100/10—(100/10).
4½ % Behar (1972)—Rs. 97/90—97/90—97/90—97/90—(97/90).

BANKS

Punjab National—Rs. 19/00—19/31—19/00—19/31—(18/81).
United Bank of India (Rs. 10/- paid)—Rs. 7/50—7/56—7/47—7/50—(7/31).
Do. (Conty Rs. 20/-) (Rs. 10/- paid)—Rs. 7/19—7/19—7/00—7/00—(7/00).
United Commercial—Rs. 67/50—68/00—67/50—68/00—(64/25).

RAILWAY

Dehri Rohtas—Rs. 11/00—11/06—11/00—11/06—(11/06).

TEXTILES

Bharat Commerce—Rs. 21/50—21/50—20/44 x.d.—20/44 x.d.—(19/62).
Cawnpore—Rs. 5/94—6/00—5/87—6/00—(6/31).
Elgin—Rs. 17/75—17/87—17/62—17/87—(18/00).
Jay Shree—Rs. 13/44—13/56—13/37—13/56—(14/25).
New Victoria—Rs. 1/28—1/31—1/25—1/31—(1/50).
Orissa—Rs. 7/06—7/06—7/00—7/00—(9/00).

COALS

Karanpura Collieries (Pref.)—Rs. 46/00—46/00—46/00—46/00—(46/00).
Lakurka—Rs. 14/00—14/00—14/00—14/00—(14/00).
New Manbloom—Rs. 11/00—11/25—11/00—11/25—(16/00).
South Karanpura—Rs. 6/37—6/37—6/37—6/37—(8/87).

CAPITAL, 18th June, 1964.

Western Bengal—Rs. 8/62—8/62—8/62—8/62—(9/00).
West Laikidh—Rs. 6/00—6/00—6/00—6/00—(6/00).

JUTES

Agarpara—Rs. 8/87—8/87—8/81—8/81—(10/25).
Barnagore (Pref.)—Rs. 42/00—42/00—42/00—42/00—(42/00).
Budge Budge—Rs. 122/00—122/00—121/00—121/00—(155/00).
Chitavalu—Rs. 7/69—7/87—7/69—7/69—(10/50).
Dalhousie—Rs. 117/00—117/00—115/00—115/00—(145/00).
Do. (Pref.)—Rs. 90/00—90/00—90/00—90/00—(90/00).
Delta—Rs. 132/00—132/00—132/00—132/00—(159/00).
Empire—Rs. 13/75—13/87—13/75—13/87—(14/69).
Do. (Pref.)—Rs. 89/00—89/00—89/00—89/00—(89/00).
Fort William—Rs. 20/94—21/12—20/94—21/12—(26/00).
Ganges—Rs. 13/12—13/19—13/12—13/19—(13/87).
Hukumchand (Pref.)—Rs. 96/00—96/00—96/00—96/00—(96/00).
Kamarhaty—Rs. 165/00—165/00—165/00—165/00—(165/00).
Kelvin—Rs. 135/00—135/00—135/00—135/00—(135/00).
Kinnison—Rs. 112/00—113/00—112/00—113/00—(148/00).
Northbrook—Rs. 24/75—24/75—24/75—24/75—(28/00).
Nellimaria—Rs. 8/31—8/37—8/31—8/37—(11/31).
New Central—Rs. 11/25—11/37—11/25—11/37—(12/87).
Presidency—Rs. 4/25—4/25—4/25—4/25—(4/87).
Union—Rs. 132/00—133/00—132/00—133/00—(155/00).

MININGS

Assam Sillimanite—Rs. 6/37—6/44—6/31—6/31—(6/31).
Metal Corp.—Rs. 6/62—6/69—6/62—6/69—(8/00).

CEMENTS

Ashoka—Rs. 6/59—6/69—6/50—6/69—(7/31).
Dalmia (Bharat)—Rs. 12/94—12/94—12/75—12/75—(13/31).
Do. (Def.)—Rs. 2/75—2/75—2/75—2/75—(2/15).
Sone Valley—Rs. 4/31—4/37—4/25—4/34—(4/75).

CHEMICALS

Alkali & Chemical—Rs. 26/25—26/37—26/12—26/19—(32/25).
Bengal—Rs. 99/00—100/00—99/00—100/00—(11/87).
Chemicals & Fibres—Rs. 11/56—11/87—11/37—11/87—(11/87).
Phosphate—Rs. 167/00—168/00—167/00—168/00—(168/00).

PUBLIC UTILITIES

Benares—Rs. 11/87—12/00—11/87—11/94—(12/37).
Calcutta—Rs. 14/50—14/56—14/44—14/44—(14/19).
Do. (Pref.)—Rs. 7/90—7/90—7/72—7/81—(7/81).

ENGINEERING

Bharat Ball Bearing—Rs. 11/50—11/50—11/50—11/50—(11/50).
Bhartia Electric Steel—Rs. 15/06—15/06—15/06—15/06—(14/50).
Britannia Eng.—Rs. 9/75—9/81—9/62—9/75—(9/25).
Binani Metals—Rs. 12/75—12/81—12/75—12/81—(12/81).

Braithwaite & Co.—Rs. 33/00—33/00—33/00—33/00—(33/00).
Burn & Co.—Rs. 260/00—260/00—260/00—260/00—(260/00).

Dalmia Iron—Rs. 11/06—11/12—10/94—11/12—(10/56).

Engel India Machine—Rs. 3/00—3/06—3/00—3/06—(3/06).

Indian Iron (Pref.)—Rs. 81/00—81/00—81/00—81/00—(81/00).

Indian St. Wagon—Rs. 33/94—33/94—33/94—33/94—(33/94).

Jessop & Co.—Rs. 20/56—20/75—20/44—20/62—(24/00).

J. K. Steel—Rs. 15/00—15/25—15/00—15/19—(14/06).

Jay Eng.—Rs. 17/56—17/62—17/56—17/62—(21/06).

Kumardhubi—Rs. 4/87—5/12—4/87—5/06—(8/19).

Marshall's—Rs. 3/06—3/12—3/06—3/12—(2/72).

National Iron & Steel—Rs. 5/75—5/94—5/75—5/94—(3/87).

National Screw & Wire—Rs. 10/87—10/87—10/87—10/87—(10/87).

Textile Machinery (2nd Pref.)—Rs. 61/00—61/00—61/00—61/00—(61/00).

INSURANCE

Ruby General—Rs. 12/06—12/12—12/06—12/12—(9/31).

MISCELLANEOUS

Airways India—Rs. 3/62—3/62—3/56—3/56—(3/56).

Asiatic Oxygen—Rs. 9/81—10/12—9/81—10/12—(10/12).
Angelo Brothers—Rs. 23/31—23/44—23/31—23/44—(21/87).
Balmer Lawrie—Rs. 250/00—250/00—250/00—250/00—(239/00).
Bhartia Sons—Rs. 7/00—7/00—7/00—7/00—(8/31).
B. I. Corp.—Rs. 9/19—9/44—9/19—9/31—(8/31).
Behar Rice—Rs. 4/00—4/00—4/00—4/00—(4/00).
Bharat Nidhi—Rs. 5/50—5/66—5/50—5/66—(5/50).
Dr. Paul Lohmann (New)—Rs. 5/25—5/50—5/25—5/50—(5/25).
East Anglia Plastics—Rs. 6/37—6/37—6/31—6/31—(6/31).
Electric—Rs. 13/06—13/25—13/00—13/25—(13/25).
General Tyres—Rs. 7/31—7/31—7/31—7/31—(7/31).

Hindustan Aluminium—Rs. 12/28—12/28—12/06—12/09—(12/69).
Hindustan Development—Rs. 3/94—3/94—3/59—3/87.
Hindustan Twyford—Rs. 13/00—13/12—13/00—13/12—(15/87).
Hindustan Ice—Rs. 4/12—4/19—4/06—4/19—(4/19).
Imperial Tobacco—Rs. 9/37—9/50—9/19—9/19—(10/31).
India Carbon—Rs. 12/50—12/50—12/50—12/50—(12/50).
Indian Aluminium (Pref.)—Rs. 62/00 x.d.—62/00—62/00—62/00—(62/00).
Isaac Holdens—Rs. 11/81—11/81—11/69—11/69—(14/31).
Indian Tack—Rs. 9/87—9/87—9/87—9/87—(9/87).
Jardine Henderson—Rs. 74/00—74/25—73/50—74/25—(86/50).

Jayshree Industries—Rs. 14/37—14/44—14/31—14/31—(15/50).
J. K. Synthetics—Rs. 11/06—11/12—11/06—11/12—(11/12).
Metal Distributors—Rs. 9/00—9/03—8/94—8/94—(8/94).
Martin Burn—Rs. 26/37—26/37—26/25—26/37—(25/50).
Metal Box—Rs. 31/25—31/37—31/12—31/37—(49/87).
National Pipes and Tubes (Pref.)—Rs. 72/00—72/00—72/00—72/00—(72/00).
National Rubber Mfg.—Rs. 11/31—11/31—11/12—11/12—(11/62).
Do. (Renunciation)—Rs. 0/12—0/12—0/06—0/06—(0/06).
New India Investment—Rs. 54/00—54/00—54/00—54/00—(65/00).
National Insulated Cable—Rs. 22/00—22/00—21/94—21/94—(24/00).
National Rolling—Rs. 19/00—19/00—19/00—19/00—(19/00).

Phillips Carbon—Rs. 11/12—11/44—11/12—11/44—(11/44).
Phillips India—Rs. 26/87—27/00—26/87—27/00—(26/62).
Rohtas Industries (B' Pref.)—Rs. 58/00—58/00—58/00—58/00—(58/00).
Rallis India—Rs. 116/00—116/00—116/00—116/00—(116/00).
Do. (Pref.)—Rs. 59/00—60/00—59/00—60/00—(60/00).
Shaw Wallace—Rs. 15/62—15/62—15/62—15/62—(15/62).
Universal Cables—Rs. 10/44—10/50—10/31—10/31—(10/31).
Universal Electrics—Rs. 7/23—7/34—7/23—7/34—(7/34).
Union Carbide—Rs. 29/50—29/50—29/00—29/25—(39/25).
Walford Transport—Rs. 3/19—3/19 c.d.—3/12—3/19 c.d.—(3/50).

Indo-Burma Petrol—Rs. 20/56—20/56—20/56—20/56—(21/87).
PAPERS
Ballarpur—Rs. 17/00—17/00—16/75—16/75—(16/75).
India Paper Pulp—Rs. 20/81—20/94—20/81—20/94—(16/69).
Orient (1st Pref.)—Rs. 91/50—91/50—91/50—91/50—(91/50).
Sirpur—Rs. 11/19—11/31—11/12—11/25—(11/87).
Straw Products—Rs. 9/00—9/06—9/00—9/06—(9/06).
Titagur—Rs. 14/10—14/10—13/87—13/87—(16/12).
West Coast—Rs. 151/00—151/00—151/00—151/00—(137/00).

SHIPPINGS
Calcutta Landing—Rs. 21/75—22/25—21/50—21/50—(34/00).
India Steamship—Rs. 6/28—6/34—6/25—6/28—(6/44).
SUGARS
Balrampur—Rs. 1/66—1/87—1/66—1/87—(2/00).
New India—Rs. 30/00—30/00—30/00—30/00—(30/00).
New Saran—Rs. 3/53—3/56—3/50—3/50—(5/62).
Purtabore (Pref.)—Rs. 9/50—9/56—9/50—9/56—(9/56).
Raza Buland—Rs. 10/12—10/12—10/12—10/12—(9/31).

TEAS
Amluckie—Rs. 16/00—16/00—16/00—16/00—(20/00).

Brooke Bond—Rs. 10/12—10/12—10/00—10/06—(11/81).
Chamong—Rs. 8/31—8/31—8/31—8/31—(9/00).
Dhelakhat—Rs. 20/75—20/81—20/75—20/81—(19/75).
Dauracherra—Rs. 13/37—17/00 s.t.—13/37—14/00—(7/56).
Grob—Rs. 5/87—6/06—5/87—5/94—(7/00).
Hantapara—Rs. 103/00—103/00—103/00—103/00—(105/00).
Killcott—Rs. 15/25—15/25—15/25—15/25—(16/25).
New Chumta—Rs. 19/15—19/15—19/15—19/15—(20/00).
Rydak—Rs. 24/00—24/00—24/00—24/00—(25/44).
Rajabhat—Rs. 10/12—10/12—10/12—10/12—(10/12).

DEBENTURES
5½ % Burmah Shell—Rs. 93/50—93/50—93/50—93/50—(93/50).
5½ % Caltex Refinery—Rs. 93/50—93/50—93/50—93/50—(93/50).
5½ % Alexandra Jute—Rs. 92/00—92/00—92/00—92/00—(92/00).
4 % Auckland Jute—Rs. 94/00—94/00—94/00—94/00—(94/00).
6½ % Dunlop Rubber—Rs. 99/00—99/00—99/00—99/00—(99/00).
7 % Kesoram Industries—Rs. 99/50—99/50—99/50—99/50—(99/50).
4 % Northbrook Jute—Rs. 94/00—94/00—94/00—94/00—(94/00).

London

ECONOMIC PROSPECTS TONE UP MARKET INDUSTRIALS RISE ON GOOD COMPANY NEWS

London, 17th June.
THE stock market took a distinct turn for the better during the

past week. There was some expansion in the volume of business, but even so, the market was quiet. The recent persistent small selling dried up, and with buyers more active, prices responded markedly in the current thin state of the market. The buying appeared to be based on a more hopeful view of the economic situation and rising hopes concerning the Government's prospects in the coming general elections. Meanwhile, the stream of good company news continued. Bids, both actual and rumoured, again provided a number of features. The main event on the bid front was Rank Organisation offers for Medcca. This came to nothing, however, and Medcca lost ground a good part of the rise which followed the first news of Rank's approach. Industrials recorded extensive rises of 1s and more. Virtually all sections participated in the advance. Among many issues to respond favourably to good company news were House of Fraser, De La Rue, Watney, Granada and Holman Bros. By contrast with the firmness of industrials the gilt-edged market lost ground, reflecting the uncertain performance of sterling in the foreign exchange market and Press talk of a possible rise in Bank rate. Banking, finance, insurance and property shares were steady to firm. Mining shares generally were subdued, and, apart from firmness in tins, were not greatly changed. Harrisons and Crossfields were a good feature again in quiet rubbers. Teas moved narrowly. Oils were better where changed. Dollar stocks fluctuated in line with Wall Street.

CAPITAL

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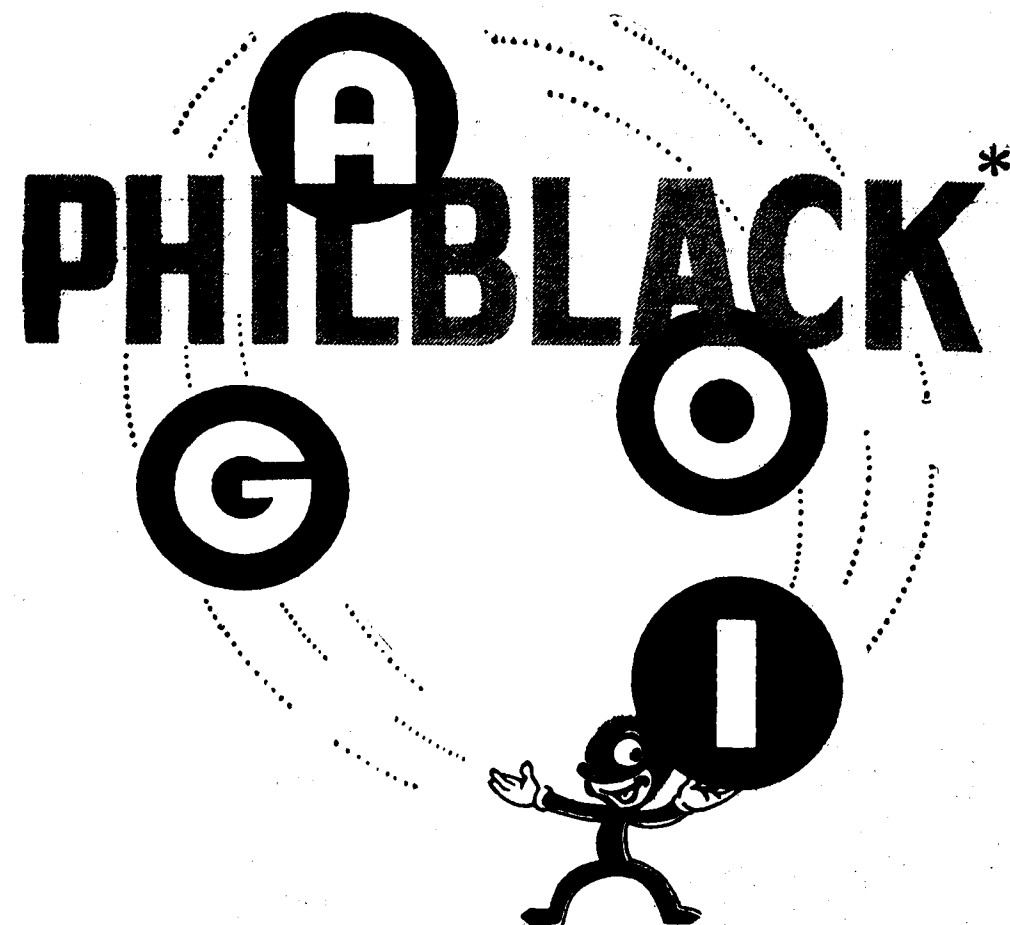
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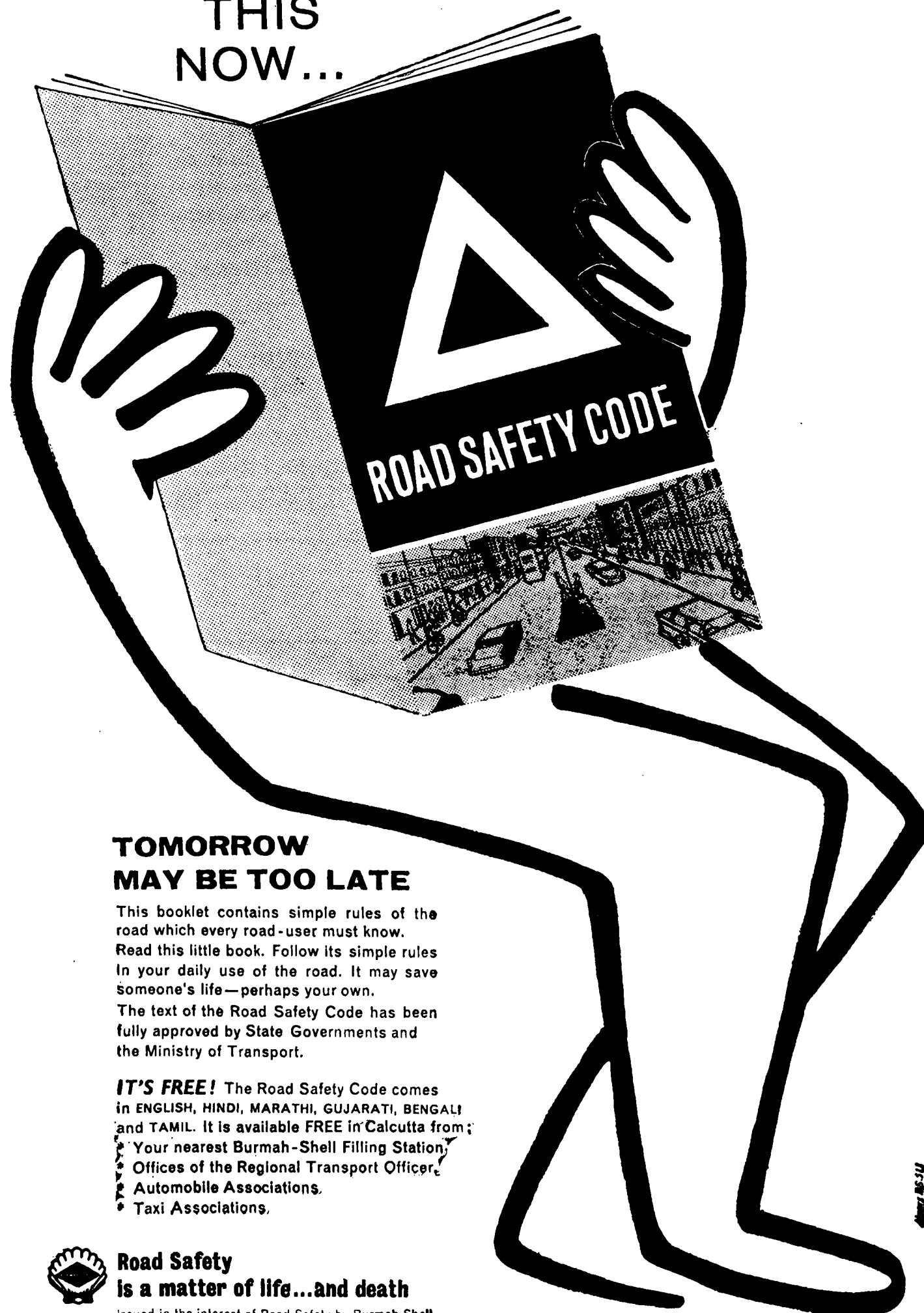
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Money

THE CALCUTTA MONEY MARKET

SLIGHT DECREASE IN ADVANCES

Wednesday, 17th June.

THE aggregate level of advances has decreased slightly in the Calcutta money market during the past week. This is explained by the slight decline in the credit given to sugar mills. The advances given to the other major categories of borrowings, namely, cotton and jute mills, the iron, steel and engineering industries, and the food-grains and seeds trade remain unchanged. In the interbank market, conditions are easy and the call rate quotes 3½ percent.

The exchange market has been quiet, with a poor supply of tea and gunny bills. The demand for remittances is fair. In the London market, sterling has firmed up and regained part of the lost ground in relation to most of the major currencies except the French and Swedish.

SILVER WAS QUIET IN CALCUTTA during the past week due to the decline in the seasonal demand. The price fell from the previous week's level of Rs. 250.75 to Rs. 260 a kilogram, quoted today. The London and New York prices stood at 111½ and 129.3 cents.

In sympathy with silver, gold was quiet and the price of 14-carat declined from Rs. 72.25 to Rs. 71.25 a 10 grams.

DURING THE WEEK ENDED 12TH JUNE, Government of India Treasury bills for Rs. 100,89,50,000 were sold in favour of the Reserve Bank.

TENDERS FOR RS. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 16th June. The total amount offered was Rs. 2,34,00,000. Tenders at Rs. 99.255 percent were accepted in full, and those at Rs. 99.250 percent were allotted 85 percent approximately. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 3 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at all centres up to the close of business on 22nd June.

IT IS STATED THAT 91-DAY INTERMEDIATE Treasury bills will be sold from 17th June to 20th June at Rs. 99.266 percent. Sales can be stopped at any time without notice if the Government thinks it necessary. These bills sold from 10th June to 13th June amounted to Rs. 2.20 crores.

THE STATEMENT OF THE POSITION OF scheduled banks for the week ended 5th June, 1964, shows Demand and Time liabilities at Rs. 1,257.48 crores (Rs. 45.33 crores on account of borrowings from banks) and Rs. 1,314.21 crores (Rs. 11.29 crores), compared with Rs. 1,266.43 crores (Rs. 47.45 crores) and Rs. 1,304.35 crores (Rs. 12.23 crores), respectively, in the previous week. Cash and balances with the Reserve Bank have declined by Rs. 18 lakhs and Rs. 2.92 crores to Rs. 64.52 crores and Rs. 87.60 crores, respectively. There is a drop of Rs. 1.26 crores to Rs. 620.50 crores in investments. Advances and bills discounted at Rs. 1,835.76 crores show a fall of Rs. 2.68 crores. The ratios

to total liabilities of cash and balances, and of advances and discounts are, in consequence, shown at 5.9 percent and 71.4 percent, against 6 percent and 71.5 percent.

THE RETURN OF THE STATE BANK OF India for the week ended 5th June, 1964, shows a rise of Rs. 2.77 crores to Rs. 624.10 crores in total deposits. Investments in Government securities are down by Rs. 2 crores to Rs. 230.91 crores, while other authorised investments remain unchanged at Rs. 9.44 crores. Advances, including loans, cash credits, overdrafts, and bills discounted and purchased have diminished by Rs. 3.29 crores to Rs. 368.48 crores. Cash and balances are, in consequence, shown at Rs. 25.72 crores or Rs. 3.82 crores higher.

THE INCREASE OF RS. 4.45 CRORES TO Rs. 2,553.98 crores in active notes was a notable feature of the return of the Reserve Bank of India for the week ended 12th June, 1964, while the total note issue was Rs. 21 lakhs smaller at Rs. 2,576.52 crores. Notes held in the Banking Department consequently dropped by Rs. 4.63 crores to Rs. 22.53 crores. Deposits of the Government of India rose by Rs. 47 lakhs to Rs. 51.10 crores and those of State Governments by Rs. 8.30 crores to Rs. 17.39 crores. Balances of scheduled banks at Rs. 81.72 crores showed a decline of Rs. 5.99 crores. Balances held abroad dropped by Rs. 2.04 crores to Rs. 8.45 crores. Investments at Rs. 258.90 crores showed a rise of Rs. 43.50 crores. Loans to scheduled banks declined from Rs. 36.28 crores to Rs. 18.16 crores, of which advances against usance bills amounted to Rs. 5.27 crores (Rs. 7.78 crores). Ways and means advances stood at Rs. 45.20 crores, against Rs. 63.18 crores.

TREASURY BILL MATURITIES

Details of 91-day bills outstanding with the public on 19-6-64.

Issue Date	Maturity Date	Amount ('000's Rs.)	Average Acceptance Rate
19-6-64	25-9-64	2,00.00	Rs. 3.000%
12-6-64	19-9-64	2,00.00	Rs. 3.000%
5-6-64	12-9-64	2,00.00	Rs. 3.000%
29-5-64	5-9-64	2,00.00	Rs. 3.000%
22-5-64	25-8-64	2,00.00	Rs. 3.000%
15-5-64	18-8-64	2,00.00	Rs. 3.000%
8-5-64	11-8-64	2,00.00	Rs. 3.000%
1-5-64	4-8-64	2,00.00	Rs. 3.000%
24-4-64	27-7-64	2,00.00	Rs. 3.000%
17-4-64	20-7-64	2,00.00	Rs. 3.000%
10-4-64	13-7-64	2,00.00	Rs. 3.000%
3-4-64	6-7-64	2,00.00	Rs. 3.000%
26-3-64	29-6-64	2,00.00	Rs. 2.750%

(Monthly Maturities
(Rs. '000's omitted))

June, 1964	2,00.00
July, 1964	2,00.00
August, 1964	2,00.00
September, 1964	2,00.00
Total	8,00.00

CLEARING HOUSE RETURNS

Week	Calcutta	Bombay
12-6-64	80.43	1,15.74
5-6-64	1,13.26	82.43
29-5-64	70.93	1,19.96
22-5-64	83.84	

RESERVE BANK

Liabilities—	(In '00's of Rupees)	Week Ended		
		12-6-64	5-6-64	14-6-63
Notes in Banking Dept.	...	22,53.29	27,20.69	28,98.45
Notes in Circulation	...	25,53,98.28	25,49,52.56	23,07,07.86
Total Notes Issued	...	25,76,51.57	25,76,73.25	23,36,06.11
Assets—				
A. Gold Coin and Bullion	...	1,17,76.10	1,17,76.10	1,17,76.10
Foreign Securities	...	98,45.69	98,45.69	1,09,08.43
Total of A	...	2,16,21.79	2,16,21.79	2,26,84.53
B. Rupee Coin	...	98,07.91	98,24.79	1,11,78.00
Rupee Securities	...	22,62,21.87	22,62,26.67	19,97,43.58
Total	...	25,76,51.57	25,76,73.25	23,36,06.11

BANKING DEPARTMENT

Liabilities—				
Capital Paid-up	...	5,00.00	5,00.00	5,00.00
Reserve Fund	...	80,00.00	80,00.00	80,00.00
National Agricultural Credit (Long Term Operations) Fund	...	73,00.00	73,00.00	61,00.00
National Agricultural Credit (Stabilisation) Fund	...	8,00.00	8,00.00	7,00.00
Deposits—				
(a) Central Govt.	...	51,10.03	50,62.55	58,94.10
State Govts.	...	17,39.14	9,09.29	7,96.37
(b) Banks—				
(i) Scheduled Banks	...	81,71.52	87,71.05	79,03.82
(ii) State Co-operative Banks	...	2,64.47	2,02.27	2,74.25
(iii) Other Banks	...	15.52	20.81	4.02
(c) Others	...	1,62,18.73	1,58,86.60	1,68,66.05
Bills Payable	...	40,20.33	39,77.57	32,89.39
Other Liabilities	...	76,23.09	78,99.90	82,86.57
Total	...	5,97,82.13	5,93,30.14	5,86,14.57
Assets—				
Notes	...	22,53.29	27,20.69	28,98.45
Rupee Coin	...	2.68	4.04	2.13
Small Coin	...	2.70	6.01	2.20
National Agricultural Credit (Long Term Operations) Fund	...	...	...	...
(a) Loans and Advances to—				
(i) State Govts.	...	28,30.56	28,30.55	27,17.01
(ii) State Co-operative Banks	...	8,36.18	8,11.47	9,08.93
(iii) Central Land Mortgage Banks	...	...	...	...
(b) Investment in Central Land Mortgage Bank	...	4,02.83	4,02.83	2,84.88
National Agricultural Credit (Stabilisation) Fund	...	...	...	...
Loans and Advances to State Co-operative Banks	...	...	...	...
Bills Purchased and Discounted—				
(a) Internal	...	...	...	...
(b) External	...	...	...	...
(c) Govt. Treasury Bills	...	48,96.39	49,20.02	62,69.25
Balances Held abroad	...	8,44.66	10,44.81	6,95.60
Loans and Advances to Govt.	...	45,19.86	63,17.87	50,78.48
Loans and Advances to—				
(i) Scheduled Banks	...	18,15.63	36,27.98	6,91.12
(ii) State Co-operative Banks	...	1,20,17.12	1,16,91.79	1,14,50.08
(iii) Others	...	1,93.70	1,79.70	3,35.37
Investments	...	2,58,89.79	2,54,24.54	2,34,24.54
Other Assets	...	32,76.74	32,28.58	38,56.56
Total	...	5,97,82.13	5,93,30.14	5,86,14.57

SCHEDULED BANKS

(In '00's of Rupees)	Week Ended		
	5-6-64	29-5-64	7-6-63
(i) Demand Liabilities—			
(a) Demand Deposits:			
(1) From Banks	63,96.83	65,20.64	51,20.65
(2) From others	10,81,31.46	10,82,86.84	8,86,00.61
(b) Borrowing from Banks	45,32.70	47,46.06	32,33.69
(c) Other	66,96.82	70,88.66	56,39.25
(ii) Time Liabilities—			
(a) Time Deposits:			
(1) From Banks	25,23.38	26,64.07	27,21.34
(2) From others	12,65,71.18	12,54,11.57	12,13,83.47
(b) Borrowing from Banks	11,28.90	12,23.44	23,65.40
(c) Other	11,97.08	11,35.62	10,72.77
(iii) Borrowing from State Bank—			
(a) Demand Liabilities	8,92.27	10,92.94	8,11.10
(b) Time Liabilities	11,05.00	11,88.00	10,98.00
(iv) Borrowing from Reserve Bank	35,42.38	33,96.98	24,18.37
(v) Cash	64,51.93	64,69.63	54,32.03
(vi) Balances with the Reserve Bank	87,60.43	90,51.61	76,09.72
(vii) Balances with other Banks in current account	21,53.68	22,67.45	20,84.35
(viii) Money at call and short notice	53,60.15	57,05.10	49,59.85
(ix) Investments in Central and State Govt. Securities	6,20,50.19	6,21,76.28	6,37,32.11
(x) Loans, Cash Credits and Overdrafts	15,51,34.11	15,44,89.95	13,23,91.57
(xi) Due from Banks	12,30.19	13,62.00	10,61.02
(xii) Inland Bills purchased and discounted	2,03,31.73	2,10,06.72	1,85,73.76
(xiii) Foreign Bills purchased and discounted	68,71.14	69,94.88	51,37.03
(xiv) Total of X, XI and XII	18,35,76.17	18,39,43.55	15,71,83.38

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CHAIRMAN, SIR RAGHAVAN PILLAI'S STATEMENT

The following is the statement delivered by the Chairman, Sir Raghavan Pillai, K.C.I.E., C.B.E., on the occasion of the Thirty-fourth Annual General Meeting held in Calcutta on 12th June, 1964.

I have great pleasure in welcoming you to this, the thirty-fourth Annual General Meeting of your Company. The Directors' Report and the Statement of Accounts have been circulated and been in your possession for some time, and I propose with your permission that they be taken as read.

We are meeting in the shadow of a supreme tragedy. The man who made India what she is to-day is with us no more. Few men, in any country, or in any age, have given of their all in the service of their country, of their people, and of humanity at large, as has Jawaharlal Nehru, in our country, and in our day. In him Nature wrought a rare synthesis of knowledge and understanding—of the ancient and modern, of east and west, of science and the humanities, and of materialism and spirituality, and we as a nation should be profoundly and eternally thankful that so unique a man should have been here to lead us in the hour of our greatest need. I count it the choicest among the blessings of my life that I had the privilege of working for him for close on eleven years first as Secretary of the Cabinet and later as Secretary General in the Ministry of External Affairs. I think of him as I knew him then—a man, before whom the dross in us seemed to melt away, and the magic of whose mind illumined and inspired our own. He is gone, and for us that remain I can think of no better wish than that we will, with renewed vigour and with his unseen guidance, go about our daily tasks, cheerfully as he would have wished, each resolved to help to fashion a new India fit in every way to take her place in this changing world, and yet not forsaking the traditional values of this ancient land.

Retrospect

In the lives of organisations as of men, there comes a turning point when the past, however distinguished, seems but a preparation for what is yet to come. That turning point has now come for your Company. Nineteen sixty-three has been an eventful year of outstanding significance in the history of your Company, and marks the beginning of a new period of increasing challenge as well as opportunity. The year has witnessed the consolidation of the gains from an earlier period of development; the merger of your Company and of its subsidiary, Sankey Electrical Stampings Ltd., making possible the more effective and efficient utilisation of the combined resources of the two companies; and a significant advance, beyond the stage of study and preparation, in the implementation of our further programmes of development. At a time when more than one business establishment in the country has celebrated its centenary, we must, I am afraid, count ourselves among the youthful, and for us the age of reminiscence still lies many decades away. Yet, though youthful, we can claim the advantage of vigorous growth, and it seems appropriate for us at this juncture to cast a backward glance at our own past, the better to assess our prospects for the future.

Our story opens with the formation in 1922 of Henry Williams (India) Ltd., which, in a small workshop at Shalimar, within the boundaries of the present Calcutta Works, started the manufacture of railway track and signal

materials. The intention was to develop the Indian interests of Henry Williams Ltd., Darlington, U.K., which was well established as a manufacturer and exporter of these materials to the Indian railways.

In 1931 a new company was formed, under the name Henry Williams India (1931) Ltd. for the purpose, *inter alia*, of acquiring the former company and expanding its activities. One of the earliest major developments had been the establishment of a Bolt Works in 1926, and in consequence rolling mills were installed in 1932 mainly with the object of securing a source of the special raw material required for the manufacture of bolts and nuts.

In 1934 Guest, Keen & Nettlefolds Ltd. acquired a major holding in the company, which was then given its present name, Guest, Keen, Williams, Ltd. Twenty-two years later, in 1956, the Company became a public limited Company, and Indian investors now have a vital stake in the fortunes of the Company.

During the years 1939 to 1945 the Company made a valuable contribution to defence production, and at the end of the war resumed the manufacture of similar products to the pre-war range. After a period of consolidation the Company embarked on a long term plan of expansion which still continues and indeed has been progressively accelerated.

Significant Step

The first significant step was the installation of a steel melting furnace in 1952. This was followed by a second furnace in 1958.

A new unit was built at Bhandup near Bombay for the manufacture of wood screws, and production started in 1958. Since that time the Bhandup Works has been substantially enlarged and numbers of other fasteners have been added to its range of manufacture.

At the same time much of the Calcutta Works was modernised, in particular the bolt works. A well equipped, modern toolroom was built in 1957. The manufacture of pressed steel car and trailer type wheels was introduced in 1960, and in 1961 the commissioning of extensive new rolling mills was completed, a project costing over Rs. 3 crores. In the same year the manufacture of bright steel bars was started. Fabricating and service departments have been generally improved and expanded in recent years, and the extent of overall development is clearly illustrated by the fact that the gross value of fixed assets in the Company's balance sheet has risen from Rs. 2.47 crores to Rs. 10.12 crores in the last ten years.

In December 1960 your Company acquired a controlling interest in Sankey Electrical Stampings Private Ltd. This company was formed in Calcutta in 1943, primarily at the instance of the Government of India, in order to establish an indigenous supply of electrical stampings for defence purposes and at a time of acute shortage of imports.

The first works was set up at Worli in Bombay and was later moved to its present site at Bhandup in 1946. The increasing demand for stampings in Eastern India prompted the company to establish a second works in Calcutta in 1950 and a third unit came into being in Bangalore in 1959.

Apart from pioneering the manufacture of electrical stampings in India, the company, by virtue of its association with Messrs. Joseph Sankey & Sons Ltd., U. K., was in the fortunate

position of being able to influence the negotiation of a technical collaboration agreement between that company and the Tata Iron & Steel Co. Ltd. in 1946 covering the manufacture of electrical steel sheets in India. That agreement with Tatas was an important milestone in the development of the electrical engineering industry in this country.

Diversification of Products

In recent years Sankey Electrical Stampings Ltd. has responded to the need for the diversification of its range of products by embarking on the manufacture of precision pressed components for various industries and several new ventures have been planned for the near future.

Finally we reach 1963, a year which has brought several important developments that have broadened the base of your Company's structure. Sankey Electrical Stampings Ltd. became a wholly owned subsidiary on the exchange of shares with Tatas, and on 10th December you approved a scheme of amalgamation whereby that subsidiary was to be merged with and operate as a division of your Company. I am glad to report that the consent of the Calcutta High Court has since been received and the amalgamation is effective retrospectively from the start of this year.

On 24th December 1963 you approved the Directors' recommendation of a bonus share issue in the ratio of one for two. The bonus share issue and the exchange of shares with Tatas constituted a substantial increase in the issued capital which in turn necessitated raising the authorised capital of the Company, and you will recall that an increase from Rs. 6 crores to Rs. 10 crores was approved at the shareholders' meeting on 24th December 1963.

To assist in financing expansion it was decided during 1963 to issue debentures amounting to Rs. 1.5 crores and as you may know that issue was fully subscribed in February this year. Another significant event during the year under review was your company's investment of Rs. 38.2 lacs, in the form of plant and cash, in Sankey Wheels Ltd., a newly formed company which is to make passenger and commercial vehicle wheels.

Thus, from its modest beginnings in the years between the World Wars, your Company has progressed steadily to a place of importance in our country's industry.

Board of Directors

I am pleased to inform you that Mr. K. C. Maitra was appointed a Managing Director of your Company with effect from 29th December, 1963. Mr. Maitra has been the Managing Director of Sankey Electrical Stampings Ltd. for the past 14 years, and, as already mentioned, that company has now been amalgamated with your own Company.

It is the intention also to appoint four additional Directors to strengthen the Board of your Company and the proposed election of Mr. N. R. Banerjee, Mr. A. H. Sethna, Mr. R. B. Ritchie and Mr. J. M. Leighton will be the subject of resolutions later at today's meeting. Mr. Banerjee and Mr. Sethna were Directors of Sankey Electrical Stampings Ltd. for a number of years, and Mr. Ritchie and Mr. Leighton are at present senior executives of the Company.

Production

A rise in the level of output and sales of all major products was achieved

CAPITAL, 18th June, 1964.

in 1963, but raw material supplies were again the limiting factor which governed the extent of the advance. In particular, supplies of steel billets, which constitute the raw material for the majority of the Company's manufactures, were unsatisfactory both in quantity and in surface condition, and it was only by virtue of comparatively large billet stocks at the start of the year that it was possible to maintain an adequate level of production.

At the end of the year stocks of good quality billets were critically low and output of various products has been adversely affected.

The output of the rolling mills rose again in 1963 in spite of irregular billet supplies, and in particular, production of spring steel bars for the transport services was increased satisfactorily.

Production of bright steel bars was twice the previous year's level of output but full use of the potential capacity of the plant could not be made owing to the continued shortage of free cutting steel in India.

In the forge, production was affected by plant breakdowns, and steps are being taken to replace some of the older stamps. Whilst competition and raw material difficulties limited the output of certain railway track material, the production of major items, including crossing sleepers and points and crossings, was substantially increased.

A small increase in the output of fasteners in the Bolt Works was achieved, but the manufacture of special and high tensile products was hampered by the lack of quality raw material.

At the Bhandup Works, in spite of unstable conditions in the market for wood screws and various other small fasteners, a substantial rise in turnover was achieved.

Operating Results and Dividends

The Accounts for the period under review have been with you for some time and you will no doubt have noted with satisfaction the improvements that have been achieved in the Company's operating results.

Turnover improved to Rs. 16,37,49,450 from Rs. 13,06,09,872 in 1962 representing an increase of 25.4%. The increased income from sales helped by vigilant efforts to exercise economies has earned for the Company a total surplus before taxation of Rs. 2,17,43,217 compared with Rs. 1,27,55,590 for 1962. The available profit for disposal has not, however, risen proportionately owing to a much higher charge for taxation which for 1963 amounts to Rs. 1,36,59,114 compared with Rs. 55,60,000 for the previous year.

The increased charge for taxation arises mainly from the issue of bonus shares in December last year for which an additional tax of Rs. 26,34,114 is payable calculated at the rate of 12½% on the face value of the shares issued. Furthermore a provision of Rs. 4,29,656 had to be made in respect of the new levy of 7½% on equity dividends introduced by the Finance Act 1964. It is unfortunate that the welcome exemption from the payment of additional tax in respect of bonus shares, when issued out of share premium account, came just too late for your Company to benefit as its bonus issue was made prior to 1st April 1964. As a silver lining to this disappointment, shareholders will have no doubt noted with some measure of relief that under the provisions of the Finance Act 1964, as finally passed, this bonus issue will not attract capital gains tax in their hands.

In my statement to you last year I had occasion to mention that the Company would have no liability to Super Profits Tax in respect of its profits for 1962 but that a provision of Rs. 1,20,000 on this account had already been made, based on the original proposals in the Super Profits Tax Bill. As you know, the Super Profits Tax has now been

CAPITAL, 18th June, 1964.

replaced by a Surtax, but it is estimated that no Surtax will be payable on the Company's profits for 1963. Accordingly, the provision of Rs. 1,20,000 made in 1962 has been written back in the 1963 Accounts.

After all required transfers and appropriations the profit available for disposal is Rs. 66,86,070. An interim dividend of 60 paise per share has already been paid and your Directors have recommended a final dividend also of 60 paise per share, making a total distribution of Rs. 1.20 paise per share for the 52 weeks ended 28th December 1963. The balance of Rs. 3,64,196 has been taken to General Reserve. Members of the Company will, I am sure, appreciate that the reduction of 20 paise per share in the total distribution for 1963 compared with that for 1962 was inevitable in view of the additional tax payable on account of the bonus share issue and the levy of 7½% tax on equity dividends, which amounts would otherwise have been available for disposal.

Whilst on the subject of the accounts, I should like to mention again some of the important features of the Balance Sheet.

The authorised capital of the Company was increased to Rs. 10,00,00,000 in December last year primarily to enable the bonus share issue to be made. The paid-up capital of the Company was also increased from Rs. 4,00,00,000 to Rs. 6,32,18,740 by the issue of 2,14,583 shares of Rs. 10 each to the Tata Iron and Steel Co., Ltd. in exchange for their holding in Sankey Electrical Stampings Ltd., and by the allotment of 21,07,291 bonus shares of Rs. 10 each out of the Company's share premium account.

Opportunity was taken last year of the Company's Debentures being offered at or below par to purchase and cancel Debentures worth Rs. 10,25,000 by utilising the amount standing to the credit of the Debenture Sinking Fund. The outstanding liability for debenture loan at the end of 1963 has therefore been reduced to that extent. The effect of this operation is fully reflected in the movement in the Debenture Sinking Fund Account.

On the other side of the Balance Sheet you will find an investment of Rs. 38,20,000 in equity shares of a new Company, Sankey Wheels Ltd. This is in accordance with a Resolution approved at your Annual General Meeting last year.

Sankey Electrical Stampings Ltd.

For our subsidiary, Sankey Electrical Stampings Ltd., the year 1963 was an abnormal one. At its major works at Bhandup, as a result of inter-Union rivalry, a large number of workmen resorted to 'go-slow' tactics which culminated in an unjustified strike. Weeks of tension followed, but, thanks to the unequivocal stand taken by the company, with the support of the findings of the State Evaluation Committee and of its own commendable record of labour relations, and thanks also to the understanding of the company's stand shown by those with authority and competence to judge, the strike was called off unconditionally after 108 days. I had intended to share with you to-day some thoughts evoked by this deplorable strike, but the recent constitution of a Court of Inquiry by the Government of Maharashtra to inquire into certain issues connected with the strike makes it inopportune for me to do so. Before leaving this topic, however, I should like to commend the devotion and loyalty displayed by all members of the management, the supervisory staff and those workmen who, during the period of the strike, worked under great stress, and at considerable personal risk, to ensure that essential supplies, in particular to the Defence services, were not interrupted. I should like at the same time to say a special word of gratitude to the company's wide circle of customers, both big and small, who, by their patience and forbearance,

though being put to serious inconvenience and worse themselves, gave strength and support to the company during those trying days.

Apart from this unfortunate labour trouble, the Company was hard put to it to obtain sufficient supplies of transformer grade steel which have all to be imported. In spite of these major handicaps, the Company was able not only to maintain but actually to increase its turnover to a small extent. The programme for diversification of the range of manufacture continues to make good progress, and in fact, the increase in turnover is due entirely to these new products. There is now in hand another important project, the manufacture of brake components for the automobile industry, which in due course will further augment turnover.

Future Development

Construction of the new steel melting shop is making good progress and the Stage 1 plant will be in production next year. A year ago I mentioned the proposed reorganisation of the rolling mills, and I am now glad to inform you that this project has since been approved by the Government of India. The reorganisation includes the installation of a new merchant bar mill in new buildings and will permit the running down of some of the old mills which have been in service since 1932.

Much of the old plant in the Calcutta bolt works is being replaced by specialised, modern equipment and this is expected to lead to improved quality and some diversification in the range of sophisticated fasteners manufactured.

Work started towards the end of the year on the extension of the bright steel bar shop. The new plant has since been commissioned and will contribute to earnings in 1964.

At the Bhandup Works certain out-moded machines were replaced during the year by modern, high production plant and a new material storage bay and pickling plant were constructed and commissioned. The expansion of wood-screw capacity was largely completed and the plant is now being worked up to the required level of efficiency. The Government of India granted approval for the expansion of self tapping screw capacity and it is hoped that the plant will be installed next year.

Many other projected schemes for expansion and modernisation are on the drawing board, and whilst newly installed plant is being carefully nursed into a state of optimum efficiency, plans for your Company's future continue.

To enable you to obtain a clearer idea of the scale of our development programmes, I should like to add that capital expenditure during the three years 1964-66 on planned expansion and rehabilitation projects is expected to be Rs. 7½ crores, of which a sum of Rs. 2½ crores represents foreign exchange. Expansion will naturally continue beyond this period, but as plans are under continuous revision in the light of changing demands and shifts in priority, it would not be realistic to give an estimate of the cost of such future expansion. By far the greater part of the foreign exchange required will be in sterling, and for this we shall be dependent on the liberal aid which, with a vast and invaluable fund of technical advice, we have been receiving from Guest, Keen & Nettlefolds Ltd.

Never since independence have the preservation of our national unity and the achievement of rapid and accelerated growth in industry and possibly even more in agriculture, been as urgent and crucial as now. Yet, it is to be doubted whether we are continuing to hold our own with other large and developing countries with whose standards of performance our own will necessarily be compared. More than ever before,

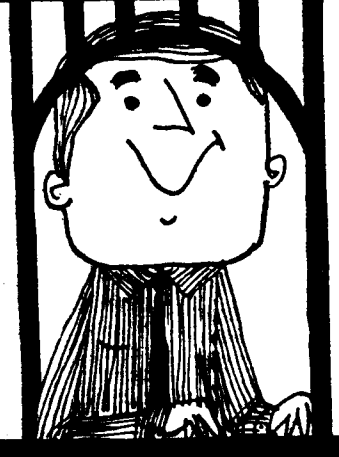
the pursuit of our national purpose must therefore today form the prime motive behind the efforts of us all. It is in this realisation that your Company will continue, within its capacity and its resources, to play its part in helping to build the industrial strength of our country and promote the well being of our people.

Finally, I should like to express on your behalf, and on my own, our thanks

to the staff and all employees who have worked keenly in the Company's interests during the year. Rapid growth and reorganisation bring many frustrations in their wake, and the success of the Company's operations is a tribute to the loyalty and enthusiasm displayed by its personnel.

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

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THE BRITISH INDIA CORPORATION LIMITED

CHAIRMAN, MR. SATISH CHANDRA'S REVIEW

Extracts from the address of Mr. Satish Chandra, Chairman, The British India Corporation, Ltd., at the 44th Annual General Meeting of Shareholders held in Kanpur on 6th June, 1964.

Friends,

At the time of issuing the notice for this 44th Annual General Meeting of the Corporation, none of us could ever have imagined that we would be assembling today under the shadow of a great national tragedy and an overwhelming sense of personal grief. On May 27, 1964, our beloved Leader and Prime Minister, Jawaharlal Nehru, passed away and with him ended a glorious chapter in India's history. With his nobility of character, humane approach to all problems, dedication to high ideals and the spirit of service and sacrifice, he moulded the lives, thoughts and deeds of our countrymen. The best homage that we can pay to this valiant fighter of our freedom struggle and the architect of modern India is to dedicate ourselves to his great ideals of national unity, secular democracy, social justice, universal brotherhood and world peace for which he worked, lived and died. Although it is not possible to fill the void created by his passing away, the work of the nation must be continued with perseverance and high endeavour on the foundation laid by him.

May I request you to stand silently in honour of his memory before I proceed with the normal business for which we are gathered today.

The Audited Accounts, Balance Sheet and Directors' Report for 1963 have already been circulated and with your consent I shall take them as read.

The period under review covers the first complete year of Management of your Company's affairs by the new Board of Directors elected by shareholders in the Autumn of 1962. You will recall the circumstances under which a General Meeting was specially convened, and an election held after several years. I am glad to report that the trading results for the year have been highly encouraging and show a substantial improvement over those of previous years. As you will see from the accounts, our turnover has increased from Rs. 928 lakhs in 1962 to Rs. 1,288 lakhs, i.e. by 38.8%. Surplus for the year amounts to Rs. 236.07 lakhs as compared with Rs. 142.10 lakhs, reflecting an increase of 66% over the previous year. A provision of Rs. 133 lakhs has been made for payment of direct taxes this year as against Rs. 77.54 lakhs last year.

In view of the satisfactory profitability of your Company, the Board after careful consideration have deemed it proper to recommend payment of a dividend of 15% on the Equity Capital i.e., 75 nP. per share as compared with 45 nP. paid last year. It will be appropriate for me at this stage to draw your attention to the fact that out of the year's earnings a total sum of Rs. 45.61 lakhs has been ploughed back in the form of Depreciation, Development Rebate, and General Reserves in order to strengthen the resources of the Corporation.

Leather Branches

The trading results of our Cooper Allen and North West Tannery Branches have shown reasonable improvement. As against recurring losses suffered in past years by these important branches of the Corporation, it has been possible

to return a moderate figure of profit this year. There was increased activity in the footwear, chrome and bark leather departments. Footwear supplies to Defence Forces and the National Cadet Corps were substantial.

Woollen Branches

During the year under review, our Lal-Imli and Dhariwal Woollen Branches have shown very good results. A record output was achieved by both the factories, which ran on a three-shift basis for most of the year. In view of a complete change in the normal pattern of production to meet the urgent needs of our Defence forces, four Wool Advisers including the Superintendent of our Woollen Branches, Mr. V. Calloway, were selected by the Government of India to plan production, negotiate prices, and arrange for raw materials. The team of Wool Advisers visited Australia, New Zealand and the U.K. to purchase suitable cross-bred wools. This co-ordinated effort on the part of Government and representatives of the woollen industry enabled supplies of raw materials for defence production to be made strictly according to specifications, and delivery schedules.

The plant rehabilitation and modernisation scheme is making fairly good progress. 72 semi-automatic looms imported from Poland at a cost of approximately Rs. 16 lakhs are now in process of installation. Most of the gilling, drawing and twisting machinery costing about Rs. 13 lakhs imported under rupee payment arrangements has already been received at the mills. An import licence for machinery worth about Rs. 25 lakhs for which an Essentiality Certificate has already been granted is, however, pending disposal. Import of this machinery is essential to enable us to derive the maximum benefit from the machines already purchased. Applications have also been submitted for the grant of import licences for carding, spinning, and winding machinery as well as automatic looms at a cost of approximately Rs. 60 lakhs.

The basic needs of our woollen factories for imported raw materials cannot by any means be met by the Government's present Export Promotion Incentive Scheme. I sincerely hope that allocations of import quotas will be made on the basis of a realistic assessment of the installed capacities as well as the magnitude of trading obligations of each unit. Full advantage continues to be taken by us of raw wool produced and synthetic fibres available in the country within the limits of their usefulness. If we are to remain in effective production, it is essential that the requisite quantity of imported raw materials should be made available. I must point out in this context that the value of basic licences last year was reduced by Rs. 32 lakhs and this year there has been a further reduction by Rs. 21 lakhs.

Cotton Textiles

The three cotton textile mills owned by the Corporation's subsidiaries, The Elgin Mills Co. Ltd. and Cawnpore Textiles Ltd., worked at full capacity during 1963 except for the period when production was adversely affected for a few days during October 1963 due to a serious power breakdown in the city of Kanpur. Despite a larger turnover, the profits in both the companies were lower than the previous year, due to enhanced labour costs and a general rise in the prices of raw cotton and all

stores and spares. Since 1960, the overall cost of production has increased by more than 18%, but no corresponding increase in the prices of finished goods could be made due to the voluntary price control agreement between Government and Cotton Textile manufacturers. The rapid advance in basic costs, which has caused profit margins to decline at a rate inconsistent with improved turnover, has now become a matter of concern to the Industry.

In addition to a licence granted to Elgin Mills in 1962 for the installation of 12,000 spindles, further licences for 12,500 spindles each were granted last year to the Elgin Mills and to Cawnpore Textiles.

The rehabilitation and modernisation programme of the cotton units is proceeding according to schedule. A sum of Rs. 44 lakhs was spent by Elgin Mills and Rs. 12 lakhs by Cawnpore Textiles during the financial year 1963. Further sums of Rs. 40 lakhs and Rs. 2 lakhs respectively have been spent by the two companies during the current financial year.

Elgin Centenary—Shastriji's Visit

The celebration of the Elgin Mills Centenary during the month of March 1964 was an outstanding event. On this momentous occasion which was indeed a landmark in the history of the Company, we had the privilege and honour of having Shri Lal Bahadur Shastri, now the Prime Minister-designate of India, as our chief guest. In his earlier capacity as the Union Minister of Commerce and Industry, he had taken a great deal of interest in the welfare of the B.I.C. Group of Industries. We are happy that he has now been chosen to guide the nation along the path shown by Gandhiji and Pandit Jawaharlal Nehru. We have no doubt that under his stewardship, the nation will continue to march forward with determination and unity towards economic progress and social emancipation.

Sugar

The four sugar factories of Cawnpore Sugar Works Ltd. and two factories of Champarun Sugar Co. Ltd. experienced another difficult year.

Apart from such factors as availability and quality of cane several other causes contributed to the adverse impact on profitability such as distress sales during surplus conditions and unremunerative controlled prices during the subsequent shortage, the old and out-moded equipment in the units and their uneconomic capacities. About 40 lakhs rupees have been spent for rehabilitation and modernisation in these sugar units and further investment is being made.

The sugar companies are fortunate in having secured the services of Shri S. N. Gundu Rao, formerly Director of the National Sugar Institute as their Technical Adviser. Under his guidance the working efficiency of the six sugar factories in the group has already improved.

Brushware, Saran Engineering, Beta Picker

There was an improvement in the volume of business done by our subsidiary, Brushware Ltd. which maintained its reputation for quality products. The development programme in the Saran Engineering Co. Ltd. is in process of gradual implementation. The Corporation continues to serve as Secretaries and Treasurers for both

CAPITAL, 18th June, 1964.

these companies, and as Secretaries for the Beta Picker Co. Ltd.

Labour Relations

The labour relations during the year were, by and large, harmonious. I cannot, however, avoid reference to a very regrettable set-back in Elgin Mill No. 1 during the month of March 1964, only a few days after the Centenary celebrations. An intractable and wholly unreasonable workers' strike was instigated over the issue of bonus voluntarily declared by the Company. Although in a year of decreased returns, bonus at a special rate amounting to Rs. 16.09 lakhs was sanctioned by the Management as against Rs. 10.64 lakhs in the previous year with the sole object of letting the employees of the Company experience in the Centenary year a sense of joy over the progress of their unit, some trouble makers chose to launch a perverse campaign of indiscipline and agitation which led to a completely unwarranted and unlawful stoppage of work for 20 days. The workers realised only after considerable suffering that their leaders had misguided them along a wrong path to the detriment of their own interests. They subsequently admitted that they had violated the Industrial Truce Resolution and the Code of Discipline. Let us hope that such unfortunate incidents will not be repeated. In addition to loss of wages by the workers during the strike period, the loss in the mills' productivity will have its impact on profits during the current trading year and consequently on the quantum of bonus which the Company may be in a position to pay next year.

General

I think, the shareholders will agree that the affairs of the Corporation have been fairly consolidated so as to show tangible results. Although the Corporation has during the year under review shown excellent results, there are many important tasks ahead of us. The future will certainly throw up new problems in the spheres of finance, management, industrial relations, productivity, cost control, and sales. With the sound inherent strength of your Corporation, however, I am confident that we shall be able to evolve rational solutions leading to greater stability and progress.

I regret to report the resignation from the BOARD of one of our Directors, Shri S. B. Bose, for reasons of ill-health. I am, however, pleased to welcome to the Board two new Directors, Shri B. P. Ray, the partner in a distinguished firm of Solicitors at Calcutta, and Mr. K. M. Wilcox. It is hardly necessary for me to introduce Mr. Wilcox, who has rendered long and meritorious services to the Corporation. Your Directors have thought it fit to invite him to join the Board and to appoint him as Deputy Managing Director subject to the approval of the Government.

To my colleagues on the Board I am deeply indebted for their valuable advice and guidance. Their mature judgment has been of tremendous help in finding solutions to many problems which have engaged the attention of the Management. I would particularly like to mention Shri B. P. Bajoria, the Vice-Chairman and Managing Director, whose perseverance and hard work have contributed a great deal towards the successful results of the Corporation during the year. I wish to express my thanks to all ranks of our employees for their loyalty, co-operation and steadfast devotion to duty.

Before I close, I wish to pay tribute to the gallant soldiers who either gave up their lives or suffered untold hardships on the battlefield in the defence of our motherland during the early days of the Chinese invasion. I am sure you would all like to associate with me in the expression of this humble sentiment.

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

CAPITAL, 18th June, 1964.

SHAW WALLACE & COMPANY LIMITED

CHAIRMAN, MR. C. M. A. BATHURST'S REVIEW

The following review has been circulated by the Chairman, Mr. C. M. A. Bathurst, to Shareholders of Shaw Wallace & Company Limited.

The Annual General Meeting of the Company will be held in Calcutta on 29th June, 1964.

The Group profit before taxation amounted to Rs. 99.29 lakhs which is a record profit in the history of the Company. After deducting the amount required for taxation on the profits for the year and after making certain other adjustments there remains a profit of Rs. 38.29 lakhs as compared with Rs. 25.43 lakhs for 1962.

The improvement in the Group profits is largely attributable to the better results achieved by the Parent Company through certain of the Subsidiaries also contributed to the higher profit.

I give below comparable figures to show the profit before tax for the last five years:—

	1959	1960	1961	1962	1963
Rs. lakhs	77.80	82.84	58.19	70.16	99.29

The Directors are recommending a Dividend on the Ordinary Shares of 12½% which is an increase from the 7½% paid last year. The payment of a 12½% Dividend will allow the transfer to reserves of Rs. 13½ lakhs and it is considered that the payment of a higher Dividend at this stage would be unsound in view of the necessity to make financial provision to meet the Company's capital commitments.

I shall now comment on the various activities which are controlled by the Parent Company including the activities of our Subsidiaries and the Companies for which we are Managing Agents.

Fertilisers

The following are the figures of our Fertiliser sales including Superphosphate for the last five years:

	1959	1960	1961
Tonnes	131,885	155,625	183,464
	1962	1963	
Tonnes	178,888	187,762	

Fertiliser offtake was the highest on record and should continue to increase.

The most important factor inhibiting the more rapid growth in the use of fertilisers is the widespread shortage of credit facilities in the rural sector of the economy. There is little scope for a rapid increase in the use of fertilisers by plantation crops but the big break through must come from the agricultural or small farmer who at present does not have the resources to enable him to purchase fertilisers as and when required. If credit could be made available to be recovered after the sale of the crop then fertiliser consumption, and *ipso facto* food production, will increase very rapidly toward the targets set by the Government of India. Such credit can only be organised by Government through the medium of some form of rural credit bank.

In South India, our sales of fertilisers show an increase of 25% over the previous year. But in North East India there was a set-back to sales due largely to the inadequate profit margins permitted by certain State Governments. It is hoped that this difficulty will be overcome before the next fertiliser season, and with this prospect

in view we are extending our activities in West Bengal and in Assam.

You will recall that we had been issued with an Industrial Licence for the manufacture of Fertilisers at Mangalore and it was the intention to manufacture on the basis of 100,000 tons Nitrogen per annum in collaboration with a suitable foreign firm who would be interested in providing equity and technical know-how. Unfortunately, our efforts to find a suitable foreign collaborator have failed and we have therefore been forced to advise the Government of India that we are no longer interested in this venture. This does not mean the end of our efforts to enter the field of manufacturing nitrogenous fertilisers and other projects are at present under consideration.

Sulphuric Acid and Superphosphate

Our Factory at Madras worked at maximum capacity throughout the year and production of both Sulphuric Acid and Superphosphate showed an increase. Production figures over the last five years are as follows:—

	1959	1960	1961
(In tonnes)			
Sulphuric Acid	9,429	24,150	25,519
Superphosphate			
16% basis	26,849	71,545	68,441
1962	1963		
Sulphuric Acid	25,139	26,385	
Superphosphate			
16% basis	67,605	69,943	

During 1963, we were able to sell our total production of Superphosphate but this year due to the fact that two new units of production have recently begun manufacture there is likely to be increased competition which may have its effect on sales until demand once again catches up with productive capacity.

Agricultural Spraying and Dusting Equipment

A satisfactory profit was earned both by the Madras Sprayer Factory as well as by our Sprayer Organisation in Calcutta. We have recently received the approval of the Government of India to enter the Government of India to enter the manufacture of Power Sprayers and it is hoped that these will be on the market during the second half of this year.

Agrochemicals

Our arrangements to sell Insecticides and Fungicides produced by Tata-Fison Ltd. have ceased and we have recently completed our negotiations to sell the products of Sandoz (India) Limited and Flintrock Products Private Ltd. which will provide us with a comprehensive range of Agrochemical products to sell on an all India basis.

Glue

Production at the Madras Factory beat previous records and there was a noticeable improvement in quality and these two factors led to profit margins exceeding all previous levels. Comparable figures of production are as follows:—

	1959	1960	1961	1962	1963
Quintals	4,990	4,602	6,286	7,544	9,006

Wines & Spirits

At our Distillery near Calcutta the new Still which was install-

ed in the middle of 1962 worked throughout the year at maximum capacity and a substantial increase in production of 44% as compared with 1962 was achieved. Our Sales Organisation disposed of the total production and we are now examining the possibility of a further increase in production.

Restrictions on the imports of Wines & Spirits remain and it is our aim to continue to improve the quality of our products so that they match the imported products in all respects.

Shipping

I regret having to advise that as a result of the merger between Isbrandtsen Co. Inc. of New York and the American Export Lines we lost the agency for the Round-the-World Liner Service formerly operated by the Isbrandtsen Co. Inc. However, we continue to act as their Agents but they have few ships and operate mainly tankers and charter vessels.

I am, however, pleased to report that we have been successful in securing new Agencies, namely the Jayanti Shipping Co. Ltd. for Calcutta, the Hellenic Lines Ltd., of New York for Bombay and Madras and T. J. Stevenson & Co. Inc., New York for Calcutta, Chittagong and Chalna.

We continue to work in close co-operation with our main Shipping Principals, namely, the Hansa Line of Bremen whom we represent in Bombay and Madras and through our subsidiaries in Colombo and Chittagong.

Our Ship Chartering business operated through our Delhi Branch and in conjunction with our subsidiary, Cruickshank & Co. Ltd. showed good results and already this year we have been able to arrange for the charter of ten vessels.

In Ceylon, our Shipping Subsidiary, J. D. McLaren & Co. (Ceylon) Ltd. operated successfully under difficult and trying conditions.

Tea

Whilst world production in 1963 almost equalled that of the previous year, there was a further shortfall of 14 million pounds in the North East India Crop. I am pleased to report, however, that the total crop produced by Companies under our management recorded a small increase over 1962.

In keeping with the general trend of the world market prices obtained were disappointing and our earnings show a material reduction over the previous year.

The comparative figures of area under tea and the crops produced by estates under our Agency and Managing Agency are:—

	1959	1960	1961
(In acres)			
Area under Tea	24,130	24,510	23,471
(In maunds)			
Crop	309,081	304,916	336,772
(In acres)			
Area under Tea	23,279	24,010	
(In maunds)			
Crop	329,783	334,280	

A solution has yet to be found to the remittance difficulties of our Indian

Rupee Companies with estates in Pakistan and they continue to be heavily indebted to us. However, ad hoc remittances against expenses continue to be received from time to time.

Tinplate

Production at The Tinplate Company of India Ltd. during 1963 was 84,107 tonnes; thus for the fifth year in succession surpassing that of the preceding year. Comparative figures are:—

	1959	1960	1961	1962	1963
(In tonnes)					
	66,990	74,708	77,045	77,346	84,107

This outstanding performance is a tribute to the entire staff at Golmuri.

The Company has an Industrial Licence for Modernisation and Expansion and it is hoped that during the current year plans will be finalised to increase production by 80,000 tonnes per annum Cold Reduced Tinplate which should be available by 1967.

Coal

The Government of India having relaxed the regulations prohibiting the publication of coal production figures we are once more able to publish comparative figures of raisings.

You will notice from the figures given below that raisings have increased each year during the last five years. This is the measure of success achieved by the Collieries under our control in meeting Government's wishes for higher coal production.

Though despatches were satisfactory during the major part of the year, demand tailed off considerably during the third quarter with the result that unduly large stocks were accumulated at pit heads. Transport bottlenecks added to our difficulties and we were compelled to cut back raisings at some collieries.

I am happy to report, however, that as a result of intensified efforts by our Sales Organisation, and the co-operation of Government and the Railway Authorities, stock accumulations are beginning to run down at a satisfactory rate. We are confident that demand will again catch up with supply and

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when this happens we shall be ready to resume maximum working without delay:—

	1959	1960	1961
	(In tonnes)		
Raisings	19,43,556	20,65,159	21,41,106
	1962	1963	
Raisings	22,81,297	25,51,942	

You will doubtless be interested to hear that we had the pleasure of a visit in April to our Coalfields in Madhya Pradesh by Mr. C. Subramaniam, Minister of Steel, Mines and Heavy Engineering, and we feel sure this visit will lead to a greater understanding of the importance of the out-lying coalfields due to their geographical location as being the nearest Coal

Mines to the important consumers in Western India.

Flour
The two Flour Mills under our Managing Agency had a satisfactory year and production reached record levels. Profit margins, however, continue to be disappointing.

Comparative figures of production are:—

	(In tonnes)	1959	1960	1961
Production		51,820	51,722	44,873
		1962	1963	
Production		55,402	59,454	

Walker & Greig (Coonoor) Ltd.
It was decided to transfer the

assets and liabilities of this wholly-owned Subsidiary to the Parent Company and this was effected as at 30-9-63. From that date onwards the activities hitherto carried on by Walker & Greig (Coonoor) Ltd. have been integrated with our Madras Branch but this subsidiary company will be kept in existence for the time being.

Operations during 1963 were satisfactory and made a modest contribution to our profits. The orders in hand should ensure an equally satisfactory result during 1964.

Yeast
I am pleased to be able to report that The Indian Yeast Company

CAPITAL, 18th June, 1964.

Ltd. has at last come on to a revenue earnings basis, though it will be some time yet before it will be able to make a contribution to our profits as the accumulated loss has not yet been made good.

Sales during 1963 doubled as compared with the previous year and measures to increase production to cater for the increased demand are well under way.

We are pioneers in India in the production of Baker's Yeast and our intensive efforts to popularise the use of yeast have proved successful. A Demonstration Van has toured the Country continuously and our Staff have demonstrated the use of yeast in numerous towns and villages throughout the Country.

Ceylon

The improvement foreshadowed for 1963 was fully achieved and the consolidated profits before tax of Shaw Wallace & Hedges Ltd. at Rs. 16,61,416 was double the corresponding figure for the preceding year. This excellent result was achieved despite the many difficulties which were experienced consequent on the unsettled conditions prevailing in Ceylon throughout the year. These difficulties were faced with imagination and determination by Directors and Staff and successfully overcome and our thanks are due to all concerned.

Bois Brothers & Co. Ltd., which was acquired in 1962 had a satisfactory year. The economies which should follow integration with Shaw Wallace & Hedges Limited sometime in 1964 should result in greater profitability.

The expansion of capacity by Ceylon Potteries Limited has not produced the high profit level looked for. Production problems which beset this subsidiary are proving more stubborn and intractable than we anticipated. No effort is however being spared to overcome the many problems that have arisen and we are confident that their solution will not now be long delayed.

Pakistan

Our Pakistan Subsidiary had a very successful year and a dividend of 25% has been declared.

Owing to the loss of the Agency for the Round-the-World Liner Service of Isbrandtsen Co. Inc. the Karachi Branch has become an unprofitable unit and a decision has been taken to curtail the company's activities in West Pakistan. Henceforth our main interest will be in East Pakistan concentrated on the Chittagong Office of Shaw Wallace Pakistan Limited.

Prospects

The Company had a good year in 1963 and so far 1964 shows good promise. It is now our policy to expand and develop in our traditional activities rather than to diversify and this policy will enable us to utilise to the full the considerable experience and know-how of our staff, both production and sales in our many activities.

Staff

It has become customary in the Chairman's Review to extend our thanks to all members of our staff in all grades of service. This is by no means a mere formality and I have no hesitation in affirming that it is through the loyalty and hard work of our staff at all levels that the Company has been able to achieve a record profit.

Note: This does not purport to be a record proceedings of the Annual General Meeting which will be held on June 29, 1964.

CAPITAL, 18th June, 1964.

New Delhi

WORKING GROUP ON OIL PRICES ISSUES QUESTIONNAIRE

(FROM OUR NEW DELHI CORRESPONDENT)

THE Working Group on Oil Prices, recently set up by the Government of India, with Mr. J. N. Talukdar as its chairman, has issued a comprehensive questionnaire to all the oil companies operating in India, including the State-owned Indian Oil Company. The main emphasis of the questionnaire is on the prices of crude and petroleum products, discounts obtained on both of them, the cost structure of the marketing organisation, the pattern of present and future demand, the availability of end-products in which India is in deficit and the plans for the expansion of refineries in the private sector. Here are some of the questions asked:

"1. What are the sources from which supplies of crude oil are obtained?"

"2. Indicate the quantities of indigenous and imported crude obtained from individual sources separately, together with specifications and prices paid for the quantities from each source with break-up.

"3. What were the lowest f.o.b. quotations ex-these sources and other nearby sources indicating the dates of change in the respective f.o.b. prices?"

"4. What are the rates of discount obtained on various dates on the supplies?"

"5. Indicate the ocean freight, rates of marine insurance, ocean losses, storage losses, in quantity and value.

Import of Crude

"Please state the changes introduced for import of your requirements of crude since July 1961 with particular reference to the following:

"(a) the changes effected in the arrangements concluded with your suppliers of crude and whether any remuneration is being paid to them for the services rendered by them and at what rates.

"(b) The manner of determination of the prices; and

"(c) the rate of discount off f.o.b. posting now available and the date from which applicable.

"If supplies of crude are being obtained from sources other than disclosed in 1961, please state: (a) the names, (b) when arrangements were concluded and for what period and for what portion of your requirements? (c) In what matters, the new arrangements differ from the earlier ones.

"Please furnish copies of your contracts now subsisting with your suppliers concerning the supply of crude.

"If better terms can now be arranged for obtaining part or whole of your requirements of crude, will you be prepared to switch over to such suppliers offering better terms, in what time and for what quantities?"

"What steps have been taken since 1961 to reduce or eliminate altogether the intermediary firms through whom your requirements of crude were obtained?"

"Are you aware of the report in Platt's Oilgram, dated 10th February, 1964, of the existence of discounts in the eastern hemisphere off f.o.b. post-

ing varying from 20 to 50 cents a barrel?"

"What efforts have you made, in the light of such reports, to increase the rate of discounts admissible to you (a) either on a regular basis, or (b) for particular shipments in a particular period.

"How have the discounts on crude available to you from time to time been accounted for in the refinery or marketing company?"

"As for indigenous crude, what is the basis adopted for pricing? If import duty is accepted, indicate the break-up into f.o.b. rates, discount, marine insurance, ocean freight, ocean losses, and any other loss.

"Indicate the capacity of refinery in terms of crude throughput since the year of inception, broken up into higher distillates, middle distillates, etcetera.

"Indicate the possible flexibility in production to suit the envisaged pattern of demand for the future for various petroleum products within a group.

Pattern of Production

"Indicate what steps are contemplated to rectify the lack of balances, if any, in the pattern of your production.

"Indicate the capital employed with the following break-up: (a) fixed assets and (b) working capital.

"Indicate the cost sheets for various petroleum products, showing the cost of crude and other refining expenses.

"What is the present basis adopted by you for pricing your products? Indicate the basis adopted by refineries outside India, you know of, for product pricing.

"Indicate the basis, if any, you consider more satisfactory other than import parity for pricing the various products. Give reasons for recommending such a basis.

"What do you think a reasonable profit margin for refineries and the factors that may have to be considered in fixing the margin?"

"What is the basis on which such a margin has to be assessed and the reasons for it?"

"What is your assessment of the demand of petroleum products for 1965, 1966, 1967 and 1968 broken up into different products and your share in it?"

"To the extent of your capacity to meet the future demand, what type of crude you are likely to obtain? Indicate the sources and the quantity likely to be obtained from each source.

Refinery Expansion

"Do you envisage any expansion of your refinery before 1968? If so, indicate the capacity of the expansion and the probable year of commissioning the added capacity along with details of the capital cost broken up into (a) requirements of foreign exchange and (b) others.

"What do you consider the least economic size of a refinery, consider-

ing the present and future pattern of demand?"

"What has been the average amount of the refiner's margin in terms of a tonne of crude processed separately over years 1961 to 1964?"

"What are the sources from which the various petroleum products are being imported? Indicate the quantity of each product sourcewise for the last five years. Indicate the quantities and the net f.o.b. prices of imports for the last five years.

"Indicate the rates of marine insurance on different petroleum products, as also actual figures of ocean losses from 1960 onwards.

"What were the lowest f.o.b. quotations, ex-Abadan, ex-Rastanura and ex-any sources from where bulk refined and other products could be obtained during 1962, 1963 and 1964 till date, indicating the dates of change in the respective f.o.b. prices for each product?"

"Indicate the percentages of discount on f.o.b. obtained on various petroleum products on different dates from 1962 onwards.

"Indicate the Customs and excise duty for each product since 1962 split up into recoverable and unrecoverable, separately.

"What is the capital employed in the distribution of petroleum products? Give the breakdown as follows (working capital and amounts allocable to the following for the last five years): (a) refined products, (b) bitumen, (c) greases, (d) lubricating oils, and (e) others.

"Indicate your estimate of demand on an all-India basis for inland sales for each petroleum product for years 1965 to 1968 and what proportion you expect will be yours.

Distribution Charges

"Indicate the estimated distribution charges—post landed charges—broadly analysed for each of petroleum products for the four years, 1965 to 1968, on a comparable basis with actuals with reasons for variations.

"Please state the changes since 1961 for the import of your requirements or suppliers of deficit products with particular reference to the following:

"(a) Changes in the arrangements with your suppliers abroad and whether any remuneration is now being paid to them for the services rendered by them and if so, at what rates?"

"(b) The manner of determination of prices payable to your suppliers.

"(c) The rate of discount off f.o.b. postings in Abadan.

"If better terms can be arranged for obtaining part or whole of your requirements of deficit products from sources other than those of your present supplies, will you be prepared to switch over to such suppliers offering better terms from (a) the western and (b) the eastern sources."

There are detailed questions relating to freight rates, compared with quotations for open spot charter rates of loading from Abadan to India, the existing arrangements for inter-company product exchange and "the possibility of linking prices with physical supply areas for products of indi-

vidual refineries and the introduction of a uniform or pool prices for the whole of the country or in different zones, which may be created for the purpose."

NAPHTHA

Working Group Set up

The Government of India has set up a working group with the representatives of the Central Ministries of Petroleum, Industry, Railways, Steel and Mines, Hindustan Steel Ltd, the Indian Oil Company and all private-sector oil companies to examine and establish, among other things, the following avenues of utilisation of naphtha, laying down quantitative targets in each case, namely, (a) substitution of refinery fuel by naphtha, (b) use of naphtha for existing and new thermal plants; (c) use of naphtha with high-speed diesel oil in railway locomotives; (d) use of naphtha for injection in blast furnaces of steel plants; (e) use of naphtha as town gas; and (f) the possibility of using a mixture of motor spirit and H.S.D. for use in motor-cars.

It is apprehended that the disposal of surplus naphtha might recoil on the future refining programme unless timely action is taken to study in detail the new uses. According to a recent study, the estimated production of naphtha in India will increase from over 3 million tons in 1967 to over 4.5 million tons in 1971. The study shows that after meeting in full the demands for motor-spirit, fertilisers, petro-chemicals and town gas, there should be a net surplus of naphtha of over 100,000 tons in 1966 and of over 300,000 tons in 1971. It is also felt that the required steps should be taken before 1966, so the working group has been appointed

O.N.G.C.

Aid from Russia

The Oil and Natural Gas Commission has entered into an agreement with Messrs Techno-export of Russia under which the latter will provide a seismic survey ship and 61 Russian specialists for carrying out the off-shore seismic survey in the Gulf of Cambay, to be completed within 16 months. Under another agreement, the Russian organisation will provide services of 12 to 15 senior oil specialists for assisting the O.N.G.C. for exploration, development and production of oil and gas.

The Indian Oil Company has also reached an agreement with Russia for the import of certain oil products, in which India is deficient. Russia has waived her earlier demand for a higher freight rate from the Black Sea, instead of from the Persian Gulf. The quantity of products, to be imported, remains unchanged.

SWAMINATHAN COMMITTEE

Final Report Issued

The final report of the Swaminathan Committee on industrial development procedures was released for publication last week. In its final report, the Committee has considered procedures and matters other than those covered by the recommendations in its interim report. The main recommendations in the final report are as follows:

(i) *Procedure for industries other than "key" industries*—For industries other than "key" industries, the Committee has expressed the view that for

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various practical reasons, including the foreign exchange shortage, which make it difficult to get prompt clearance for the import of capital goods, it would not be practicable to follow the special procedures recommended for "key" industries. It has, therefore, suggested that, wherever the availability of foreign exchange is not the main limiting factor, after the issue of a letter of intent, all subsequent clearances, such as the import of capital goods, approval of foreign collaboration terms, and issue of capital should be given within three months from the date of receipt of the respective applications. A procedure for keeping a close watch on timely clearances has also been prescribed.

(ii) *Special procedure for certain industries other than "key" industries which are import-saving or are substantially export-oriented*—The Committee has listed a few industries in which substantial imports are at present taking place. It has recommended that the special procedure for "key" industries should be made applicable to these industries and also in the case of any other industries which the Government considers to be of special importance from the point of view of earning substantial amounts of foreign exchange through exports.

(iii) *Procedure relating to the licensing of raw materials and components*—As delays in the issue of licences for raw materials affect industrial production, the Committee has suggested that ways and means should be found for issuing licences within three months from the commencement of each licensing period. If, for any reason, this procedure is not found practicable, in the interests of ensuring continuous production, the Committee has recommended that *ad hoc* licences equal to 50 percent of the value of the licence for the first half of the previous licensing year should be issued. For the second half, the Committee has recommended that all licensees should be authorised by a general notification to use at least 50 percent of the value of the licence for the second half, pending the final announcement of the policy for the period. The Committee has also suggested that while issuing licences for raw materials, the limitations should normally be value-wise and not quantitative, so that the licensee has the discretion to import any of the permissible items listed in the licence in such proportions as may be necessary.

Import of Capital Goods

(iv) *Forms of application for industrial licences and licences for the import of capital goods*—The Committee has suggested some modifications to these forms, mainly with a view to ensuring simplification in some ways. Another consideration that has been taken into account is the extent of detailed information likely to be available to the applicant at the time of his application.

The Committee has recommended the submission of two applications for industrial licence, one, a preliminary application (along with the Treasury challan) to enable the issue of a "letter of intent" speedily, and the other a final application at a later stage at the time of the issue of a formal industrial licence. The consideration which has guided the Committee in suggesting two applications instead of one as hitherto is that at the time of initial application, the entrepreneur does not have a detailed, clear picture of all the items prescribed in the application form.

It is not unlikely that in relation to many of the items on which information has been furnished by the applicant in the preliminary application, the position may change sub-

stantially after consultations and negotiations with foreign collaborators and machinery suppliers, both indigenous and foreign. As the Licensing Sub-Committee's final decision on the conversion of a "letter of intent" into an industrial licence would depend on a correct final appraisal of all material factors, a final application is also proposed. In the case of "key" industries, this final application is to be considered along with the simultaneous consideration of the subsequent clearances relating to capital goods, foreign collaboration terms, issue of capital, etcetera. In the case of the remaining industries, the final application is to be submitted either along with the capital goods application or at some other suitable point of time when all the relevant final details are available to the applicant. This final application is to be considered by the administrative Ministry concerned before conversion of the "letter of intent" into an industrial licence.

(v) *Recommendations of the Committee after a year*—The Committee has stated that it is important that the actual working of the revised procedures should be studied over a period of time. Accordingly, it has recommended that it may be reconstituted after a year, with the same composition as far as possible, to study the results of the working of the revised procedures and to make suitable recommendations to the Government.

General Recommendations

(vi) *Other general recommendations*: The Committee has also made recommendations on

(i) residual action in cases where letters of intent and licences have already been issued for "key" industries;

(ii) form of the "letter of intent";

(iii) the issue of import licence for spare parts either received short or in damaged condition and replacement of which is made free of cost either by the supplier or on payment of the insurance company; and

(iv) procedure, in the case of "key" industries, for consideration of application for grant of loans by the Industrial Credit and Investment Corporation of India and the Industrial Finance Corporation.

The Government of India has accepted in principle the above recommendations of the Committee. As for its recommendations on the licensing of raw materials and components, the Government believes that it should be possible to issue licences within a period of three months from the commencement of each licensing period; every endeavour will be made to ensure this. If there is, however, delay the Government has devised a simpler alternative procedure to secure the object which the Committee had in view. Instead of issuing *ad hoc* licences, it is proposed to take action as follows:

"(i) In the case of industries where annual licensing is done and where the raw material requirements are not likely to be met from newly-developed indigenous sources, annual licences of the same value as for the previous year would be issued, subject to the condition that during the first half of the licensing period only 50 percent of the value of the annual licence can be used. There would be simultaneous authorisation for the use of an additional 25 percent from the commencement of the second half of the licensing period. The value of these licences would be suitably adjusted when the final policy for the period is announced.

"(ii) In other cases, licences for industry's requirements for the first

half-year will be issued of a value not exceeding the value licensed for the first half of the previous licensing period."

The additional authorisation of 25 percent of the value of the annual licence for the second half of the licensing period will not, however, be made in the case of established importers.

Appropriate steps are being taken to implement the Committee's recommendations.

I. D. A.

Credit Offered

The International Development Association (I.D.A.)—an affiliate of the World Bank—has extended a credit of \$90 million to India for the purpose of expanding her selected lines of capital goods manufacture. The credit will assist companies manufacturing commercial vehicles, industrial machinery and construction equipment to make fuller use of the existing capacity and to produce more goods, by enabling them to import components and materials on a larger scale than has been possible up to now because of the shortage of foreign exchange.

In the industries directly affected, the I.D.A. credit should make possible an increase of output averaging as much as 30 percent in the current year, ending 31st March next, of India's five year plan. The construction industry will also benefit, since the I.D.A. credit includes funds for the purchase of spare parts for heavy earthmoving and construction equipment already in India, for additional supplies of such equipment, and for transporters to move the equipment from one project site to another. The industries selected for I.D.A. assistance are of major importance to India's economic development. There is a ready market for their products—some have orders for as much as three years ahead—and the demand should continue to rise. In spite of numerous difficulties, the companies have been growing rapidly in recent years. Their operations are reasonably efficient and they have the other resources—for example, design, technical knowledge and quality control which in many cases are being provided under collaboration agreements with foreign firms—to make good the use of the foreign exchange to be made available.

The funds being provided for spare parts and construction equipment are expected to speed up the execution of various development projects throughout India, particularly in the fields of irrigation and electric power. The existing fleet of heavy earthmoving and construction equipment has not been fully used because of a scarcity of spare parts and problems of distribution. The Government is taking measures to ensure the maintenance in India of adequate stocks of spare parts and to expedite their delivery. In future, authorised representatives of foreign parts manufacturers are expected to undertake the primary responsibility for importing and stocking replacement parts and spares.

Financing Imports

The proceeds of the I.D.A. credit will be made available to the participating firms and agencies through the regular import licensing procedures of the Government of India. About \$75 million will finance imported components, materials and balancing equipment for factories producing lorries and buses, machine tools, cutting tools, heavy construction equipment, electrical equipment, such as

switchgear, motors and transformers, and similar items of capital equipment. The balance will finance imported equipment and spares for the construction industry.

The I.D.A. credit, together with similar assistance from other members of the Aid-India Club, will make possible the first substantial increase in three years in the allocations of foreign exchange for imports of industrial materials and components. Adequate imports of this type must be continued if a high rate of use of plant capacity is to be maintained. The I.D.A. credit to India is for a term of 50 years. Repayment of the principal will begin from 15th November, 1974, after a ten-year period of grace. Thereafter, 1 percent of the principal will be repayable annually for ten years and 3 percent will be repayable annually for the final 30 years. The credit is free of interest but a service charge of 1 of 1 percent a year on the amount withdrawn and outstanding will be made to meet the I.D.A.'s administrative costs.

HEAVY ELECTRICALS

Czech Technical Collaboration

An agreement for technical collaboration for the development of production at the Heavy Electrical's high-pressure boiler plant in Tiruvembur, Tiruchirappalli, was signed here last week. The agreement covers the following services:

(1) Technical co-operation and consultancy service for the production of: (a) high-pressure boilers ranging from 125 to 450 tonnes—steam capacity an hour. (b) Package boiler units with an output of 6 tonnes an hour above 22 atm. pressure—temperature 380°C. (c) High-pressure valves and fittings for the above boilers.

(2) Training of Indian personnel in the C.S.S.R. and working drawings for (a) the production of non-standard equipment in India; (b) test equipment; and (c) Factory lay-out, services, etcetera. The total payment for the various services amounts to Rs. 2 crores.

It will be recalled that an agreement was signed on 24th November, 1959, between the Czechoslovak Government and the Government of India for a credit of Rs. 23.1 crores for financing a number of projects in India, one of which was the high-pressure boiler plant.

A technical committee appointed by the Government had suggested the site for the plant in Tiruvembur, Tiruchirappalli, which was approved by the Government. After the preliminary report had been submitted by Czech experts, the basic details of the project were agreed upon and an agreement for the preparation of the project report was executed on 7th June, 1961. The project report was received by the end of August 1962. An agreement for the supply of machine tools and equipment from Czechoslovakia through the agency of Messrs Techno-export was executed on 30th May, 1963, and thereafter the construction work was started at the project site.

Messrs Techno-export are collaborating in the execution of a number of projects in India, prominent being the foundry-forge project in Ranchi, the heavy power equipment plant in Hyderabad and the high-pressure boiler plant in Tiruchi.

Recently, the Czechoslovak Government has agreed to another credit of Rs. 40 crores for the development of some of the existing and new projects, including the supply of components for the existing plants.

London

CONTRIBUTIONS TO PARTY FUNDS AS BUSINESS EXPENSE

(FROM OUR LONDON CORRESPONDENT)

DESPITE the fact that the bulk of Labour Party funds comes from trade union contributions, although not all trade unionists are necessarily socialists, the Labour politicians have always felt very strongly about the support which is given to the Conservative Party in particular—although it cannot be the only Party so supported—by business firms.

The subject came up for discussion in a Panorama programme on B.B.C. television the other day, when Mr. George Brown, deputy leader of the Labour Party, repeated Labour's pledge to change the company law so as to require the disclosure of companies' contributions to political party funds. "We will certainly insist that these be open and that, being open, these payments become subject to taxation," he said. Mr. Brown's adversary in the Panorama discussion was Mr. Enoch Powell. The Labour deputy leader commented sardonically that he would have preferred to debate the subject with Mr. Selwyn Lloyd or Viscount Blakenham, who had been invited in vain to appear, rather than with someone "on the periphery" of the Conservative Party.

"My objection is not that they have a lot of money," Mr. Brown said, "but that nobody quite knows whose money they are using." When Mr. Powell suggested that no political party would or could disclose the individual identities of its subscribers, Mr. Brown retorted: "I am not talking about the individual contributor who sends his 5s or £5. I am talking about the corporate contributions." In reply, Mr. Powell said it would be just as much an act of tyranny to expose by name a corporate person who contributed to a political party as an individual. "If a firm thinks it right to contribute, it seems to me a contradiction of the secrecy of the ballot and the right of a person to keep his politics to himself that its identity should be revealed," he added. Mr. Powell said that if the directors of a company considered that the company's interests and those of its shareholders were promoted by a particular course of action, then they had the right to take that action.

Mr. Martin Harrison, of Manchester University, who has made a study of political party funds, estimated that forms of gambling, such as raffles, draws and bingo, provided something like one-third of the finance of the Labour Party, at least in the constituencies. The position of political contributions as a business expense has always been rather vague, so it is useful to have some guidance from a leading expert in taxation. This is that the Inland Revenue was unlikely to allow companies which subscribe to the Conservatives or any other party or to the Economic League to count their contributions as a legitimate business expense. In any case, companies may not always be empowered to subscribe at all unless the directors can show that they have "an expectation . . . of service in return."

Survey of Opinions

Sir John Foster, Q.C., Conservative M.P. for Northwich and Recorder of Oxford, has prepared an opinion on such subscriptions at the request of Aims of Industry, Ltd. This body is devoted to the defence of free enter-

prise in industry and is, in some ways, a rival to the Economic League. He had a Press conference in London recently to explain his views on the tax issue. He said: "It is becoming a common experience for the boards of public companies to receive questionnaires from politically active shareholders asking for disclosure of any contributions their Company may be making to Aims of Industry and other organisations." The problem could be defined in two parts: (1) Is it within the legal powers of a company to make such contributions? (2) Can the contributions be treated as a legitimate business expense for income tax purposes?

In Sir John's opinion, a contribution is legally permissible provided it is made "to promote the prosperity of the contributing company", or if it "obtains specific benefits in return for its support." He went on to say that "only if a company were to make an entirely voluntary subscription, with no expectations of any service in return, would any question arise whether the subscription was within its powers." Citing a test case in which he himself had played a leading part (Joseph L. Thompson vs Chamberlain), Sir John recalled that the company in question (a Durham shipyard) had been forbidden to treat its subscription to the Economic League as a business expense for tax purposes. "The League's purposes," Sir John said, "were not confined to the company's trade and, therefore, although the payments were considered generally conducive to the furtherance of the company's interest, they could not be regarded as wholly or exclusively expended for the purposes of the company's trade."

Permission of Shareholders

Asked whether subscriptions to political parties by companies like Pisons (which says it subscribes to the Conservative Party) would be

permissible, Sir John said that he thought there might be circumstances in which subscriptions would be allowed and that they would certainly be permissible if the Company had received permission from its shareholders. On the other hand, according to his opinion, a company subscribing to a political party (or any other organisation) must do so in the "expectation" of receiving some service in return. He summarised the position as: "It's within the powers of a company (to subscribe) if it's for the benefit of the company; but the subscription is only tax deductible if it is wholly and exclusively for the benefit of the company. If a particular company is threatened with nationalisation by way of the expropriation of its assets and business, then in accordance with the decision in Tate and Lyle's case (Morgan vs Tate and Lyle) expenditure on the conduct of a campaign against the threat of nationalisation will qualify as expenditure incurred wholly and exclusively for the purposes of the company's trade."

"Aims of Industry makes its principal appeal for support by asking companies either alone or in combination to support it by financing specific campaigns for the direct benefit of particular industries and by subscribing to the various information and research services which it offers. Companies which support organisations such as Aims of Industry in this way can be sure that the sums they pay as the price of specific services will qualify as deductions for tax purposes." Sir John said that it was only in the rarest cases, and under special articles of association of a company, that shareholders enjoyed the right to know whether or not their directors were subscribing to Aims of Industry.

The Case of Steel Firms

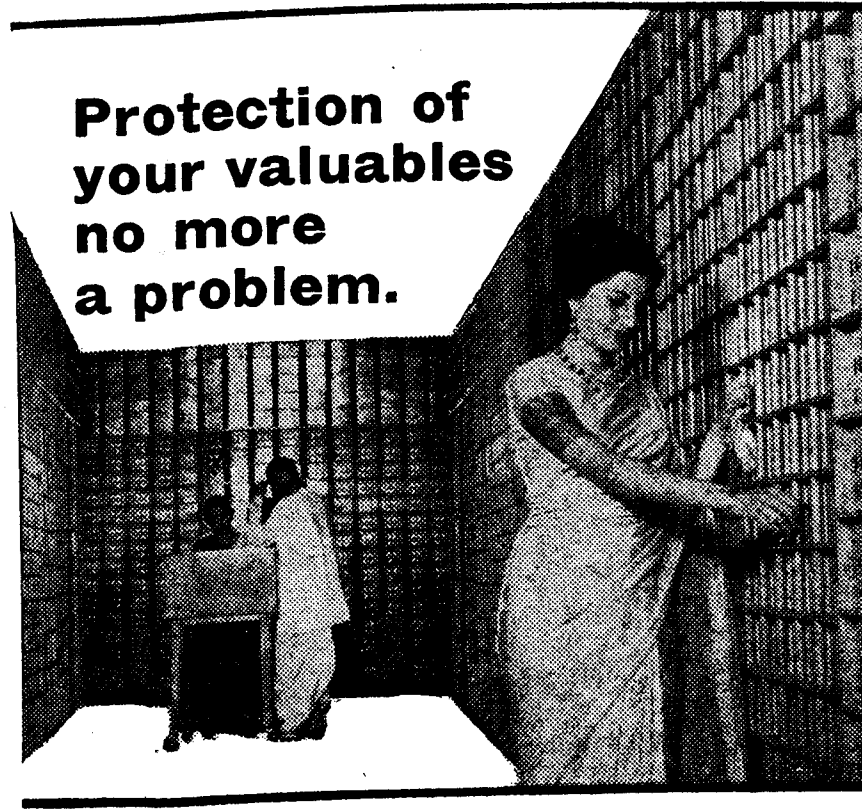
Another of Labour's pledges is to renationalise the steel industry. As

a counter, the British Iron and Steel Federation has challenged the Labour Party to answer 20 key questions on this subject. In one of two new booklets issued in support of its anti-nationalisation campaign, the Federation states: "The Labour Party has not only refrained from explaining why it wants to nationalise steel, it has also noticeably refrained from explaining how. The electorate is being asked to sign a completely blank cheque. The Federation, which represents 262 firms employing nearly 300,000 workers, suggests in the booklet *Steel—Leave Well Alone*, that there are four principal areas to debate. These were: Has the industry provided enough steel? Is it produced efficiently? Is the industry staffed effectively? and is enough effort being put into selling?

The long-standing Labour charge that the steelmakers have not sought to provide enough steel to sustain rapid economic growth is disproved by the facts, the Federation claims. The industry, having invested £1,500 million in new plant since the war, is today able to supply all the steel Britain needs. No Government, including the Labour Governments of 1945-51, has asked the industry to expand faster, says the booklet, and "there is no reason whatsoever to suppose that a nationalised steel industry would have done better." It goes on: "Nowadays, when even the Labour Party acknowledges that steel capacity is today fully adequate, the nature of the issue has completely changed. With a major surplus of steelmaking capacity worrying Governments the world over, it is the Labour Party, not the industry, which is now in the dock on the expansion issue."

On the question of efficient production, the Federation says: "The criticisms advanced by the Labour Party about research in steel have been as ill-informed as they have been ill-intentioned." Between 1955 and 1962, research spending by the companies and by the British Iron and Steel Research Association rose by 112 percent, from £2.5 million to £7.4 million, it continues, and the latest returns suggest research spending last year rose to just over £9 million. At this level, research spending would be about 0.9 percent of estimated turnover, compared with 0.63 percent in 1961-62 and the 1 percent of turnover target set by the Iron and Steel Board's research report.

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Jute

PAKISTAN REDUCES EXPORT DUTY BY HALF

THE decision of the Pakistani Government to reduce the export duty on all grades of jute by 50 per cent to £4 4s a ton has been accorded a mixed reception. While Dundee has welcomed it since it will be able to save about £500,000 a year on fibre costs, the Indian jute industry has been worried over the duty cut. British and Continental jute mills enjoy advantages in the shape of technical know-how and modern equipment. The cheaper supply of good quality jute will help them to increase their output and reduce production costs. This means that in the long run Indian mills will have to face keener competition in selling jute goods. They have already lost a number of important sacking markets to Pakistan. However, reports reaching local jute circles from Dacca indicate that the benefit of the duty cut has been offset for the time being by a spurt in fibre prices.

The decision to reduce the export duty, it is reported, has been prompted by the concern felt by Pakistan over the disposal of the forthcoming bumper crop. The Government's plan to restrict the acreage and output, it is stated, has not been implemented. So a plentiful harvest is likely. Since the gradual loss of its traditional sacking markets, the Indian jute industry has been concentrating on the production of hessian and other speciality fabrics. In particular, carpet-backing cloth has been enjoying a good market. So, during the last three years, the Indian industry has installed more than 2,000 broad looms at a heavy cost. The complement is being expanded gradually. The production of carpet-backing cloth has risen from 31,000 tonnes during the five months ended May 1963 to 38,500 tonnes during the comparable period of the current year. When Pakistan found that India was having good business in hessian and carpet-backing cloth, she too started producing these fabrics and the threat to Indian mills is growing.

Threat from Substitutes

Recently another threat has been posed by a synthetic substitute developed by a U.S. firm. It is a non-woven bonded fabric made from petro-chemical fibres. Claimed to be a good substitute for jute carpet-backing cloth, it is reported that the fabric has successfully passed through the tufting machines and has imparted excellent rigidity and uniformity to the finished carpet. The manufacturers propose to offer it at a price comparable with that of jute carpet-backing. Production of the fabric on a commercial scale has already been taken up.

Besides, the Abaca Development Board of the Philippines has produced a machine-made fibre from abaca which may also be used as carpet-backing material. The economy obtainable from the fibre has not yet been ascertained. Du Ponts of the U.S.A. have also developed a synthetic substitute which is undergoing comprehensive trials. Furthermore, several European and American petro-chemical concerns with surplus capacities for the production of polypropylene have developed non-woven materials which may also be used as a carpet-backing material.

The lesson that emerges from these is that the Indian industry can never rest on its oars. It must always be prepared to face unexpected competition from within and without. It

has also to continue its perpetual quest for new products, processes and ideas.

Production Declines in May

The production of jute goods has suffered a setback during May because of the loss of working time. Working at the maximum level for 192 hours (against 200 hours in April), mills reporting to the I.J.M.A. produced 101,600 tonnes (against 103,700 tonnes) of gunnies. The output of hessian declined by 1,000 tonnes to 43,400 tonnes, of sacking by 800 tonnes to 38,500 tonnes and of miscellaneous goods by 400 tonnes to 12,300 tonnes. The production of carpet-backing cloth, however, rose by 100 tonnes to 7,400 tonnes. In May 1963, the mills worked at the same level for 216 hours, producing 43,700 tonnes of hessian, 42,400 tonnes of heavy goods, 7,300 tonnes of carpet-backing cloth and 11,500 tonnes of other goods, making a total of 104,900 tonnes.

Burlap Consumption in U.S.A.

With users having adequate stocks for near-term needs, U.S. burlap consumption dropped from 74 million yards in April to 63.5 million yards in May. The offtake was 76 million yards in May 1963. The average monthly consumption works out to 73.04 million yards during the first five months of the current year, against 78.93 million yards for the same period of 1963 and 76.80 million yards for that of 1962. U.S. stocks at the end of May rose fractionally from 277 million yards to 278 million yards. Of these, 147 million yards (against 155 million yards) were spot and 131 million yards (against 122 million yards) afloat. The closing stocks a year ago were 296 million yards—174 million yards spot and 122 yards—174 million yards afloat. At the May level of consumption, the stocks will last 4.412 months. The corresponding stock duration on the same basis a year ago was 3.894 months.

THE JUTE MARKETS

Manufactured Goods: Steady conditions prevailed in the Calcutta

gunny market during the past week. Conditions in Calcutta port had deteriorated to some extent due to congestion of vessels in the docks and a shortage of lighters. Some prompt gunny loaders were affected. But there was brisk short and shipper-covering against ready positions in both heavy goods and hessian because of the decline in gunny stocks with mills during May. The trade's view that Calcutta mills had despatched more than they had produced during May was confirmed on the publication of the production figures for the month, which showed that the output was lower by 2,100 tonnes. In spite of a decline in U.S. burlap consumption from 74 million yards in April to 63 million yards in May, the statistical position seemed to be satisfactory. The Government offtake was about 6,000 bales of B Twills for June delivery. Besides, scattered business with overseas buyers was passing in all types of goods, especially in non-standard constructions, for ready and near positions. Some good foreign enquiries were reported during the week. Some of these might materialise soon. In the hedge market, sentiment continued to be governed by the trend in the spot market. Earlier, the action of the East India Jute and Hessian Exchange authorities had staved off the threat of fresh bear raids. Since then, prices fluctuated within narrower limits. During midweek, there was a mild setback following tired long liquidation in hessian and sacking for August positions. But lower levels attracted sizable bear-covering, helping prices to firm up and close with a gain. Sacking gained more than hessian in both the markets. Turnover was fair and the undertone firm at the close.

Wednesday's quotations were as follows:

	June	July	July-Sept.	Oct.-Dec.
40in. 7½oz.	33.50	33.50	33.55	33.70
40in. 8oz.	36.10	—	—	—
40in. 10oz.	44.25	44.50	44.70	45.05
B Twills	113.65	113.15	113.00	113.35
Cornsacks	115.50	115.75	115.75	115.75

Heavy Cees				
(Plain)	115.50	114.10	113.50	113.35
A Twills	135.00	135.50	136.00	137.25
Liverpools	127.50	127.50	127.50	127.50

Raw Jute: Easy conditions prevailed in the raw jute market during the past week with the gradual depletion of the stocks of selected fibres. Holders of lower-grade jute and mesta continued to be nervous following reports of good crop prospects. Earlier, there were reports that plants in the dry areas had been adversely affected by the delay in the advent of the monsoons. But the subsequent showers alternating with sunny days helped the jute plants. Interculture work was going on in full swing. No pest attack was reported. Mills and their agents were practically absent from the markets. A small turnover was reported in better-grade mesta at lower-than-derivative levels. New crop jute was also on offer and lucky deals were reported. But unless their prices come down to the official minima, turnover is likely to be restricted. In the hedge market, Upper Assam White Bottoms for June contracts were closed from 12th June. The remaining overdue deals were either settled or converted into September contracts on payment of the usual contango charges. Transactions in September contracts opened on an optimistic note with a gain from the previous week's level. Profit-taking at the bulges pared the top levels and the market closed with a minor gain after moderate fluctuations. Turnover was fair and the undertone steady at the close.

Wednesday's quotations were as follows:

	Landed at Mills (Basis Bottoms)		1963-64 Crop		1964-65 Crop	
	Rs.	A Qtl.	Rs.	A Md.	Rs.	A Md.
Assam-Agartala						
Jute	81.72	30.50	84.39	31.50		
Northern Jute	80.38	30.00	83.05	31.00		
Western Desal						
Jute	75.02	28.00	77.70	29.00		
Selected						
Daissee	88.41	33.00	91.09	34.00		
Assam-Agartala						
Tossa	84.39	31.50	87.07	32.50		
Mesta:						
Assam-						
Northern	69.66	26.00	73.68	27.50		
Local Daissee	69.66	26.00	73.68	27.50		
Bihar Dist.	65.64	24.50	68.32	25.50		

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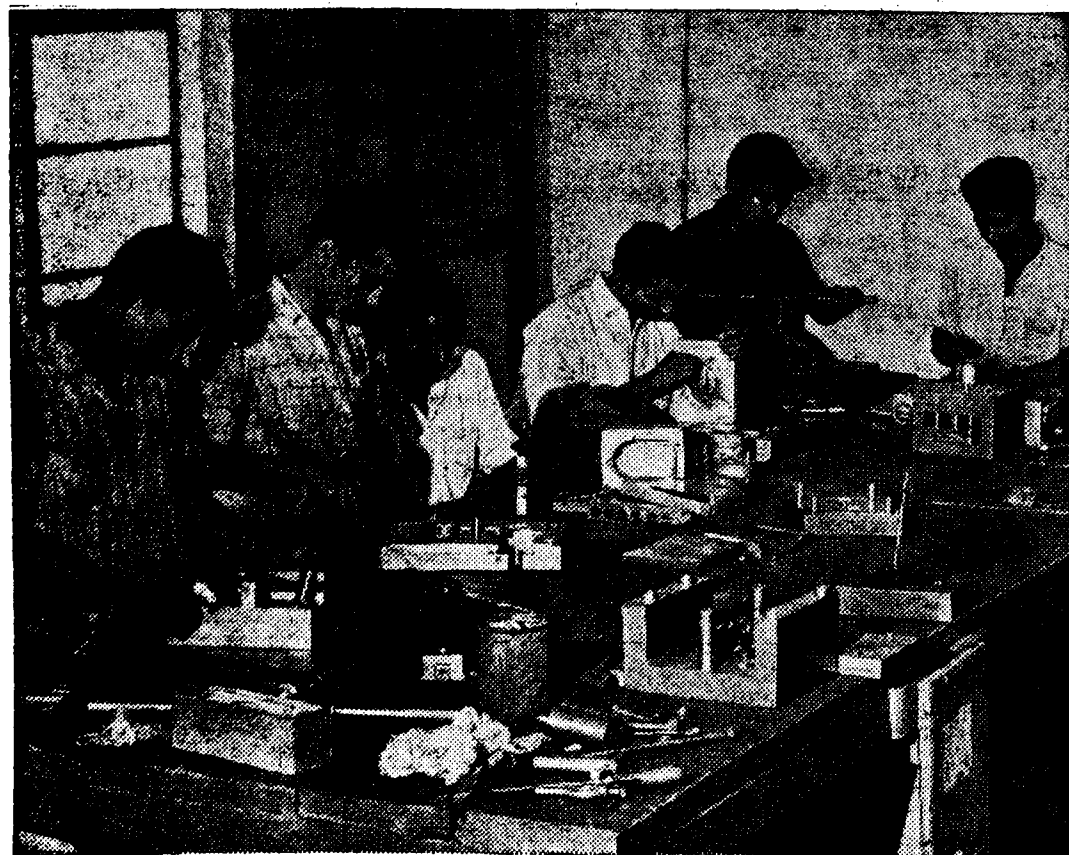
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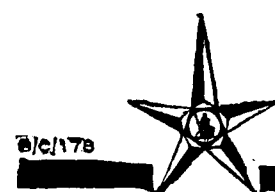
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T. D. KANSARA, General Manager

THE U.K. JUTE MARKETS

SMALL BUSINESS IN FIBRE

(FROM OUR DUNDEE CORRESPONDENT)

LITTLE change took place in the raw jute market in Pakistan during the past week. Although there were reports that supplies of white jute were becoming rather scarce, this made no difference to the position here, and offers were being quite freely made. Dundee spinners were still difficult to interest, and only a small business took place in the fibre. Both buyers and sellers here were reluctant to operate to any extent because of the uncertainty about the future. So far, there has been no announcement by Pakistan concerning the trade policy for the next season. Minimum export prices have not been fixed, and there is always the fear that quality standards may not be as high as during the present season. There are now rumours of devaluation of the rupee but although this has been denied officially, there are still doubts about this question.

The new crop in Pakistan is reported to be making good progress, and offers were made here at £94 for Mill Hearts and at £81 for Grade Hearts, c.i.f. U.K., for August-September shipment. Old crop prices were very irregular with the lowest rates at £122 for Mill Firsts, at £108

CAPITAL, 18th June, 1964.

5s for Mill Lightnings, at £95 for Mill Hearts and at £81 for Grade Hearts, c.i.f. U.K., June-July. Grade Tossa-2/3 was available to a limited extent at £120 and Grade Tossa-4 at £105 10s. Dacca Tossa-6 was at £107. Output Tossa-2/3 ranged from £93 10s and Output Tossa-4 from £83 10s, June-July.

Cuttings were steady at £59 for S.N.C. and at £51 10s for N.C., but less would be accepted for new crop. Mesta was at £87 for A, at £77 for B, at £70 for C and at £50 for cuttings, c.i.f. U.K., June-July. There were sellers of new crop Siam jute at £76 for Super A, at £71 for grade A, at £67 for grade B and at £63 10s for grade C, delivered mill Dundee for October-November shipment.

The Calcutta goods market became a little steadier during the past week, but there was very little buying interest shown in the U.K. at present. Prices were at 66s 8d for 40in. 10oz. and at 49s 9d for 74oz. a 100 yards f.o.b. Calcutta for June shipment, at 67s 5d and 50s 2d, July-September and at 68s 1d and 50s 9d October-December. B Twills were at 171s 6d, 171s 8d and 172s 7d for the respective shipment periods.

Dundee jute spinners were busy and have orders in hand for forward delivery. There is not much new business being placed at present because only small quantities of yarn are available for reasonably early delivery. The carpet trade continues to take regular supplies and prices are firm. Hessian manufacturers are fairly well placed and further orders continue to be received.

I.J.M.A. PRODUCTION FIGURES FOR MAY

The Indian Jute Mills Association reports the total production of jute goods for May as follows:

Description	Quantity
1. Gunny Bags	
(a) Hessian	
7,873 tonnes (7,749 tons)	
2,06,68 thousand metres (2,28.2 lakh yds.)	
1,30.1 lakh nos.	
(b) Sacking	
37,361 tonnes (36,771 tons)	
8,05,21 thousand metres (8,80.6 lakh yds.)	
3,95.1 lakh nos.	
2. Gunny Cloth	
(a) Hessian	
35,571 tonnes (35,009 tons)	
11,99.41 thousand metres (13,11.7 lakh yds.)	
(b) Sacking	
1,174 tonnes (1,155 tons)	
24,33 thousand metres (26.6 lakh yds.)	
3. Carpet-backing	
7,353 tonnes (7,237 tons)	
57,05 thousand metres (62.4 lakh yds.)	
4. Other Manufactures	
12,292 tonnes (12,098 tons)	
5. Total Production	
(all kinds)	
1,01,624 tonnes (1,00,019 tons)	

Summary				
	(000 tonnes and 00,000 yds.)			
	May '64	April '64	May '63	
Hessian	14,08.09	14,35.92	14,39.11	
	(15.40)	(15.70)	(15.74)	
Sacking	8,29.54	8,56.64	9,17.46	
	(9.07)	(9.37)	(10.03)	
Carpet-backing	57.05	55.55	55.28	
	(62)	(61)	(60)	
	(000 tonnes and tons)			
	May '64	April '64	May '63	
Hessian	43.4	44.4	43.7	
	(42.8)	(43.7)	(43.0)	
Sacking	38.5	39.3	42.4	
	(37.9)	(38.7)	(41.7)	
Carpet-backing	7.4	7.3	7.3	
	(7.2)	(7.2)	(7.1)	
Others	12.3	12.7	11.5	
	(12.1)	(12.5)	(11.4)	
Grand Total	1,01.6	1,03.7	1,04.9	
	(1,00.0)	(1,02.1)	(1,03.2)	
Hours worked	192.0	200.0	216.0	

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

CAPITAL, 18th June, 1964.

Commodity Markets

HIGHER TEA OUTPUT IN NORTH INDIA

(BY A SPECIAL CORRESPONDENT)

THE tea crop figure from north India up to the end of May this year stood at 57,771,205 million lbs, compared with 49,347,580 million lbs on the same date in 1963. There have been four small export auctions of tea this season, but the total so far disposed of only equals to half a Monday's sale offerings in the peak period. It is, however, encouraging to note that the demand for leaf teas is being maintained. Bright liquor Darjeelings and other good C.T.C. types are selling well, and on the London market good teas find ready buyers, but news from Cochin indicates an easier trend and Calcutta sales of Dust teas report easier conditions.

Weather conditions from upper and central Assam were too hot and dry and rain is badly needed in lower Assam. It is also hot in north Cachar, but fairly normal in the south. Similar conditions rule in the Doorgas where output was about normal. Darjeeling reports normal conditions, but the Terai has made less tea to date.

There is the expectation of another wage award and a comparison of results for 1962 and 1963 shows that profits have already been seriously curtailed in many respects. Mr. Manubhai Shah, Minister for Commerce, has already advised tea interests that their plea for revision of taxation is being considered by the authorities, so on a long term, there is hope of relief, but on the other hand, this is a matter which may well take a long time before favourable results follow. The tea industry, if it is to expand at an early date, needs a fiscal tonic now, for the increase in world consumption has been disappointing.

The major producing countries produced (in metric tons) the following quantities of tea: 1961—678,758; 1962—677,984; 1963—677,805, against imports for consumption 805,957 in 1961 and 816,360 in 1962. The figure for 1963 is not yet available. These figures make interesting reading, but unfortunately, they do not include supplies from China and other far eastern producers or from Russia which country is developing into a potential competitor.

In 1963, India's consumption was reported lower, but in cups of tea, it may yet show an increase: for as one of the local experts points out, infusions from C.T.C. grades are known to yield a greater number of cups from a lb of tea. Some estimate the figure at 20 percent. It is, therefore, reasoned that if the poundage consumed in India during 1963 fell to some extent, it does not follow that fewer cups of tea were imbibed by the population and, therefore, after a normal time lag, internal consumption may be expected to renew its upward trend, especially if a bumper crop causes cheaper supplies to become available.

Another point for consideration is brewing, as the question of correct brewing is fully as important as quality. A lot has been written about the Tea Board's propaganda in new markets; especially with reference to Europe. Exports to the Continent were at a record high in 1956 at 42,304 metric tons. Five years later, in 1961, they were 37,061 metric tons and in

1962 they were further down to 28,600 metric tons. Another market where much propaganda has been undertaken is the U.S.A. The year 1950 was a record with imports at 46,542 metric tons; 1954 was a fairly good year, but 1955 showed a fall to 37,185 metric tons. In 1962, imports recovered to 43,665 metric tons, but the estimates for 1963 show a figure of 36,876 metric tons. The same tendency may

be noted in exports to the U.K. The top figure was in 1956.

The trade seems to take a more encouraging view of the marketing outlook for the 1964-65 season. As very little tea remains by way of a surplus, the immediate outlook for the current season is said to be encouraging. As a leading tea booking firm said: "Looking further ahead into the second half of 1964, the trend will depend largely on the progress of the crop. If supplies increase sharply—they have not done so for at least two years now (but may do so during 1964), the trend could well be downwards. But if the increase is of normal proportions, the market should be reasonably maintained. Since world consumption has risen, any moderate increase in output should be taken care of. The review also

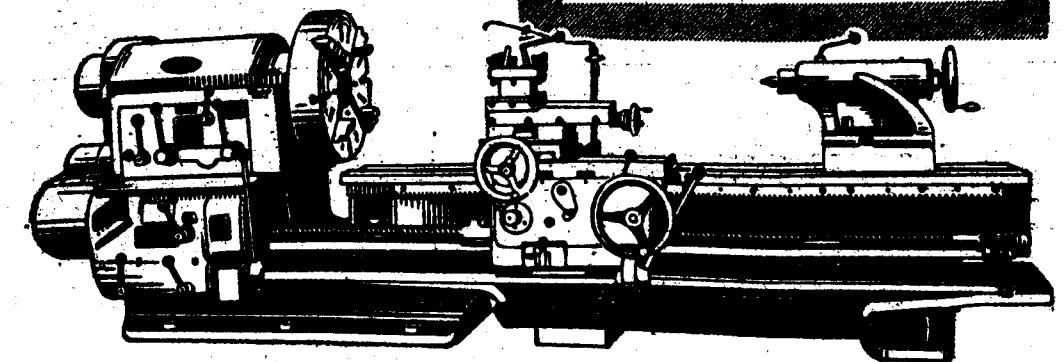
adds that if the crop for 1964 becomes exceptionally large, the producers of poor quality and badly-manufactured teas will suffer. But the possibility of a slump is thought to be remote. It is possible that buyers will be more discriminating and offer an encouraging prospect to the producers of good-quality teas. As for expansion of tea production, it is necessary to reinforce the confidence of producers. The costs of replanting and new planting are high, and returns are not commensurate with the large outlays involved. The provision of suitable loan facilities needs to be supplemented by tax reliefs and subsidies. Taxation at present is too high. A full rebate of excise duty on all tea which is exported should be granted. Replanting and new planting costs should be considered as a revenue charge without further delay."

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COMPANY AND PUBLIC NOTICES

EQUITABLE COAL COMPANY LIMITED

NOTICE is hereby given that the payment of Interest for the period from 1st January, 1964 to 30th June, 1964 on the 5½% Registered Debenture Stock, 1963/68 of the Company will be made to those stockholders whose names appear on the Company's Register on the 30th June, 1964 or in accordance with their instructions.

For EQUITABLE COAL COMPANY, LIMITED,

MACNEILL & BARRY LIMITED.

A. N. MITRA,

Secretary,
Managing Agents.

2, Fairlie Place,
Calcutta-1, 15th June, 1964.

BHARAT NIDHI LIMITED

Regd. Office, 5, Parliament Street, New Delhi.

NOTICE

THE Annual General Meeting of the shareholders of Bharat Nidhi Ltd. will be held at The Punjab National Bank Building, 5, Parliament Street, New Delhi, on Friday, the 17th day of July, 1964 at 3-30 P.M. to transact the following business:

- To receive and adopt the Directors' Report and the Audited Statements of Accounts for the year ended 31st December, 1963.
- To declare dividends on Preference and Ordinary Shares.
- To elect a Director in place of Shri B. P. Khaitan who retires by rotation and, being eligible, offers himself for re-election.
- To appoint Auditors for the current year and fix their remuneration. M/s. Sodhbans & Co., Chartered Accountants and M/s. Aiyar & Co., Chartered Accountants, retiring Auditors, being eligible, offer themselves for re-appointment.
- To consider and, if thought fit, to pass, with or without modifications the following resolution as Special Resolution:—

RESOLVED that Article 43 of the Company's Articles of

Association be deleted and be substituted by the following Articles which may be numbered as 43:—

"43—There shall be paid to the Company in respect of every registration of membership on transmission and of every registration of a transfer of shares, a fee not exceeding one rupee for each transfer or transmission. Notwithstanding anything herein contained the Directors shall have power to waive payment of such fee generally or in any particular case."

A member entitled to attend and vote at the meeting of the Company is entitled to appoint another person as his proxy to attend and vote instead of himself and the proxy need not be a member.

By Order of the Board,
V. K. VERMA & CO.,
Registrars.

New Delhi,
12th June, 1964.

Note: As previously notified the Share Transfer Books of the Company were closed from 1st June, 1964 to 20th June, 1964, both days inclusive.

The dividends when declared will be made payable to those Members whose names appear in the Registers of Members on 20th June, 1964.

Explanatory Statement as required under Section 173 of the Companies Act, 1956

Ministry of Finance has suggested to Stock Exchange in the country that in the interest of wider and broader dissemination of share ownership among general public the companies listed on the exchanges should not charge any transfer fees on the transfer or transmission of shares as well as on the sub-division or consolidation of share certificates. This practice is followed by many well-known companies in India.

Your Directors are of the opinion that they should have the power to waive the charging of fee on transfer or transmission of shares. The amount of fee received by the Com-

pany for the above purpose during the year 1963 is not substantial.

As Article 43 of Articles of Association of the Company does not give any power to the Directors to waive the fee payable on transfers or transmission it is necessary that the above Article should be amended as shown in the proposed resolution.

Office of the Superintending Engineer, DELTA IRRIGATION CIRCLE Keshari Nagar, Bhubaneswar-1

TENDER CALL NOTICE

Sealed tenders are invited for supply of 25 (Twenty-five) Tons of G. I. Wire, 18G and will be received up to 3-00 p.m. of 20th July, 1964. The tenders will be opened on the same day in the presence of the tenderers or their authorised agents.

Sd/- B. MISRA,
Superintending Engineer,
Delta Irrigation Circle.

HIDES AND SKINS QUIET

The market was dull and quiet. Stocks were higher than in the previous week.

Bazaar Sales

(Between 9th and 15th June, 1964)

Cowhides: Wet salted (Ord.) 14,500 pcs. on the basis of Rs. 7 to Rs. 9; Wet salted (Slaughtered) 17,100 pcs. on the basis of Rs. 6 to Rs. 12 and Rs. 16 to Rs. 24; Wet salted 2,000 pcs. on the basis of 68 Paisa per lb.

Goatskins: Wet salted (Patna, Daissee, Kustia) 66,600 pcs. on the basis of Rs. 316 to Rs. 330, Rs. 320 to Rs. 340 and Rs. 360 to Rs. 380; Wet salted (he-killed) on the basis of Rs. 4 and (she-killed) on the basis of Rs. 52,200 pcs. on the basis of Rs. 200 to Rs. 210 a piece; Assam-Murshidabad Rs. 225 and Rs. 325 to Rs. 345; Purneah 16,300 pcs. on the basis of Rs. 280 to Rs. 290; Purneah-Kissenganj (Heavy) 5,000 pcs. on the basis of Rs. 465 and Rs. 525 to Rs. 530.

Bazaar Stocks

(15th June, 1964)

Cowhides: Wet salted 1,15,000 pcs. **Goatskins:** Wet salted (Patna, Daissee, Kustia, Killed) 86,000 pcs; Assam-Dinajpur 2,30,000 pcs; Muafferpore - Patna - Pakur - Purneah - Kissenganj 4,18,000 pcs.

CAPITAL, 18th June, 1964.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	I.S.T. Hours
Braithwaite & Co. (India) Ltd.	18-6-64	11 a.m.
Hercules Insurance Co. Ltd.	22-6-64	3 p.m.
Bengal Potteries Ltd.	22-6-64	4 p.m.
Octavius Steel & Co. Ltd.	23-6-64	12 noon
Dhelaikhat Tea Co. Ltd.	25-6-64	9-30 a.m.
Bridge & Roof Co. (India) Ltd.	25-6-64	3-30 p.m.
British India Electric Constn. Co. Ltd.	25-6-64	3-45 p.m.
Triton Insurance Co. Ltd.	25-6-64	4 p.m.
Borrea Coal Co. Ltd.	26-6-64	10-30 a.m.
Sendra Coal Co. Ltd.	26-6-64	11-15 a.m.
British Paints (India) Ltd.	26-6-64	11-25 a.m.
Standard Coal Co. Ltd.	26-6-64	11-30 a.m.
Shree Gopal Paper Mills Ltd.	26-6-64	12 noon
Industrial Investment Trust Ltd.	26-6-64	3 p.m.
Capital Ltd.	26-6-64	4 p.m.
W. H. Targett & Co. Ltd.	27-6-64	10-25 a.m.
Swadeshi Cotton Mills Co. Ltd.	27-6-64	10-30 a.m.
Karanpura Development Co. Ltd.	27-6-64	2-30 p.m.
New Samanbagh Tea Co. Ltd.	29-6-64	10-40 a.m.
Tezpor Tea Co. Ltd.	29-6-64	10-50 a.m.
Duncan Bros. & Co. Ltd.	29-6-64	11 a.m.
Kumardhubi Fireclay & Silica Works Ltd.	29-6-64	11 a.m.
Grob Tea Co. Ltd.	29-6-64	11-40 a.m.
Orissa Cement Ltd.	29-6-64	2 p.m.
General Industrial Society Ltd.	29-6-64	2-45 p.m.
Calcutta Jute Manufacturing Co. Ltd.	26-6-64	3 p.m.
Shaw Wallace & Co. Ltd.	26-6-64	3 p.m.
Balmer Lawrie & Co. Ltd.	29-6-64	3-30 p.m.
Naga Hills Tea Co. Ltd.	29-6-64	3-30 p.m.
New India Investment Corp. Ltd.	29-6-64	4-15 p.m.
Bengal Paper Mill Co. Ltd.	29-6-64	4-30 p.m.
Escorts Ltd.	30-6-64	10 a.m.
Bharat Nidhi Ltd.	17-7-64	3-30 p.m.
Indian Copper Corporation Ltd.	12-8-64	11-30 a.m.

DIVIDENDS DECLARED OR PROPOSED.—Katras Jherriah Coal Co. Ltd.—Rs. 2.25 per share (o), subject to tax; New Doars Tea Co. Ltd.—Nil (o); Ondal Coal Co. Ltd.—5 p.c. (o), subject to tax; Sendra Coal Co. Ltd.—3 p.c. (o), subject to tax; Borrea Coal Co. Ltd.—15 p.c. (o), subject to tax; Sone Valley Portland Cement Co. Ltd.—8 p.c., subject to tax; Bengal Paper Mill Co. Ltd.—20 p.c. (o), subject to tax; Straw Products Ltd.—Nil (o).

SHELLAC QUIET

During the week ended 16th June, the market was quiet. The range of quotations was as follows:

	Rs. a package
Pure Buttonlac	160 value
Lemon One Shellac	168, 164 buyers
Lemon Two Shellac	172, 168 sellers
Standard One Shellac	152, 150 buyers
Pure T.N. Shellac	156, 154 sellers
Golden Kusmi Seedlac	132, 130 buyers
Kusmi One Seedlac	136, 134 sellers
Golden Bysackey Seedlac	120, 116 val
Manbhumi Fine Bysackey Seedlac	200 value
Fine Bysackey Seedlac	112 value
Genuine Bysackey Seedlac	112 buyers
Grade Two Class B Seedlac	92 value
Grade One Class B Seedlac	90 buyers
	94 sellers

Shipments during June until 19th were 14,408 packages.

"CAPITAL" STOCK AND SHARE LIST THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

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

Exchange Associations and other sources.

Figures given after stroke (/) mean paise.

Wednesday, 17th June, 1964.

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BANKS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		17-6-64	10-6-64	A year ago		1960	1961	1962		17-6-64	10-6-64	A year ago
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	Rs.	Rs.	Rs.	Rs.		
Allahabad Bank P.	18	18	15—15*	100	250/00	250/00	268/00	Indian Overseas Bank	14	14	..	..	139/75	139/00	142/00
Bank of Baroda	17	17	16	50	95/50	93/50	85/50	National & Grindlays Bank	13½	14	16—14*	sh. 15 sh.	30/3	sh.30/3	sh.32/6
Bank of India	20	20	20—18*	50	103/00	102/50	111/00	Punjab National Bank	20	20	20	10	19/31	18/44	18/81
Central Bank of India	20 2/5	20	20	25	47/00	46/00	55/80	Union Bank of India	11 2/5	11 2/5	11 2/5	5	5/96	5/88	5/84
Chartered Bank	15	15	15—15*	£1	sh. 49/9	sh. 48/9	sh. 61/-	United Bank of India	4.3	6	6—7½	10	7/50	7/56	7/31
Hindustan Commercial	Nil	Nil	Nil	50	11/12	11/12	13/87	United Commercial Bank	12	12	12—12*	50	68/00	67/50	64/25
Hindustan Mercantile	Nil	Nil	Nil	50	10/75	10/75	15/62								
Hong Kong & Shanghai	£3½	£3½	£3 1/5	HK\$25	£21½	£21½	£17½								
Indian Bank	15	15	14	100	152/50	151/50	160/00								

* 1962

JUTE MILLS

Dividends per cent				Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
1960 1961 1962				Rs.	Rs.	Rs.	A year ago		1960 1961 1962	Rs.	Rs.	Rs.	A year ago		
Agarpara P.	10	2½	2½-12*	10	8/81	8/90	10/25	Hukumchand P.	28½	28½	26½-26½*	7½	19/50	19/50	21/50
Alexandra P.	44	15	42½	100	300/00	300/00	300/00	Indra	14	12	8-22½*	12½	15/25	15/25	18/25
Alliance P.	6	Nil	10-12½*	100	126/00	126/00	122/00	Kamarbhaty P.	5	Nil	20	100	165/00	179/00	196/00
Anglo-India P.	20	7	10-12*	100	159/00	159/00	224/00	Kankannarrah P.	Nil	Nil	10	100	140/00	140/00	141/00
Auckland P.	27	12	Nil-15*	100	124/00	124/00	146/00	Kelvin P.	15	15	5-20*	100	135/00	144/50	184/00
Bally P.	25	25	25	100	237/00	137/00	265/00	Khardab P.	20	5	12½-12½*	10	17/50	17/50	18/87
Barnagore P.	30	10	10-10*	£5	220/00	220/00	199/00	Kinnison P.	20	7	Nil-10*	100	113/00	115/00	148/00
Bengal P.	6	..	..	10	6/69	6/69	9/69	Lansdowne P.	Nil	Nil	Nil-Nil*	100	93/50	93/50	86/00
Birla P.	15	15	15-15*	10	29/81	29/81	29/12	Lawrence P.	7	15	10-10*	100	99/50	99/50	100/00
Budge Budge P.	10	Nil	12	100	121/00	127/00	155/00	Megna P.	12	12½	Nil-22*	10	11/81	11/81	13/06
Calcutta P.	..	..	..	10	8/12	8/12	8/12	Naihati P.	..	..	..	100	72/00	72/00	81/00
Caledonian P.	12	5	..	100	135/00	135/00	199/00	Naskarpura	..	..	..	10	6/00	6/00	9/00
Champdany P.	10	5	Nil-40*	10	22/37	22/37	20/94	National P.	7½	Nil	10	10	20/62	20/62	23/50
Chiviot P.	Nil	5	25	10	21/37	21/37	24/37	Nellmaria P.	3	6	15	10	8/37	8/31	11/31
Chitvalsah P.	6	Nil	5	10	7/69	7/62	10/50	New Central P.	15	15	Nil	10	11/37	11/37	12/87
Clive P.	..	..	..	10	8/00	8/00	8/00	Northbrook P.	30	30	20-35*	10	24/75	25/87	28/00
Dalhousie P.	1	1	Nil-25*	100	115/00	119/00	145/00	Nuddes	8	6	5-10*	60	53/00	53/00	56/75
Delta P.	7½	Nil	12	100	132/00	144/00	159/00	Presidency	8	6	10-10*	5	4/25	4/34	4/87
Empire P.	12½	7½	12½-15*	10	13/87	14/12	14/69	Rameshwara P.	Nil	Nil	Nil-Nil*	10	9/20	9/20	9/44
Fort Gloster P.	25	10	12½-20*	100	251/00	251/00	377/00	Reliance P.	Nil	Nil	Nil-Nil*	10	7/50	7/50	10/44
Fort William P.	22½	22½	10-20*	10	21/12	22/12	26/00	Sammugger P.	6	6	Nil	10	10/50	10/50	10/50
Ganges P.	10	10	15-20*	10	13/19	13/25	13/87	Shree Ambica P.	25	25	25	10	22/50	22/50	22/75
General Industrial	40	10	13	10	14/00	14/00	15/62	Soorab P.	6	Nil	13	£1	10/50	10/50	10/50
Gourepore P.	30	25	20-20*	10	22/56	22/56	25/50	Titaghur P.	25	6	Nil-20*	100	133/00	141/00	155/00
Hastings P.	6	6	6-6*	100	128/00	128/00	128/00	Union P.	6	Nil	10	£1	10/50	10/50	10/50
Hooghly P.	10	20	7½-10*	10	16/00	16/00	20/00	Victoria P.	30	30	60	1	8/19	8/19	7/75
Howrah P.	12½	10	Nil-10*	10	15/00	15/50	20/00	Waverley P.							

* 1963

COAL COMPANIES

Dividends per cent				Paid-up per Share	Latest Market Quotations as available until			Dividends per cent				Paid-up per Share	Latest Market Quotations as available until		
NAMES	1960	1961	1962		17-6-64	10-6-64	A year ago	NAMES	1960	1961	1962		17-6-64	10-6-64	A year ago
				Rs.	Rs.	Rs.	Rs.						Rs.	Rs.	Rs.
Amalgamated	10	12½	15	10	22/37	22/37	22/69	Mundulpur	..	..	..	10	2/69	4/69	2/69
Jengal P.	25	21	19	100	236/00	236/00	280/00	Nazira	7½	Nil	Nil	10	6/25	6/25	5/00
Jengal Bhatdee	..	..	..	10	3/48	3/48	3/48	New Beerbhoom P.	10	10	10	10	15/56	15/56	19/37
Jengal Nagpur	10	26	..	10	22/00	22/00	22/00	New Manbhoom	7½	9	12	10	11/25	11/25	16/00
Jhalgore	..	..	..	10	3/87	3/87	5/00								
Jharkhand P.	..	..	..	10	3/00	3/00	3/44	North West	20	20	..	10	19/75	19/75	19/75
Jharkhand P.	..	..	..	10	10/00	10/00	11/94					7½	18/00	18/00	18/00
Jharkhand P.	..	..	..	10	11/19	11/19	11/19	Ondal P.	6	7½	..	10	13/50	13/50	12/00
Jharkhand P.	15	15	..	10	20/25	20/25	23/87	Parasea P.	1½	1½	..	10	14/00	14/00	16/00
Jharkhand P.	13	13	13	10	15/50	15/62	16/50	Pench Valley	10	10	10	10	17/44	17/44	18/00
Central India	8	10	10	10	8/50	8/50	9/87	Pure Sitapur	..	..	..	10	8/00	8/00	8/00
Central Kurkend P.	..	..	..	10	3/44	3/44	3/87	Rangeegunge	15	17	17	10	13/75	13/75	16/00
Churulla	5	..	..	4	3/06	3/06	3/06	Rewa	20	20	..	10	28/50	28/50	28/50
Dhemo Main	Nil	Nil	..	10	3/85	3/85	4/31								
East Indian	7½	15	20½	21	28/50	28/50	31/87	Samla	10	..	..	10	8/00	8/00	10/00
Equitable P.	15	10	..	10	21/50	21/50	26/82	Searsole	Nil	Nil	Nil	2½	1/25	1/25	1/22½
Ghusick & Muslie	Nil	Nil	Nil	10	13/87	13/87	14/25	Seebpore P.	42½/7	42½/7	35½/7	7	34/7½	34/7½	45/00
Guzder Kajora	..	..	..	10	2/47	2/47	2/03	Sendra	5	3½	..	10	5/00	5/00	5/75
Huziradib	..	..	..	10	5/44	5/44	8/12	South Karanpura	2½	Nil	Nil—2½*	10	6/37	7/62	8/87
Karanpura Development	8	8	..	100	7/69	7/69	11/50	Standard	15	10	..	10	10/44	10/44	13/12½
	18	18	..	10F											
Karanpura Collieries P.	7½	10	10	10	11/75	11/75	16/75	Union	..	..	..	10	10/25	10/25	11/87
Katras Jheriah	95	40	25—30*	10	30/00	30/00	37/75	Western Bengal	6	7½	9	10	8/62	8/62	9/00
Khas Kajora E.	..	..	..	10	17/62	17/62	18/70	West Jamuria	Nil	Nil	..	10	3/60	3/60	4/11

COTTON MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		17-6-64	10-6-64	A year ago		1960	1961	1962		17-6-64	10-6-64	A year ago
Basantl	..	..	..	10	12/50	12/50	11/50	Elgin P.	11½	17½	17½-17½*	10	17/87	18/00	18/00
Bengal Luxmi	..	..	..	40	30/00	30/00	28/00	J. K. Cotton (Rayon) P.	12½	..	..	10	10/56	10/75	12/50
Bengal Nagpur P.	Nil	..	..	10	2/44	2/44	3/00	Jaya Shree	10	10	..	10	13/56	13/75	14/21
Bharat Commerce	5	15	15	10	20/44	21/25	19/62	Muir P.	..	..	..	100	63/00	63/00	90/75
Birla Cotton	10	20	20	10	27/00	27/00	33/00	New Victoria P.	Nil	..	..	2½	1/31	1/22	1/50
Bowreah P.	10	20	15	10	23/75	23/75	22/50	Orissa Textiles P.	Nil	Nil	..	10	7/00	7/06	9/00
Cawnpore Textile	7 1/5	10	10	5	6/00	6/25	6/31	Rampooria Cotton	3	Nil	..	10	13/00	13/00	12/00
Delhi Cloth & Genl. P.	12	13	13-13*	25	45/00	45/00	41/75	Swadeshi (Kanpur) P.	5	..	..	100	3/00	3/00	2/00
Dunbar	20	20	15	19	27/25	27/25	27/50		5.51	..	..	10PO	6/62	6/62	7/25

* 1963

BOMBAY COTTON MILLS

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		16-6-64	9-6-64	A year ago		1960	1961	1962		16-6-64	9-6-64	A year ago
Ahmedabad Advance P.	16	12	..	100	140/00	140/00	130/00	Indian	23 1/5	25	..	Rs.	Rs.	Rs.	Rs.
Apollo	Nil	Nil	..	2	1/76	1/70	2/02	Indore Malwa United	8½	10	7½	100	212/00	212/00	189/00
Beharilal Ramcharan	Nil	Nil	..	100	133/00	131/50	68/00	Khatana Mankanji P.	32	16	..	100	175/00	172/50	428/75
Bombay Dyeing, etc.	14	14	14	25	56/00	55/50	60/00	Kohinoor	15	18	..	100	318/00	314/25	307/00
Bradbury P.	10	25	..	50	145/00	145/00	150/00	Lakshmi Vishnu P.	5.7	6	Nil	100	87/50	87/50	92/00
Century	30	30	..	100	581/50	578/50	533/50	Morarijee Goculdas P.	21½	24	24-20*	100	256/00	252/00	370/00
Central India P.	Nil	Nil	Nil-Nil*	100	90/00	89/00	99/50	Mysore Spg. & Mfg. P.	14	14	..	50	38/00	39/00	46/00
Cooria	11	11	..	100	168/50	168/50	140/00	New City of Bombay	Nil	Nil	..	100	188/75	188/75	122/50
Dawn	30	30	..	50	160/00	154/00	132/50	New Great Eastern P.	Nil	12	..	100	165/00	165/00	270/00
Edward Textiles	9	9	6	200	260/00	260/00	325/00	Phoenix	15	20	..	100	233/00	224/00	199/00
Elphinstone P.	18	22	18	50	98/00	98/00	100/00	Sassoon & Alliance	Nil	Nil	..	10	11/00	11/00	11/76
Finlay	23	23	..	100	285/00	284/00	303/00	Simplex	17	20	10	10	35/60	36/50	48/00
Gokak	14	18	..	100	179/00	173/50	162/00	Shree Niwas P.	18	20	22-16*	50	126/00	120/00	128/00
Hindostan	50	50	..	250	950/00	950/00	810/00	Svadeshi P.	17	19	17	100	231/00	231/00	231/00
India United	13½	37½	..	10	21/24	21/80	22/00	Swan	36	21 3/5	..	100	252/00	248/50	236/00
				1Dd	2/64	2/62	2/54	Tata	20	22	20	25	57/50	57/50	57/00
								Western India	46 2/5	25	..	250	850/00	850/00	785/00

* 1963

BOMBAY MISCELLANEOUS COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		16-6-64	9-6-64	A year ago		1960	1961	1962		16-6-64	9-6-64	A year ago
				Rs.	Rs.	Rs.	Rs.					Rs.	Rs.	Rs.	Rs.
CEMENT															
ENGINEERING & METAL															
Associated Cement	12½	12	12	100	150/75	150/75	141/00	INSURANCE COMPANIES							
ELECTRIC LTG., POWER															
Ahmedabad Electricity	7	6	..	100	98/50	97/00	94/70	British India General	..	..	..	10	12/48	12/48	11/52
Andhra Valley Power P.	5½	5	..	1000	1,072/50	1,062/50	1,006/25	Jupiter General P.	..	..	..	15	7/00	7/00	9/20
Bombay Suburban Elec.	8	8½	8½	100	104/75	104/25	99/00	New India	38	38	..	15	49/50	48/75	60/50
Tata Hydro Elec. Power P.	5½	5	5	100	113/00	112/50	105/00	Vulcan	20	20	..	10	15/84	15/84	17/24
Tata Power P.	5½	5	5	1000	1,132/50	1,122/50	1,080/00	MISCELLANEOUS							
Alcock Ashdown	17	22½	..	100	280/00	274/00	303/00	Belapur Sugar	58	50	..	50	206/00	198/00	175/00
Jost's Engineering	8	10	10-Nil*	50	47/00	47/00	48/00	Bombay Burmah Trading	30	33	33-33 1/5*	25	57/00	56/70	62/00
Larsen & Toubro P.	12½	18	14-14*	10	21/84	22/32	22/12	Hindustan Lever	26	26	12	10	31/50	31/50	35/25
Mackenzies	10	12	14	100	135/00	135/00	150/00	Industrial Invt Trust	6½	6½	..	100	77/00	77/00	69/30
Premier Construction P.	43 1/3	33 1/3	..	300	175/50	164/00	141/50	Kemp (Chemists)	12½	12½	..	200	260/00	260/00	305/00
Tata Eng. & Locomotive P.	12½	14½	14½-14½*	100	268/50	270/50	266/00	National Rayon	22	..	..	100	353/00	350/50	321/00
Tata Iron & Steel P.	9.1	10.36	10.36-11*	750	145/25	144/75	139/50	Scindia Steam Navig.	3	3	3	20	14/60	14/32	10/32
								Shivrajpur Synd.	80	Nil	..	10	17/00	16/52	16/76
								Tata Chemicals P.	6	6½	6½-10*	10	17/56	17/04	16/52
								Tata Oil P.	23	23	23-22*	25	58/70	59/20	58/00
								Voltas	13	14	14-14*	100	244/00	241/50	240/00
								Western India Match	16	16	16	100	237/50	240/00	244/00

* 1963

TEA COMPANIES

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		17-6-64	10-6-64	A year ago		1960	1961	1962		17-6-64	10-6-64	A year ago
					Rs.	Rs.	Rs.						Rs.	Rs.	Rs.
ASSAM GARDENS															
Amluckie	Nil	10	7½	10	16/00	17/25	20/00	Brooke Bond P.	15	10	7½-7½*	10	10/06	11/50	11/81
Anandabag P.	30	32½	20	10	33/25	33/25	33/25	Dajpo Valley	15	20	30	10	45/50	45/50	52/50
Baghmari	Nil	15	7½	10	13/62	13/62	12/00	Dessai & Purbuttia	Nil	10	15	100	181/00	181/00	189/00
Barduar Tea	..	..	..	5	8/50	8/50	8/50	Dhelaikhat	12½	10	..	10	30/81	20/75	19/75
Basmatia	35	25	20	10	24/25	24/25	27/25	Dhunseri P.	20	15	10	10	11/12	11/12	13/87
Bateli	30	30	..	5	15/25	15/25	18/50	Dibrugarh	40	40	30	10	32/00	32/00	31/25
Beijan	40	45	30	10	30/37	30/37	30/56	Dimakusi P.	25	20	25	10	25/19	25/19	41/87
Bishnauth	13	13	20	10	17/06	17/06	18/25	Dufflaghur	Nil	Nil	..	10	26/12	26/12	27/50
Bokakhat	Nil	12	13	10	13/12	13/12	13/70	East India	Nil	Nil	..	10	12/00	12/00	14/25
Bormah Jan P.	15	15	15	10	11/00	11/00	14/25	Gillapukri	25	20	15	10	27/56	27/56	25/44
Bor Fakhuri	Nil	Nil	10	10	11/50	11/50	11/75	Gohpur	Nil	5	20	10	14/69	14/69	16/56

* 1962

TEA COMPANIES—Contd.

NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	1960	1961	1962		17-6-64	10-6-64	A year ago		1960	1961	1962		17-6-64	10-6-64	A year ago
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
Grob	6	6	6	5	5/94	6/12	7/00	Singell	Nil	Nil	Nil	100	36/75	36/75	36/71
Hoograjuli (Assam)	20	20	17	10	27/62	27/62	27/12	Singtom	2	Nil	2	10	3/50	3/50	3/54
Hoolungoree	10	7½	20	100	185/00	185/00	195/00	Soom	50	40	40	10	39/00	39/00	35/00
Jutibari	30	30	20	10	27/87	27/87	31/50	Sungama	15	15	20	10	14/25	14/25	15/31
Kingsley Golaghat P.	35	35	..	100	125/00	125/00	140/00	Teesta Valley	Nil	..	8 4/7-10*	10	13/44	13/44	11/25
Kotamullai P.	Nil	Nil	Nil	5	9/87	9/87	10/31	Tukvar	Nil	Nil	..	10	3/75	3/75	7/31
Krishnabehari	15	8	10	10	11/50	11/50	10/50	DOOARS							
Kyang Tea	Nil	..	..	10	8/06	8/06	8/06	Banarhat P.	22½	21	21	100	230/00	220/00	233/00
Ledo	Nil	Nil	Nil	10	13/75	13/75	13/75	Baradighi	30	25	25	10	23/25	23/25	23/25
Maud Tea & Seed	10	7½	7½	10	12/00	12/00	14/81	Bhatkawa	15	15	20	10	16/16	16/16	18/00
Methoni	5	14	20	10	14/00	14/00	17/31	Birpara P.	17½	12½	17½	100	160/00	160/00	160/00
Moheema	Nil	Nil	..	10	11/50	11/50	11/50	Carron	20	5	7½	100	117/00	117/00	145/00
Mothola	30	30	35	100	607/00	607/00	607/00	Choonabutti P.	32½	20	20	100	211/00	211/00	210/00
Murphulani (Assam)	5	15	25	10	26/50	26/50	26/50	Ellenbarrie	5	5	10	100	173/00	173/00	184/00
	10.63	20.63	30.63	10	26/87	26/87	28/75	Eng.	60	30	40	100	138/00	138/00	138/00
Naga Hills	10	10	10	10	21/25	21/25	22/25	Etnelbari	5	5	7½	10	11/87	11/87	13/12
Namburnadi	12	12	..	10	12/87	12/87	14/56	Gairkhata	25	20	11	10	16/12	16/12	21/50
New Cinnatollah	Nil	Nil	Nil	100	455/00	455/00	302/00	Gopalpur	12	2	10	25	19/50	19/50	19/50
Rajgarh	40	13½	17½	10	18/56	18/56	21/87	Hantapara P.	15	5	10	100	103/00	108/00	105/00
Sapoi	22½	20	10	10	19/50	19/50	18/06	Hasumara P.	17	..	18-15*	10	12/37	12/37	12/87
Seajuli	22½	15	30	10	25/12	25/12	21/12	Huldiabari	22½	..	19 2/7-11*	10	12/25	12/25	12/62
Telotjan	25	25	25	10	21/44	21/44	22/00	Jaybirpara	10	Nil	Nil	10	8/94	8/94	11/75
Tengpani	30	30	22½	10	36/50	36/50	35/00	Killcot	25	15	15	10	15/25	15/56	16/25
Tezore P.	30	30	..	10	14/69	14/69	15/37	Manabbarrie	10	6	10	100	59/50	59/50	59/50
Tongani	Nil	Nil	..	10	5/31	5/31	7/00	Nagaisuree	25	15	15	100	165/00	165/00	140/00
Tyrcon	10	15	25	10	27/37	27/37	33/00	New Dooars P.	35	20	14½	100	234/00	234/00	230/00
CACHAR								Odiabari	12½	7½	Nil	100	13/75	13/75	14/25
Arcuttipore	Nil	5	6	10	7/00	7/00	7/00	Phaskowa	Nil	Nil	6	10	10/12	9/87	12/12
Baitakhal	2½	2½	..	10	7/87	7/87	8/06	Rajabhat	15	15	7½	10	12/00	12/00	15/37
Central Cachar	5	7½	5	100	73/00	73/00	72/00	Ranicherra	25	20	25	10	24/00	24/96	25/44
Eastern Cachar	Nil	Nil	..	10	4/62	4/62	4/19	Rydsak	40	40	40	10	36/25	36/25	36/25
Kallinugger Khoreel	6	2	..	100	84/00	84/00	87/00	Sarugaon	60	60	60	10	49/00	49/00	49/00
Hattikhira	Nil	8	Nil	10	7/75	7/75	9/12	TERAI							
Kunchanpore	Nil	Nil	..	10	6/00	6/00	6/00	Atal	5	..	..	10	5/37	5/37	8/75
Loobah	Nil	Nil	Nil	10	4/69	4/69	4/37	Beigachi	20	20	..	100	20/00	20/00	21/50
North Western	30	20	10	100	160/00	160/00	160/00	Gungaram	20	12½	12½	100	126/00	126/00	131/00
Pathemara	Nil	Nil	Nil	10	7/81	7/81	7/50	New Chumta	15	10	12 6/7-20*	10	19/15	19/00	20/00
Roopacherra	Nil	10	Nil	10	9/94	9/94	13/62	New Terai	22½	10	15	10	20/50	20/50	36/00
Rungamtee	5	5	5	50	49/25	49/25	53/50	Panaroomlah	20	20	2½	10	13/75	13/75	31/12
Sonai River	Nil	Nil	..	10	5/06	5/06	8/12	Putinbarre	14	14	..	10	55/00	55/00	45/00
DARJEELING								Tirrihannab P.	60	60	60	10	49/00	49/00	49/00
Bloomfield	Nil	..	..	10	3/19	3/19	3/12	CHITTAGONG							
Chamong	Nil	10	10	10	8/87	8/87	9/00	Kodala	Nil	Nil	..	10	9/25	9/25	9/25
Darjeeling Tea & Chin.	30	30	30	100	187/00	187/00	197/00	Kornafull	Nil	Nil	..	10	9/12	9/12	13/06
Dilaram	8	4	..	100	102/50	102/50	102/50	Oodleah	Nil	Nil	..	10	8/00	8/00	8/00
Guelle	Nil	..	8 4/7-15*	10	15/87	15/87	11/69	SYLHET							
Lingia P.	15	10	17½	10	14/00	14/00	14/56	Chundeecherra	Nil	Nil	Nil	10	26/00	26/00	26/00
Longview	12½	15	15	10	8/25	9/25	11/00	Dauracherra	22½	22½	20	10	14/00	14/00	7/56
Margaret's Hope	15	15	27½	100	410/00	410/00	191/50	New Samanbagh P.	25	Nil	Nil	10	18/37	18/37	18/37
Mim	22½	27½	35	10	12/31	12/31	11/62	Patrakola	32½	40	15	100	130/00	130/00	120/00
Nagr Farm	30	25	25	100	29/87	29/87	29/19	Rajnagar	Nil	Nil	Nil	10	9/56	9/56	9/56
Okayti	25	25	..	10	600/00	600/00	600/00	Teliapara	22½	22½	10	100	148/00	148/00	99/00
Fashok	10	Nil	23	10	20/00	20/00	20/00								
Poobong	Nil	Nil	5	10	10/12	10/12	7/56								
Pussimbing P.	Nil	Nil	Nil	10	7/84	7/84	7/12								
Runglee Rungliot	35	20	7½	100	300/00	300/00	386/00								
Seeyok	15	Nil	..	10	8/50	8/50	8/50								

MISCELLANEOUS COMPANIES—Contd.

Dividends per cent								Latest Market Quotations as available until			Dividends per cent								Latest Market Quotations as available until		
NAMES		1960	1961	1962	Paid-up per Share	17-6-64	10-6-64	A year ago	NAMES		1960	1961	1962	Paid-up per Share	17-6-64	10-6-64	A year ago				
		Ra.	Ra.	Ra.		Ra.	Ra.	Ra.			Ra.	Ra.	Ra.		Ra.	Ra.	Ra.				
ENGINEERING & METAL																					
Arthur Butler (Muzafferpore) P.	Nil	Nil	10	10	21/25	21/25	14/94	J. K. Synthetics	3	Nil-10*	10	11/12	11/19	10/12							
Bhartia Electric Steel	10	10	12½	10	15/06	15/37	14/50	James Wright P.	50	2/75	2/75	2/75	2/75	2/75							
Braithwaite India	25	25	14	10	33/00	33/00	31/10	Jardine Henderson Ltd. P.	7	7	6-7*	100	74/25	74/00	86/50						
Bridge & Root	30	30	30	10	52/25	52/25	52/25	Jay Shree Industries P.	14	12½	12½	10	14/31	14/31	15/50						
Britannia Building & Iron P.	Nil	Nil	Nil	10	3/20	3/20	3/65	Kesoram Industries P.	5	12	12-13*	10	24/87	24/84	22/37						
Britannia Engineering P.	10	10	10	10	9/75	9/69	9/25	Macfarlane & Co.	50	4/87	4/87	100	4/87	4/87	7/00						
British India Electric Cons.	45	20	15	10	29/12	29/12	33/12	Macneill & Barry Ltd. P.	8	8	7½	100	95/00	95/00	93/50						
Burn P. (Engineering)	28½	28½	28½-25*	100	260/00	264/00	506/00	Martin Burn Ltd. P.	27½	27½	25-25*	10	26/37	26/25	25/50						
Calcutta Steel	15	15	15-12½*	10	15/00	15/00	13/06	McLeod & Co. P.	15	15	18	1000	213/00	213/00	210/00						
Dalmia Iron	10	10	10-10*	10	11/12	10/94	10/56	Metal Box Co. of India Ltd. P.	25	25	19	10	31/37	31/37	49/87						
Guest, Keen, Williams	16	14	14	10	23/25	23/25	32/44	National Insulated Cable P.	25	25	25-18*	10	21/94	22/50	24/00						
Hooghly Docking	Nil	Nil	12½	50	89/00	89/00	108/00	National Pipe & Tubes P.	20	20	20	10	25/81	25/81	26/31						
Indian Iron & Steel P.	15	16	16-15*	10	24/24	24/22	22/98	National Rolling & Steel Ropes	13	15	15-15*	10	19/00	18/50	18/87						
Indian Malleable Casting	Nil	..	..	50	6/00	6/00	6/00	National Rubber P.	Nil	6½	8	10	11/19	11/31	11/62						
Indian Standard Wagon P.	28½	28½	28½-20*	10	33/94	33/75	32/87	National Tobacco P.	16	7	7	10	11/12	11/12	11/69						
Indian Steel & Wire Products	23	24	23-28*	100	33/50	33/50	40/37	New India Investment Corpn.	8.7	7	7	75	54/00	54/00	65/00						
Industrial Containers	Nil	10	10	10	24/00	24/00	21/37	Octavius Steel P.	10	7½	7½	100	27/00	27/12	26/62						
Jay Engineering	17 3/20	17 3/20	15-10*	10	17/62	17/50	21/06	Philips India	12	12	13	10	27/00	27/12	26/62						
J. K. Steel P.	20	20	20	10	15/19	14/94	14/06	Publicity Society	10	75	75-50*	4	22/62	22/62	26/62						
Jessop & Co. P.	8.58	8.58	8.58	10	20/62	20/50	24/00	Rallis India P.	4	8½	8½-10*	100	116/00	116/00	116/00						
Kumardhubl Engineering P.	10	11½	15	3	5/06	5/06	8/19	Rontas Industries P.	20	10	8-9*	10	11/37	11/44	11/12						
Marshall Sons (India)	Nil	Nil	Nil	2	3/12	3/12	2/72	Sirsis P.	Nil	..	..	10	7/69	7/69	9/37						
National Iron and Steel	Nil	Nil	Nil	10	5/94	5/75	3/87	Sen-Raleigh Industries P.	8	8	8	10	13/50	13/50	14/06						
Saran Engineering	30	20	12½-10*	4	6/25	6/25	8/81	Shaw Wallace P.	15	15	7½	10	15/62	15/37	15/37						
Steel Containers	30	20	20	10	28/12	28/12	29/50	Spencer's Hotel	2½	2½	..	10	1/25	1/25	0/94						
Textile Machinery	10	10	..	10	27/50	27/60	23/60	Union Carbide	18	18	12½	10	29/25	30/37	39/25						
SUGAR BREWERIES ETC.																					
Balrampur Sugar	8	8	4-Nil*	2½	1/87	1/75	2/00	Walford Transport	30	30	..	10	3/19	3/19	3/50						
Belsund Sugar	18½	10	62/3	7½	7/28	7/28	7/81	Concord of India	20	20	20	5	10/00	10/00	10/25						
Bharat Sugar P.	15	15	15-15*	10	15/00	15/00	13/00	Hercules	22½	26½	26½	10	23/50	23/50	24/19						
Carew (Sugar) P.	Nil	Nil	Nil	10	12/19	12/19	12/50	Ruby General	10	13½	15½	10	12/12	12/37	9/31						
Cawnpore Sugar P.	Nil	Nil	Nil	10	9/31	9/31	10/06	Standard General	45	50	50	25	7/75	7/75	6/00						
Champaran Sugar	15	12	Nil-Nil*	10	10/78	10/78	15/87	Triton	..	..	..	10	134/00	134/00	132/00						
Durbhanga	4	Nil	5	10	7/12	7/12	8/06	Bengal P.	40	25	25	10	32/50	32/50	34/25						
New Savan Sugar and Gur	..	..	..	10	3/50	3/62	5/62	India Paper Pulp	22	13	12-15*	10	20/94	21/12	16/69						
Purbapour Sugar P.	..	..	..	10	8/00	8/00	11/50	Orient Paper P.	25	22½	22½-20*	10	35/20	35/35	35/40						
Rannugger Cane & Sugar P.	30	35	30-15*	10	29/31	29/31	26/37	Shree Gopal Paper P.	17-6/7	17-6/7	17-6/7	10	25/19	24/87	23/81						
Raza Buland	12½	10	10-10*	10	10/12	10/25	9/31	Sirpur P.	6½	8½	8½-5*	10	11/25	11/37	11/87						
Ryam Sugar P.	..	..	..	10	3/25	3/25	5/20	Star Paper P.	Nil	Nil	Nil	10	9/06	9/06	10/06						
Samastipur Central Sugar	..	..	..	10	3/75	3/75	9/62	Titagur P.	10	13	13-13*	2½PO	3/31	3/31	3/78						
Shree Krishna Gyanoday Sugar P.	15	..	..	10	7/87	7/87	7/06	West Coast P.	25	20	10-10*	100	13/87	14/00	16/12						
Shree Sitaram Sugar	..	..	..	10	8/00	8/00	7/12	Camperdown	11	11	..	100	100/00	100/00	95/00						
Sitalpore Sugar	4	Nil	Nil-Nil*	10	3/69	3/69	6/12	Bengal Bonded Warehouse	11	8	8-9*	100	125/00	125/00	135/00						
United Provinces	15	5	Nil	10	11/25	11/25	10/62	Calcutta Safe Deposit	..	..	..	100	7/37	7/37	7/87						
Upper Ganges Sugar P.	72½	72½	72½	10	60/25	60/25	68/00	Humayan Properties P.	6	..	..	100	11/00	11/00	11/06						
MISCELLANEOUS																					
A Firpo (Restaurant)	7½	10½	5	10	5/90	5/90	5/90	Midnapore Zemindary P.	Nil	Nil	Nil-Nil*	85	18/00	18/00	10/00						
Aluminium Corporation P.	12	12	12-5*	10	11/75	11/75	12/50	Bengal Assam Steamship P.	7½	7½	..	100	128/00	128/00	132/00						
Anderson Wright Ltd. P.	11½	Nil	6	10	11/80	11/80	11/80	Calcutta Landing & Shipping	3½	7½	22	10	21/50	19/81	34/00						
Angelo Bros.	25	28½	28-28*	10	23/44	23/31	21/87	Calcutta Steam Navigation	10	Nil	Nil	10	7/69	7/69	9/50						
Assam Match	18	20	20	10	28/37	28/37	28/75	Calcutta Tramway P	..	..	..	10	10/19	10/19	10/87						
Assam Saw Mills & Timber	Nil	Nil	3	3	2/69	2/69	2/87	Fraser	Nil	..	..	10	8/94	8/94	10/00						
Associated Battery	25	15	15-15*	10	22/12	22/12	23/31	India General Nav Railway P.	Nil	..	..	10	6/28	6/25	6/44						
Associated Hotels of India P.	Nil	10	10-15*	10	10/31	10/31	10/31	Indra Steamship P.	10	Nil	Nil-Nil*	10	14/25	14/25	12/44						
Balmer Lawrie & Co.	25	25	25	100	250/00	255/00	238/00	THE STOCK MARKETS ... 793													
Bararee Coke	10	10	15-15*	10	19/58	19/58	21/94	Newsletters													
Birds Investments P.	9½	10	10	10	9/00	9/00	10/56	New Delhi ... 979													
Britannia Biscuit P.	25	30	25-21*	10	38/00	38/00	42/12	London ... 982													
British India Corporation P.	4	7	9	5	9/31	9/50	8/31	Sections													
British Paints	12½	15	10	10	20/50	20/50	18/75	Money ... 977													
Calcutta Silk Manufacturing P.	Nil	Nil	..	10	6/94	6/94	6/94	Jute ... 983													
Clive Row Investment	8	7½	7½	10	8/37	8/37	8/60	Commodity Markets ... 985													
Duncan Brothers & Co. Ltd. P.	14	14	14	100	137/00	137/00	147/00														
Dunlop Rubber Co. (India) P.	21½	20	15	10	33/58	33/62	31/37														
Dyer Meakin (Breweries)	25	30	..	5	25/50	25/50	26/00														
Eastern Investments Ltd. P.	14	14	12-10*	100	107/00	107/00	107/00														
Electric Construction	10	10	10-10*	10	12/75	12/75	12/31														
French Motor Car	20	20	..	20	31/75	31/75	35/12														
Ganges Rope	17½	20	20	100	236/00	236/00	236/00														
General Investments Trust P.	5	5	5-5*	75	43/00	43/00	43/00														
Gillanders Arbuthnot & Co. Ltd. P.	10	11	11-11*	10	15/12	15/12	13/50														
Gladstone Lyall & Co. Ltd. P.	42/5	40	30	10	28/12	28/12	33/25														
Godfrey Phillips (India) Ltd. P.	40	40	30	10	28/12	28/12	33/25														
Great Eastern Hotel	9	6	..	250	236/00	236/00	225/00														
Hindustan Aluminium P.	Nil	..	..	10	12/09	12/31	12/69														
Hindustan Motors P.	9	12	12½-11½*	10	17/75	17/75	16/81														
Hindusthan Pilkington	..	..	..	10	13/75	13/75	15/87														
Hindusthan Tyres P.	Nil	Nil	Nil-Nil*	10	13/12	13/00	13/94														
Hoare Miller & Co. Ltd.	8	9	8-8*	10	5/50	5/50	5/44														
Imperial Tobacco	15	15	17½	10	9/19	9/69	10/31														
Indian Aluminium Co. Ltd. P.	22½	22½	22½-22½*	10	29/75	29/94	34/12														
Indian Cable P.	15	15	15-12*	10	33/94	34/00	31/12														
Indian Oxygen	15	15	15-12*	10	23/87	23/87	25/00														
Indian Rubber Manufacturers P.	20	30	38	10	22/00	22/00	19/87														
Indian Wood Products	20	30	30-25*	10	27/50	27/50	28/75														
Isaac Holdens	..	Nil	..	10	11/69	12/00	14/31														
Investments and Finance P.	7½	7½	7½-7½*	100	30/00	30/00	55/00														

"PROGRESS OF THINKING" AT THE GENEVA CONFERENCE

By Dinesh Bahl

Below is the first of a series of articles making an on-the-spot assessment of the achievements and the trends of thinking at the U.N. Conference on Trade and Development which ended in Geneva recently.

GENEVA

NOT a great deal that is of specific, concrete and immediate advantage to the developing countries seems to have emerged from the U.N. Conference on Trade and Development which ended in Geneva a few days ago. There is, in consequence, a widespread feeling of disappointment among the poorer countries. But that does not mean that the Conference can be dismissed abruptly as a failure. The fact is that no precise and far-reaching concessions from the developed countries to the developing ones were to be expected almost from the very start. An unwieldy assembly of 123 nations representing not only a wide diversity but also a deep conflict of interests can hardly be the most propitious framework for detailed, across-the-table bargaining which brings precise changes in policies.

The main virtue of the Conference, then, is that it has provided the occasion for a "confrontation" of world importance between the rich and the poor nations; in this way, it has thrust before world attention many vital aspects of international economic relations more spectacularly than anything else could have done. Secondly, the exchange of ideas between the developed and the developing countries has been carried a significant stage further; in this sense, although the areas of practical agreement are not wide and are confined mainly to the expression of pious generalities, there has been "progress of thinking" and understanding of the trade and development problems of the poorer nations has been appreciably increased. Thirdly, the Conference has produced evidence of fresh approaches and a great diversity of new ideas—good, bad and indifferent—on the redressal of international economic unbalances. Last, but by no means least, for the developing countries an outstanding achievement is that they have demonstrated an extraordinary degree of unity—a unity which has found powerful expression through the concert implicit in the committee of 75; how far and how long the unity is likely to survive is a matter of opinion, but its existence has been an extraordinarily powerful influence throughout the proceedings of the Conference.

If disappointment persists in spite of these by no means inconsiderable achievements, the main reason is that the poorer countries started off in a mood of high hopes and slightly unbridled optimism. Many had expected that the richer countries would try to assuage the ire of the developing ones through modest but firm promises of an increase in international aid; almost no promises of the sort that were expected have been forthcoming. Others thought that apart from offers of aid, firm commitments would be made for liberalising trade in favour of the developing countries; here, again, commitments have by and large been postponed. The poorer nations have thus not succeeded in realising their hope that the Conference would provide an occasion for capitalising in a major way on the greater sympathy and understanding shown by the developed countries towards the problems of the former in recent years. The Conference, it was said, would serve to crystallise thinking and precipitate decisions. In fact, however, while the crystals of thinking have grown sharper and clearer, the decisions have not been precipitated. Still, even the former cannot be dismissed as altogether a negligible gain.

The attitude of the developed countries, led by the United States, is in a nutshell simply this. International conferences of the sort just held in Geneva, they say, do not yield fruit in a day, nor even in the three months the Conference has lasted. If through a process of wishful thinking, aided by such instruments as the Prebisch report, any of the developing countries persuaded themselves

that the Conference would be futile in case it did not lead to firm and major commitments, they have only themselves to blame. As far as the developed countries are concerned, the fruits of the Conference are certain, but they will take months or years to ripen and harvest. Through the Prebisch report, and during the subsequent discussions, the developing countries have given a clearer and more concerted idea of what they think should be done. Some of their suggestions have been accepted, even if only in general terms; others have been referred to more specialised groups, especially the continuing machinery set up by the Conference, for further study; and yet others are plainly unacceptable.

The developed countries say that if relatively few of the specific recommendations made in the Prebisch report, and amplified in greater detail in the reports of the five committees set up by the Conference, have been endorsed with anything near unanimity, the fact cannot be very surprising. As the developed countries see it, not all parts of the reports, in the final analysis, contain carefully balanced ideas—ideas framed after taking into account the political and economic realities of our times. In several areas of discussion, the developing countries have been fairly moderate, and have recognised their own responsibilities and obligations in pushing the development process forward. But, the developed countries feel, from the more heated discussions there have often emerged lists of demands that are not merely unrealistic but also impracticable. The trouble with these lists is that: (1) they appear at times to leave very little out; (2) they sometimes contain demands that, *prima facie* at least, seem incompatible in that they involve a sharp conflict of interests between the developing countries themselves; and (3) many of the demands have been pushed through with the overwhelming majority that the developing countries enjoy—a majority that has been consolidated by the unity of the 75 and that has often undermined their willingness to compromise.

The developing countries' general approach to the problems considered at the Conference, on the other hand, has been fairly clear-cut too. They start by pointing out that the international economic community has accepted, as a target for the U.N. Development Decade, that the rate of economic growth of the developing countries must be raised to at least 5 percent a year by 1970. The harsh truth is that these countries are still nowhere near achieving this target; with their population increasing rapidly, and their economic growth lagging behind, their progress in terms of *per capita* growth is even more dismal, adding a new dimension of seriousness to the whole situation. Nearly half of the Development Decade is over, so if something even approximating to the target is to be achieved, a sharply increased flow of resources from the developed to the developing countries is urgently necessary.

The developing countries ask: Are or are not the developed countries willing to increase the flow of resources in order to fulfil the target they have already accepted? And if they are willing, are they going to go on confining their promises to pious generalities, or are they going to take quick and specific decisions? The developing countries have, through the Conference, declared in precise terms the sort of decisions they consider necessary. Instead of stalling, it is for the developed countries to have demonstrated their sincerity and willingness to accept those decisions; and this they have so far not done in adequate measure. In reply to the complaint that the developing countries have offered precious little in return—that they are striving for a one-way traffic in concessions, through a process of highly-loaded bargaining—they say

that this is simply inherent in the situation. As one Latin American delegate put it to this correspondent, "We have nothing to offer but our poverty. Everybody knows it, and that is why everybody's here."

As far as the communist countries are concerned, there is little doubt that they have created on the whole a favourable impression among the developing countries represented at the Geneva conference. A number of them have voted frequently with the developing countries in the committees and at the plenary sessions. Among them is Rumania, who for her own private political reasons has used the Conference as a playground for exercising her anti-Russian and pro-Chinese attitudes. But such antics apart, under Russia's leadership the communist countries have made some impression by indicating that they expect very substantial increases in trade with the developing countries in the coming years. The point has not been missed, however, that what the communists have outlined are expectations, not promises or commitments. Furthermore, trade between the communist countries and the developing ones is still small in terms of international aggregates, so that even a minor increase can be made to sound like a grand multiplication of the commercial exchange.

The relatively favourable impression the communists have created is primarily by playing a passive rôle, which means that it has been created essentially only in a negative sense. Since most of the developing countries' trade is with the western countries, the concentration has been on the latter and the Russians have never really been pressed firmly to say exactly what they are prepared to do. The fact is that the communist countries have equivocated as often and as gallantly as the West on the issues which really affect them, such as joining in commodity support schemes and buying the developing countries' exports at higher prices. Russia, notably, has not subscribed to the formula that the developed countries should devote at least 1 percent of their national income to aid and investment in the developing countries; the evasion has been accomplished on the specious plea that the former imperialists should bear more of the development aid burden since they had exploited the developing countries in the first place. Another feature of the Russian performance is that, in presenting projections of her future imports from the developing countries, all sorts of commodities have been listed, from cocoa to bananas—but no mention has been made of rubber, since she has ambitious plans for manufacturing the synthetic substitute herself. The important point nevertheless remains that the communist countries have played their hand with quiet tact and diplomacy. Their attitude has created an impression that is in strong contrast to the one created by the American delegation which—perhaps feeling that the United States would have to foot much of the bill for any decisions taken at the Conference—has taken a stand so blunt, firm and uncompromising as to be widely regarded as tactless.

As the developed countries see it, the crux of the problem discussed at the Conference is that a sharply increased transfer of resources from them to the developing countries is involved; and the ways in which it is to be brought about is essentially a matter of detail. The former is, more than anything else, a political problem which calls for top-level political decisions in the developed countries themselves. The developing countries, on their part, agree that the problem is essentially political; but they feel that the leaders of the developed countries are dragging their feet. If they were to show greater initiative and courage, they could do much more than they are doing at present to accelerate the transfer of resources for the development of the poorer countries. It is pointed out, for instance, that despite the verbose speeches of many years, a majority of the developed countries have still not raised their foreign aid and investment to the target of 1 percent of the national income—and this at a time when they could easily afford the rise, considering that their national income itself has been rising much more rapidly. Stiff restrictions are maintained on imports from the developing countries, although to remove those restrictions would cost very little. Then, again, the steady deterioration in the terms of trade of the developing countries shows no sign of being reversed on any permanent basis, with the result that the shortage of foreign exchange resources

essential for development is becoming steadily more acute.

The developed countries, however, are convinced that within the political and economic limitations they have to work in, they have been doing pretty nearly all they could. In the Western democracies at least, they have their parliaments and electorates to answer to for major changes of policy, and to convince the latter is apt to be a slow process. They accept the point that they will have to do steadily more for the developing countries in the coming years. But they say that the pace of the increase in trade and aid cannot be decided by international conferences such as the one now ending in Geneva, nor by the developing countries who have dominated its proceedings. In the final analysis, the developed countries say, the pace of the increase has to be decided by the givers and not the takers, after mutual consultations. To leave the decision to the takers alone would amount to signing a blank cheque, which no country in the world would be prepared to do.

The poorer countries feel that, when pressed to say precisely how much more they are prepared to do, the developed countries have been altogether too evasive. Admittedly, on the whole horde of suggestions made at the Conference, firm pronouncements could not have been made. But the problems of aid and trade in the developing countries are by now fairly familiar, and on many of these at least the developed countries could afford to accept specific measures; that, after all, was one of the things the Conference was called for.

The developing countries, in addition, are inclined to discount the seriousness of the extraneous complications which have prevented positive decisions. It has been explained, for instance, that both the United States and Britain are faced with general elections later this year—events which inevitably tend to make the climate unpropitious for major policy decisions on what, to electorates, are suspiciously expensive and remote subjects like international aid and trade. General elections are due to be held in France and West Germany too next year. There were vague hopes that the thaw in the cold war may slow down, or even reverse, the increase in military spending and thus release more resources for economic development. But the developed countries seem convinced that the change has not yet been so radical as to permit a sharp diversion of resources in this way—especially a diversion of the sort which would seem to imply a long-term commitment. Then there is also the perennial bugbear about external currency reserves and international liquidity—a bugbear which remains an astonishingly strong influence on the thinking of even those developed countries which are bursting with foreign exchange reserves.

Finally, among the European Common Market countries in particular, and the major trading nations involved in the Kennedy round of G.A.T.T. negotiations in general, there is a clear tendency to regard trade relations with the developing countries as a matter of only secondary importance; they feel that their own relations have to be sorted out first, and the developing countries can be attended to later. The vital differences among the developed countries of the West themselves on questions of trade policy have inevitably thwarted progress in this sphere. But on financial measures, such as aid, their differences are much narrower, so their attitude has been noticeably less negative.

These complications have inevitably tended to make the U.N. Conference on Trade and Development less fruitful than it might have been. Among the developing countries, however, there is a widespread impression that the complications, although real, need not have made the attitude of the developed countries as evasive, and therefore as negative, as it has been. The complications, in other words, are not decisive, but are being proffered as excuses for postponing decisions and action. They say, for example, that general elections are a recurring problem; international liquidity is a perennial one; and the G.A.T.T. negotiations look like going on till eternity too. The difficulties of the developing countries are clearly identifiable, separate and call for urgent action; they cannot be dismissed for later consideration until the developed countries have evolved harmony out of their own maladjustments and preoccupations.

The disappointments and the evasions notwithstanding, the work of the U.N. Conference on Trade

and Development is not such as will be easily ignored or forgotten. The work will be carried forward through the instrument of the continuing machinery represented by the Trade and Development Board which the Conference has decided to set up, and through periodic top-level meetings of the sort just ended. How great an influence the Board will be, it is still too early to say. What is certain is that the Board is a feeble instrument than the developing countries had intended the "continuing machinery" to be. In terms of its title, composition and voting procedures, it is a much diluted version of what these countries originally wanted. But the dilution of demands is the basis of international compromises, and the Western countries are certainly right in saying that "continuing machinery" which does not command their respect and support is as good as no machinery at all.

In the final analysis, it may be found that the Board could serve a useful purpose in constantly highlighting the problems of the developing countries and bringing them forcefully to international attention. The relations of the rich and

poor nations have hitherto been discussed only at infrequent and flashy confrontations, or at esoteric academic assemblies. The Board could provide the forum for a continuing, purposeful and practical dialogue over a comprehensive range of problems of economic development. Much will depend on the quality and the ability of the individuals who work on the Board and its subsidiary bodies, as well as on the shrewdness and effectiveness with which these institutions function in their first, formative years. The Board could stimulate an important change in the thinking and operations of G.A.T.T., which has hitherto displayed a somewhat excessive preoccupation with the problems of the developed countries to the neglect of the developing countries. The instinct of self-preservation among international institutions is not to be underestimated; if the Board were to become steadily more effective, the fear of being overshadowed by it could influence G.A.T.T. into becoming much more positive and livelier in its approach to the problems of the developing countries.

(To be concluded)

LEARNING FROM THE PAST

NO two countries' problems are identical, but there are common factors in most of them. Much of what Mr. J. C. R. Dow writes in *The Management of the British Economy, 1945-1960*, is relevant to the general and various local discussions on economic management. It is relevant particularly to Britain's immediate problem, how to avoid a repetition of past sterling crises while maintaining economic growth. This important book has been published by Cambridge University Press for the National Institute of Economic and Social Research, with which Mr. Dow was working while he prepared and wrote the book. For years previously (until 1954), he was with the economic section of the British Treasury. So he had exceptional qualifications for undertaking such a study. He does not pretend to have written the final authoritative word on economic management but he has clarified past errors and offered significant ideas for future action.

The first major error of postwar policy-makers was the assumption that full employment would be difficult to maintain when the immense resources devoted to war were returned to peaceful purposes. In the event, the tasks of physical reconstruction and of satisfying the more urgent of accumulated demands required all available resources for many years after the war. Yet this earlier phase was not the most difficult. The wartime system of controls was not suddenly dismantled; so inflationary pressures could be contained by regulation. Moreover, in a world where goods were generally scarce, it was comparatively easy to increase exports. It was in the subsequent period, when the more urgent requirements had been satisfied, that the basic problem was revealed: how to maintain steady growth, and so use re-

sources fully, without generating inflation and causing pressure on currencies.

The sterling crises of the 'fifties focussed the British authorities' attention on excess, or supposedly excess, demand. Mr. Dow's analysis of the authorities' actions to regulate demand is particularly important, and particularly relevant to the present phase of expansion. He believes that the symptoms of economic weakness, or, conversely, of economic strength, were often wrongly diagnosed, and that errors resulted particularly from superficial interpretations of changes in the gold and currency reserves. Whether because the available facts were inadequate or because—adequate or not—they were misinterpreted, actions to restrain or to stimulate the economy were mistimed and excessive. This criticism, published a month or two after an usually controversial Budget, is particularly important at this time. The conventional pointers indicate pressures on resources which in the opinion of some observers portend another sterling crisis, but the Chancellor of the Exchequer is virtually letting matters take their course. Had he, perhaps, independently of Mr. Dow, perceived the past errors of interpretation and correction and resolved to avoid repeating them? Mr. Dow's theories and Mr. Maudling's policies seem likewise to coincide. Theoretically, Mr. Dow believes, an excess of demand should be absorbed by an increase in supply, not corrected by restriction. Mr. Maudling perceives that in Britain, production is increasing, and his restrictive policy is apparently based on the idea that this expansion will in due time neutralise inflation.

However, Mr. Dow is not an abstract theorist. He has observed a regrettable characteristic of



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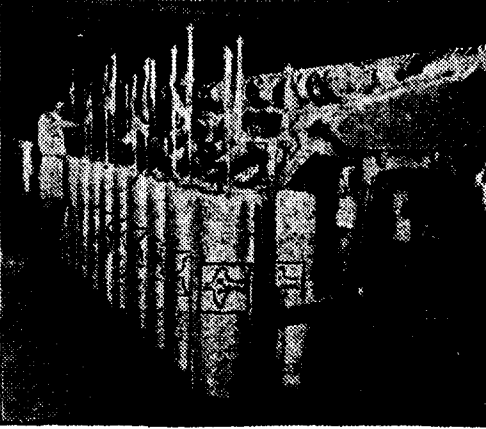
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the British economy, that it does not readily respond to an excess of demand. Are its responses more sensitive now than they have been in the past? Is there, anyway, a genuine excess of demand to which it should respond? Whereas efficient use of existing capacity is economical, expansion of capacity in excess of requirements is extravagant. Policy has often erred in the past as a consequence of wrongly assessing the relation between supply and demand, or, in genuinely inflationary periods, of attempting to remedy unbalance by correcting demand rather than supply. Particularly misguided was the recurring policy of restricting industrial investment when overall demand seemed excessive: basically, more, not less, industrial investment was needed to restore the balance.

However, industrial investment (including investment in stocks) is not determined simply by official policy; it is subject to business psychology, as reflected in the economic cycle. Mr. Dow believes that this cycle can be and should be

moderated by "direct promotion of economic growth"; and he believes that stabilising mechanisms such as an incomes policy can usefully complement the monetary and fiscal mechanisms that have promoted growth in the postwar era. He rejects the facile belief, which has often misguided financial policy, that the state of the economy can be quickly changed by fiscal action. But, as a constructive critic, he sees the improvements as well as the errors in technique, and he argues that Britain is evolving workable methods of maintaining balanced growth. It is a distressing thought that this achievement may be vitiated by the problem with which the policymakers mistakenly concerned themselves about the end of the war. In countries such as Britain it was easy to maintain full employment in the 1940s and the 1950s, but in the United States, permanent unemployment of millions of workers is a grim feature of the 1960s. One cannot be sure that this problem will not arise in other developed countries as their technology advances.

industry's only problem. As rightly pointed out by the Federation's president, the problem of fabricating plants for paper mills also needs to be considered urgently. Many schemes are known to have been licensed, but they remain unimplemented. The shortfall cannot be made good through imports from abroad because of the continuing scarcity of foreign exchange. Mr. Premchand Gokaldas has pleaded for the restoration of import trade in paper, at least in part, to established importers. For some years, paper imports are being affected either through actual users, or the State Trading Corporation or through an exporter against export incentives. The Federation president pointed out that such paper often came back to the market by the backdoor, and was sold at high prices. The trader had hardly anything to do with the high prices of imported paper. Mr. Premchand Gokaldas has suggested that sales tax on paper should be replaced by an additional excise duty. The collection of sales tax at the source through an additional excise duty would relieve the trade from the complexities of the law.

In his inaugural address, Mr. Asoka Mehta, deputy chairman of the Planning Commission, criticised paper mills for their tendency to resort to a multiplicity of varieties to escape the recommendations of the Tariff Commission. He said such an activity was harmful to the country and added that "if we want to have economies of large-scale production and reduction in costs, we must ensure that we do not proliferate in the manufacture of innumerable varieties." He advised manufacturers to take proper guidance from the trade and avoid the practice of charging higher rates under the pretext of change in varieties. Referring to the trade's plea for replacing the sales tax by an additional excise duty, Mr. Mehta urged the trade to bear in mind that sales tax was the States' only elastic source of revenue. Their claims had, therefore, to be taken into consideration in tackling this problem.

Small Rise in Industrial Output

The sluggish growth of industrial production during recent months has affected stock market sentiment. The latest data released by the Industrial Statistics Wing of the Central Statistical Organisation, Government of India, shows that the seasonally-adjusted index of industrial production (base 1956 equals 100) has amounted to 173.2 for March 1964, compared with 172.2 for February and 174.3 for January. The improvement in industrial production which took place during the last quarter of 1963 tapered off since the beginning of 1964. The spurt at the end of 1963 was largely the result of more favourable conditions and the mood of confidence generated by the assurances given by Mr. T. T. Krishnamachari, Central Finance Minister. Although the last Central Budget has given some minor incentives, their good effects have almost been neutralised by the new taxes levied.

But the average level of the index of industrial production in the first quarter of 1964 has been about 7.3 percent higher than it was in the corresponding period of 1963. The index stood at 160.1 for March 1963. The average level of industrial production during the 1963-64 fiscal year has shown a rise of about 9.3 percent over that for 1962-63. The rise amounted to 6.5 percent for 1961-62 and 8 percent for 1962-63. But this should not lead to complacency since it falls below the average annual target of 11.1 percent visualised in the third plan. Judging from current indications, it does not look as if the third plan target will be reached by the end of 1966. The working of industries continues to be interrupted by various difficulties, such as the shortage of raw materials, particularly the imported ones. To what extent the shortage will be relieved by the allocation of a larger non-project aid by donor countries remains to be seen. Furthermore, the shortage of power has been felt in some areas.

Plight of the Middle Classes

For the first time, a survey has been made of the economic conditions of middle class people in India. The findings are not very different from what one would expect them to be. That most of

the middle class people are living beyond their means, trying hard to keep the wolf off the door in a period of steadily rising prices, is well known. But that does not mean that the findings are superfluous. They show the precise nature of the problems facing the middle classes. The survey was carried out by the Central Statistical Organisation in collaboration with the Indian Statistical Institute and the National Sample Survey. According to the findings, the average income of middle class families in India (numbering in all 250,000 in urban centres, but the families surveyed were 36,000 spread over 45 cities) ranges from Rs. 200 to Rs. 250 a month, and the expenditure in most cases is generally in excess of incomes. This statistical average, however, does not show the disparities within the classes. There is a fair proportion of families—some 6 percent of the total—whose income is a mere Rs. 75 a month, and in most of the centres surveyed, the average income did not exceed Rs. 125 a month. Taking the country as a whole, the largest concentration of middle classes was found in the Rs. 150 to Rs. 200 income group. This shows that the average lower middle class family is only slightly better off than working classes. But considering that there are more earning members in working class families than there are in lower middle class units, the latter must be economically worse off. This also shows that the vast majority of the middle classes are not only living beyond their means, but are becoming poorer and poorer. Only 6 percent of the 36,000 families had an income above Rs. 500 a month, and only at levels of above Rs. 750 a month, did incomes (in 1958-59) either balance with expenditure or exceed it somewhat. The number of families in the 5 or 10 percent upper strata, presumed to be living well, is really small.

The pattern of expenditure, as shown by the survey, is in line with the normal middle class notions of living. In major cities, they spend relatively more on housing, household requisites, services and miscellaneous items and less on food, beverages, fuel and light. Yet, on average, a middle class family spends 44 percent of its income on food, beverages, tobacco and intoxicants. The most important item of food from the expenditure point of view is cereals, next being milk and milk products. Meat, fish and eggs show regional variations and occupy an important place in the diet of middle class families in Assam, West Bengal and Orissa, and also in a few other places like Bombay, Bangalore and Srinagar. Among the miscellaneous items of expenditure, transport and communications account for the largest share in 19 of the 45 centres, and education in six. The survey, however, is incomplete in two important respects; first, it covers middle class families belonging to those in public services or teaching; in other words, people with fixed incomes. This it had to do since its main job was to find enough data for constructing a middle class cost of living index, but it leaves out of account a large body of self-employed people like small traders who too belong to the fold. Secondly, the survey relates to the year 1958-59 and the subsequent adverse impact of inflation and taxes on people's living is not reflected in its findings. Had it been, the picture would have been even more depressing.

Slow Progress in Rehabilitation

The flow of displaced persons from East Pakistan to West Bengal continues in spite of official efforts to stop it. The Government of India has repeatedly urged the Pakistani authorities to create a sense of confidence among the minorities so that the large-scale exodus of migrants can be checked, if not stopped altogether. But efforts in this direction have not borne much fruit. The rehabilitation of those who have come over to West Bengal poses a formidable challenge to the Central and State Governments, who are obviously unable to cope with it. In spite of the fanfare of publicity for the Dandakaranya project, rehabilitation has not made much progress there. Many refugees have deserted the settlement. It is reported that some unscrupulous touts are behind the large-scale desertion in Dandakaranya. Inclement weather as also difficulties in adjusting to entirely new surroundings have also been responsible for Dandakaranya being unpopular.

Conditions in Dandakaranya being what they are, the authorities should have made special

effort to help the refugees to stay on till the rehabilitation schemes were completed. Refugees from East Pakistan naturally have a desire to settle in West Bengal, because of language and culture. The rehabilitation projects in other States could have attracted more displaced persons had they provided for reasonably decent living. Many of the projects in the eastern States unfortunately could not provide even the basic necessities. The West Bengal Government is reported to be urging the Central Rehabilitation Ministry to explore the possibility of rehabilitating more displaced persons in the Andamans and Nicobar Islands. But in order to avoid what happened in Dandakaranya recently, it is necessary to be cautious in exploring the possibilities of the project. Meantime, official and non-official agencies engaged in rehabilitation should try to inculcate a sense of self-help among the displaced persons. The Central Rehabilitation Ministry's scheme to organise a "development corps" from among the East Pakistan refugees is good in principle. But assistance under the scheme requires to be more generous if it is to prove attractive.

According to statistics maintained by the Central Rehabilitation Ministry, a total of 470,772 East Pakistan refugees entered West Bengal, Assam and Tripura between 1st February and 15th June of the current year. About 281,757 persons migrated to West Bengal, 128,995 to Assam and 60,620 to Tripura. The number of people who were sent to other States by the West Bengal Government for rehabilitation was 133,472 by 15th June. West Bengal has made repeated representations to the Centre that it is unable to accommodate any more refugees. The burden

of rehabilitating fresh migrants will have to be more evenly spread among all the States.

Woollen Mills in Difficulty

Despite repeated pleas by the Indian Woollen Mills Federation, which represents about 90 percent of the mills in the country, the Government has not so far decided on the allocation of imported wool for 1964-65. The Federation chairman, Mr. K. K. Birla, has now warned that if the Government does not meet the minimum requirements of raw materials during 1964-65, mills might be left with no alternative but to close down by September-October. India produces about 72 million lbs of raw wool a year, but this can be used mostly for the manufacture of carpets. Out of this quantity, some 30 million lbs are being exported and hardly 6 million to 8 million lbs are being used for the manufacture of coarse fabrics. The industry has, therefore, to depend largely on imported raw wool. On a two-shift basis, the industry's annual requirements of imported raw materials are estimated around Rs. 28.75 crores. But the industry was allocated no more than Rs. 5 crores in 1962-63. Together with export promotion entitlements and allocation for nylon fibre, total imports permitted are hardly worth Rs. 8 crores. This constitutes a mere 25 percent of the industry's requirements. If the industry is to manage with Rs. 8 crores worth of imported wool during the year or similar allocations in the future, it can work hardly 25 percent to 30 percent of its installed capacity on a two-shift basis.

Even the Planning Commission has estimated the annual allocation for raw material require-

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ments of the woollen industry at a minimum of Rs. 15.75 crores. Actual allocation continues to fall far short of the industry's requirements. The treatment meted out to the woollen industry appears odd in view of the fact that it has been put on defence priority. Shortage of the requisite raw material is by no means the industry's only problem. It is in urgent need of modernisation. It is estimated that in order to achieve some 50 per cent modernisation, the industry will need to spend about Rs. 18 crores in foreign exchange. But the amount so far sanctioned and used is only about Rs. 4 crores. Mr. Birla has urged that the Government should not hesitate to provide the remaining Rs. 14 crores at the earliest, especially when quite a number of countries are known to be willing to provide credit facilities on reasonable terms.

Reliable reports from New Delhi indicate that the Government has formulated a scheme for the modernisation of a selected group of woollen mills which might be in a position to switch over to manufacturing exclusively for the export market. The scheme is estimated to cost about Rs. 2.66 crores, which is likely to be discussed with the representatives of woollen interests at a conference some time in July or August. It is hoped that selective modernisation would enable the country to release about 2 million linear metres of woollen fabrics for export. This works out to hardly 1 per cent of the total woollen textiles entering world trade. The scheme is said to be linked with research and training facilities which the Government expects the industry to provide.

Over-production in Electric Meters

Electric meter manufacturers are passing through a crisis, and, oddly enough, the crisis is due to over-production. It is not that production has reached anywhere near the plan targets, but demand has failed to catch up with production. Estimates of the offtake have gone completely awry. The offtake of meters which was expected to reach 2 million a year by 1965 was actually limited to only 1 million in 1963 when production reached 1.12 million meters. So far, 33 units have been licensed with a capacity of 2.75 million metres a year. Of these ten are in production. Most of the existing units are about to complete their expansion also. The overall output, therefore, will be far more than at present. Demand estimates have gone wrong because of the delay in the implementation of electricity projects and the slow progress of rural electrification. The emergence of large surplus production has led to keen competition, under-cutting and great difficulties, particularly for the small units.

In his speech at the recent annual meeting of the Meter Manufacturers Association of India, the chairman, Mr. S. L. Khemka, drew pointed attention to the crisis of over-production facing the industry and said that the industry would have to struggle hard for survival if the Government did not take proper steps to remedy the situation soon enough. Mr. Khemka said that the prices of meters which were around Rs. 40, not long ago, had now come down to around Rs. 28 a piece. The cost of production was much higher than the present market price. The international price being around Rs. 11 a meter, it was impossible for the Indian manufacturers to compete with foreign suppliers unless the Government liberalised the export incentive scheme. He urged the Government to increase the export incentive for meters from the present 75 per cent to 200 per cent. Apart from a substantial increase in the export incentive, he suggested that the Government should be liberal in granting duty drawbacks. Export promotion alone cannot solve the problem of large surplus production. Mr. Khemka has suggested that the Government should ask manufacturers to limit their output in terms of the existing demand. The reduction in output should be on a graded scale.

Export Prospects for Paints

The paint delegation sponsored by the Chemicals and Allied Products Export promotion Council recently toured the Middle East and east African countries to assess the export prospects for Indian paints in those areas. It has pointed out that there is considerable scope for exporting paints

and related products to these countries. The average annual import of paints in the region is about Rs. 8 crores, of which India's share is roughly Rs. 3 lakhs or about 0.4 per cent. Preliminary negotiations by the delegation have already brought in orders worth about Rs. 2.5 lakhs and the prospective business could be estimated at about Rs. 5 lakhs to Rs. 8 lakhs. The delegation offered to collaborate with local entrepreneurs by providing technical know-how for establishing paint factories. The response, it says, has been quite encouraging and about a dozen firms evinced interest in the proposal. Of these, one firm in Nairobi and another in Baghdad have already started preliminary talks for collaboration with Indian manufacturers. A proposal received from an Ethiopian firm is being considered by another Indian manufacturer. Although paints for most of the Middle East and east African countries are imported from the U.K., Holland, Denmark, West Germany and the U.S.A., there is no prejudice against paints from other countries provided the quality is good and prices are competitive.

The delegation urges the Government of India to formulate export insurance schemes which "will ensure financial advances". This is essential in order to satisfy the demand for credit from importers for three to six months, which is offered to them by western countries. Another suggestion of the delegation is that exporters should be allowed to use the import entitlement licences for getting any commodity of their choice.

RAILWAY ENTERPRISE IN INDIA

THE main facts in connection with the working of the Indian Railway system during the past year have already appeared in these columns, but the subject is one of considerable interest, and importance, and we, therefore propose in a series of short articles to place the position of railway enterprise in India, as disclosed by the report for the year 1963 which has been recently issued, before our readers in somewhat greater detail. At the close of the calendar year, there were 26,955 miles of railway open for traffic. Of this total 19,554 miles were owned by the State, 3,263 miles by Native States and the balance, with the exception of 1,095 of line belonging to companies who merely received the free grant of land, were guaranteed in some form or another by Government or District Boards. With the exception, therefore, of some 4,558 miles of railway, the State may be said to have accepted the financial responsibility for the entire railway system of India. Of the total mileage, 14,476 miles are broad gauge and 11,420 metre-gauge and the small remaining balance of 2 ft. 6 in. and 2 in. gauge. It will, therefore, be observed that the metre-gauge system has assumed a more important position than is perhaps generally supposed. The mileage opened for traffic during the year was 1,029 miles, of which the more important contributions were, the final section of the Assam-Bengal Railway 96 miles, the Kalka-Simla Railway 59 miles, Nainpur to Seoni (B. N. Railway) 47 miles, Fyzabad to Sultanpur, (O. and R. Railway) 36 miles, and Godhra to Baroda (B. B. and C. I. Railway) 43 miles. In addition to this sanction was accorded to the construction of 1,267 miles during the year, of which the principal items were Ludhiana to MacLeodgunge (S. P. Railway) 156 miles, Pegu to Martaban (Burma Railway) 121 miles, additions to the B. and N. W. Railway system 148 miles, additions to the Rohilkund and Kumaon Railway 148 miles, to the Triton State Railway 121 miles, to the N. W. Railway system 165 miles and Ondal to Saintha, E. I. Railway) 43 miles. An additional 216 miles were sanctioned between the close of the calendar year and the 30th April 1964, bringing the total mileage under construction or sanctioned for commencement on the 30th April 1964 to 3,122 miles. During Lord Curzon's five years' Viceroyalty a total of 4,916 miles has been opened for traffic, and as it may be of interest to observe the rate at which the construction of railways has progressed under various Viceroyalties, we quote the figures for the six last Viceroyalties:

	Miles opened
Lord Lytton	2,621
Marquis of Ripon	2,469 (4 yrs.)
Earl of Dufferin	2,945 (4 yrs.)
Marquis of Lansdowne	3,928
Earl of Elgin	3,536
Lord Curzon	4,916

FROM

CAPITAL
30th June, 1904

A Ditcher's Diary

IF NEW DELHI IS BUSY PATTING ITSELF ON THE BACK for its belated removal of Sardar Pratap Singh Kairon, it had better know that the main count on which it deserves any thanks is that the Das Commission's report has been made public. Not to publish it would have been as big a scandal as any of those dealt with by Mr. Das, who clearly indicates that there is further action to be taken against the guilty. The point is that many of the things now mentioned against Mr. Kairon were not unknown in New Delhi; I remember hearing some of the charges three or four years ago. Yet he was allowed to continue in office; he was defended even by Mr. Nehru, with some very curious logic, as I pointed out at the time. Mr. G. L. Nanda appears to have concluded already that half his work—rooting out corruption in two years of which less than a year and a half is left—has been accomplished with the departure of Mr. Kairon. Nothing of the sort. Mr. Nanda must have noticed that, although the bulk of the corruption concerned the Punjab Government, the Centre comes into it too. If Mr. Das has established that money was made in illegal and improper ways, Mr. Nanda should promptly enquire whether income tax was paid and, if not, why not. But, to go to the heart of the matter, it was not the Centre's abhorrence of corruption that brought the Das Commission into being; after a great deal of reluctance, the Government of India instituted the enquiry because political pressure from Punjab itself was overwhelming and irresistible. If corruption were the inspiration, there would be hundreds of Das Commissions in the country today. New Delhi's right to discipline the States is sadly circumscribed by the fact that New Delhi itself is not impeccable. Another point. Mr. Kairon could not possibly have pulled off all the things he did without assistance from a large number of associates and officials; they are culpable too. No, Mr. Nanda's work has only begun; and it should not be restricted only to New Delhi and Chandigarh. Mr. Kairon will have a right to complain if others get away with worse.

ONE ONLY HOPES THAT MR. KAIRON'S WISE-AFTER-the-event dissociation from the activities of his two sons is prompted by sincere repentance. The repentance, if so it really is, has come too late to be of any worth. Until quite recently, like Luther himself, Mr. Kairon was asserting, "Here I stand, I cannot do otherwise." The air of injured innocence and vicarious suffering assumed by him seems to suggest that his sons were playing off their own bats, keeping him in the dark about

their activities. But this does not tally with the facts as brought out by the Das Commission's report. The weight of the report has been greatly enhanced by Mr. Das's insistence on rigorous proof before accepting any allegation against Mr. Kairon. The two principles, which have guided the enquiry, are that no one can be condemned on suspicion, however strong, and that one must be presumed to be innocent until the contrary is proved by dependable evidence. So Mr. Das has held that the majority of the charges against Mr. Kairon have not been proved, and has accepted the validity of only a few of them. This, however, gives a keener edge to his strictures. To come back to Mr. Kairon, I do not know what value to attach to his statement that he accepts the Commission's verdict with all humility, particularly in the context of the bravado voiced by his henchmen in the Punjab Congress only a few days ago. Now that Mr. Kairon has been elbowed out of public life by the force of events, the attempts to strengthen his hold on the Party set-up should not be countenanced by the Congress. If he cannot be trusted with power in the Government, he cannot be permitted to wield it through backdoor methods. It shouldn't be possible for him to create a ministerial marionette which he can work from behind the scene. If he does so, Punjab politics will continue to be what it has been all these eight years.

MUST I KNOW SOMETHING ABOUT THE HOYLE-Narlikar thesis on gravitation before I congratulate them on the sensation they have made? I don't think so. I have read what has appeared in the lay Press; if I am not already an expert in this department of physics, it is entirely my fault; and for once this is no mock humility. A certain amount of national pride is inevitable and not altogether undesirable when an Indian scientist makes world news; and I am not at all sorry that some people have been impelled to have another look at India's outlay on scientific research. I have to return to a point made frequently in this diary. To put it briefly, in a generally effete society it is futile to expect particular institutions to remain insulated and vigorous. The various national laboratories have produced more intrigue than science because that is precisely how all other institutions have been behaving. Mr. M. C. Chagla has graciously offered a job to Dr. Narlikar; the latter, I hope, will thank the Education Minister and continue his good work in Britain. I can see some sense in appealing to Indian doctors and engineers abroad to return home; they have specific jobs to do which are not being done because

they are not here. Fundamental research, however, knows no frontiers. If Dr. Narlikar wants to come back, he should certainly be given every opportunity for research. On the other hand, if he does not, I think it's entirely his business. For one thing, in India he will not have the partnership of Professor Fred Hoyle; and that's probably as essential for him as is the atmosphere of King's, Cambridge. It may be argued that in India Dr. Narlikar might train other Indian researchers. He well might; but Shaw said the right thing when he bluntly declared that an artist's first duty is to his art. A scientist's to his science; patriotism comes a long way later. Meanwhile I am glad that local efforts have been made to correct the notion that Hoyle and Narlikar have rewritten or undone Newton and Einstein; in science one only carries on the work of one's predecessors. Only in science is progress cumulative and continuous.

NO DOUBT IF I WERE TO SUGGEST THAT THE N.A.T.O. allies should subscribe to a statue for Mr. Mao Tse-tung I would be considered to have gone completely mad. Yet after reading the reports about the treaty Mr. Khrushchev has just signed with Dr. Ulbricht, I think it would be a most appropriate gesture. As far as I can see, what the Russian leader has done is to serve notice on the West that the Berlin crisis is over for the time being, at least as far as he is concerned. And why should he have decided to be so reasonable all of a sudden? Why, Chinese pressure of course, what else? This is yet another instance of how the Sino-Russian quarrel is changing the face of international politics; and there are going to be others to come. In the meantime, I can see a reasonable prospect ahead that the problem of German unification may also be on the way to solution. That is, of course, if Mr. Mao continues to oblige. At present, apart from the ordinary human desire for the devil one knows, the Russian reluctance to accept a united Germany stems from the fear that such a unit would fall under western domination. I do not think any considerations about maintaining Dr. Ulbricht and his communists in power will influence the Russian point of view one way or the other when it comes to the crunch. Now, for the price of losing another satellite, the Russians could cover their western approaches by agreeing to German unification provided it takes place under the kind of neutral regime which has proved so successful in Austria's case. I cannot see the western allies objecting too strongly to the proposal, if only because they would then have to stand the odium of a refusal to incur. But I can see good reasons why it might not necessarily be in their long-term interests, which could possibly be identified more with ensuring Russia's continued weakness on both her main frontiers. Perhaps I am looking too far ahead; after all, there is nothing in the wording of the treaty to suggest that the Russians are in fact angling for German unity. But the main-



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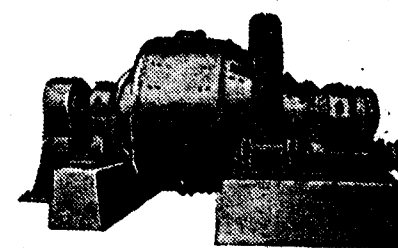
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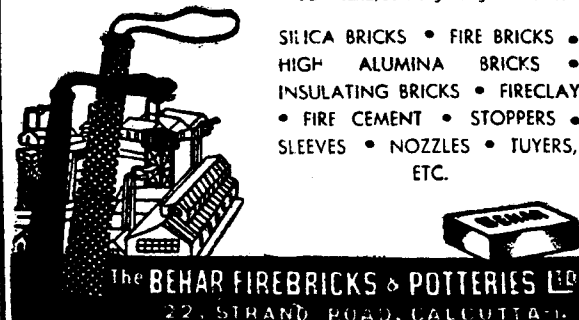
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spring of my thinking is the suspicion that the world, and myself included, has probably not yet grasped the full extent of Russia's anxiety never to be committed militarily on two fronts at once.

LIBERTARIANS IN INDIA MUST HAVE BEEN HORRIFIED to read of the latest constraints on freedom in Ceylon. No diplomatic mission can show a documentary that has not been approved by the Public Performance Board. No foreign mission can extend an invitation to any Ceylonese citizen or organisation except through the Ministry of Defence and External Affairs. The same Ministry has prepared a "suspect index" of foreign journalists whose presence in Ceylon is considered undesirable—by the Ceylon Government, of course. All these things are obvious milestones on the road that leads to dictatorship, of which Mrs. Bandaranaike already gives a fair enough imitation. Now is the time to say that, while in India we enjoy an agreeable degree of freedom, efforts have from time to time been made to introduce here, in one form or another, each of the restrictions Ceylon should be ashamed of. The Chinese missions in India once got away with a great deal of reprehensible activity; but India has her own way of asking foreign missions to "go easy". It is no secret that in India too invitations from foreign countries have to be "channelled" and "processed". India does not actually forbid the entry of "undesirable" journalists from abroad; but even Indian journalists find it difficult to visit parts of the country; and I am not talking about conditions since the emergency. No organised society is or can be without all restraints. What I find odious is official attempts to stand between an individual and his friends in other countries. And I remember a European diplomat once telling me that if he routed every invitation through the Government it would in every instance go only to a relation of a Minister or a Secretary. Questions of such nepotism apart, these restrictions soon degenerate into petty tyranny in the hands of petty officials. Freedom of travel within the country is a fundamental right; but the Indian judiciary has not yet unequivocally said that an Indian citizen cannot be deprived of a passport without the State showing good reason for refusal.

I AM ENTIRELY SERIOUS IN SUGGESTING THAT THE Corporation of Calcutta take out a patent for its immortalising process. As soon as somebody dies, the Councillors get together and do two things. The first is to declare a few holidays; and the second is to rename a part of a road after the dead man. This, in short, is the road to immortality. If the process is to be patented, I suggest the brand name be "instant immortality". When I asked recently a taxi driver to take me to Gurusaday Road, he didn't know what I was talking about: Chittaranjan Avenue is still better known as Central Avenue; so Chowringhee Road between Dhurramtolla and Park Street may continue to be known by its present name for quite some time although it has been rechristened Jawaharlal Nehru Road. But thinking of Nehru and the Corporation, I looked up the still very readable *Autobiography* and found that Nehru had indeed been connected with the Allahabad Municipality. He writes:

Municipal work in all its varied forms began to interest me, and I gave more and more time to it. Some of its problems fascinated me. I studied the subject and developed ambitious notions of municipal reform. I was to find out later that there is little room for ambition or startling development in Indian municipalities as they are constituted today. Still, there was room for work and a cleaning and speeding-up of the machine, and I worked hard enough at it.

I wonder if Mr. Nehru did not feel about the same way after seventeen years of his slogging with the machinery of the Government of India and the Planning Commission. The disillusionment is in part inevitable; there never was an organisation without imperfections. Yet if a contemporary has in print wished the Calcutta Corporation's extinction—a wish widely shared—the main reason may be that the Congress Party never took municipal administration seriously. Experience gathered at that level in the 'twenties might well have been useful when full responsibilities came. Even the Calcutta Corporation might have been less useless if the Congress had not set out to wreck it. Nehru will look after his memory; what we want is a cleaner Chowringhee.

THE DITCHER

Guide for Investors

DISAPPOINTING RESULTS FROM DUNCAN TEA GROUP

THE result of the Duncan group of tea Companies for the year ended December 1963, have been published. Killcott Tea Co. Ltd (a Dooars garden) has earned a trading profit of Rs. 2.58 lakhs, against Rs. 6.19 lakhs for 1962, after providing Rs. 1.60 lakhs, against Rs. 1.63 lakhs for depreciation. The taxable ordinary dividend has been reduced from 15 percent to 10 percent to give a yield of 6.6 percent at the present price of Rs. 15.25 a share of Rs. 10 each. Taxation absorbs Rs. 1.37 lakhs (against Rs. 2.80 lakhs), revenue reserve Rs. 25,000 (against Rs. 3.10 lakhs), development rebate reserve Rs. 10,500 (against Rs. 4,500) and investment reserve Rs. 25,000 (against Rs. 5,000). The carry-forward is Rs. 3,728, against Rs. 32,899 brought in. The crop dropped from 824,799 kilograms to 789,297 kilograms, and the average sale price fell from Rs. 4.59 a kilogram to Rs. 4.47 a kilogram. The crop for 1964 has been estimated at 800,000 kilograms at a cost of Rs. 33.30 lakhs. The start of the new season has been satisfactory, although about 33,869 kilograms of tea had to be sold from Killcott division as green leaf because of the fact that the extensive factory alteration has not been completed on schedule.

The directors of Teliapara Tea Co. Ltd have not proposed any dividend in spite of the good profit since no funds have been remitted to India from Pakistan. The dividends proposed from 1960 to 1962 could not be declared due to the absence of remittances from Pakistan. The total sum of Rs. 4.95 lakhs set aside for paying these dividends, is now realised and has been transferred to contingency reserve account. The sum of Rs. 7.95 lakhs originally provided for taxation will no longer be necessary, so it has been transferred to contingencies reserve account. The trading profit has dropped from Rs. 12.34 lakhs for 1963 to Rs. 6.22 lakhs for 1962, after providing Rs. 1.08 lakhs (against Rs. 93,231) for depreciation. Taxation is allocated Rs. 3.87 lakhs (against Rs. 15.25 lakhs), revenue reserve Rs. 3 lakhs, development rebate reserve Rs. 19,500 (against Rs. 33,500) and contingencies reserve Rs. 12.90 lakhs. The carry-forward is Rs. 10,230, against Rs. 29,229 brought in. A sum of Rs. 7.95 lakhs has been transferred from excess tax provision and Rs. 4.95 lakhs from provision for dividends. The crop amounted to 375,942 kilograms, against 364,737 kilograms, and the average sale price dropped from Rs. 8.08 a kilogram to Rs. 6.80 a kilogram. The crop for 1964 has been estimated at 417,000 kilograms at an outlay of Rs. 24 lakhs.

Nagaisuree Tea Co. Ltd has incurred a loss of Rs. 20,130 for 1963, against a profit of Rs. 3.32 lakhs for 1962, after transferring Rs. 1.02 lakhs (against Rs. 75,289) to depreciation. A sum of Rs. 65,000 has been transferred from investment reserve. The taxable ordinary dividend has been cut from 15 percent to 5 percent. The yield amounts to 3 percent at the present price of Rs. 165 a share of Rs. 100 each. Development rebate reserve is allocated Rs. 7,500 (against Rs. 23,000) and capital reserve Rs. 5,000, leaving a carry-forward of Rs. 6,927 against Rs. 14,856 brought in. The crop fell from 507,732 kilograms to 467,868 kilograms and the average sale price from Rs. 4.76 a kilogram to Rs. 4.62

a kilogram. The 1964 crop has been estimated at 490,000 kilograms at a cost of Rs. 22.79 lakhs.

New Cinnatollah Tea Co. (an Assam garden) has earned a trading profit of Rs. 2 lakhs, against Rs. 5.91 lakhs, after providing Rs. 63,156 (against Rs. 62,414) for depreciation. The taxable ordinary dividend of 5 percent has been repeated which works out to a yield of 1.1 percent at the present price of Rs. 455 a share of Rs. 100 each. Taxation is allocated Rs. 1.23 lakhs (against Rs. 3.40 lakhs), revenue reserve Rs. 50,000 (against Rs. 2.60 lakhs) and development rebate reserve Rs. 4,500 (against Rs. 12,500). The carry-forward is Rs. 1,148, against Rs. 11,827 brought in. The crop rose from 298,696 kilograms to 323,182 kilograms, but the average sale price fell from Rs. 7.64 a kilogram to Rs. 5.59 a kilogram. The crop for 1964 has been estimated at 310,000 kilograms at a cost of Rs. 17.81 lakhs. The start of the new season has been satisfactory, although the excessive early rainfall might affect the quality of the second flush.

Kotamullai Tea Co. Ltd (estates are situated in Assam, Cachar and Travancore) has earned a profit of Rs. 1.96 lakhs, against Rs. 1.20 lakhs, after providing Rs. 1.04 lakhs (against Rs. 89,934) for depreciation. The dividend has again been passed. Taxation absorbs Rs. 1.40 lakhs (against Rs. 24,000), revenue reserve Rs. 20,000 (against Rs. 120 lakhs) and development reserve Rs. 12,500 (the same). The carry-forward is Rs. 4,715, against Rs. 1,628 brought in. The crop improved from 488,346 kilograms to 586,302 kilograms, but the average sale price dropped from Rs. 4.97 to Rs. 4.63 a kilogram. The crop for 1964 has been estimated at 560,000 kilograms at a cost of Rs. 27.37 lakhs. The new season has begun satisfactorily in Assam, but not in Kotamullai which has experienced a severe drought.

Ledo Tea Co. Ltd (an Assam garden) has made a profit of Rs. 14,836, against Rs. 14,202, after transferring Rs. 1.06 lakhs (against Rs. 77,532) to depreciation. The dividend has been passed. Revenue reserve is allocated Rs. 45,000 (against Rs. 1 lakh) and development rebate reserve Rs. 3,000, leaving a carry-forward of Rs. 2,866, against Rs. 8,744 brought in. A sum of Rs. 13,000 has been transferred from development rebate reserve. The crop amounted to 300,000 kilograms, against 281,500 kilograms. The average sale price fell from Rs. 5.30 to Rs. 5.06 a kilogram. The 1964 crop has been estimated at 300,000 kilograms at an outlay of Rs. 17.46 lakhs. The new season has started well due to early rainfall.

Duncan Brothers Earns Less

THE profit of Duncan Brothers and Co. Ltd has declined to Rs. 10.03 lakhs for 1963 from Rs. 10.84 lakhs for 1962, after providing Rs. 1.58 lakhs (against Rs. 1.35 lakhs) for depreciation, Rs. 26.15 lakhs (against Rs. 10.75 lakhs) for taxation, out of which surtax on profits absorbs Rs. 5.52 lakhs. The super profits tax absorbed Rs. 4.15 lakhs for 1962. The taxable ordinary dividend has been reduced from 14 percent to 12 percent, but the ordinary share capital

has, meanwhile, been raised by issuing rights shares in the proportion of one new share for every five held. The yield amounts to 8.8 percent at the present price of Rs. 137 a share of Rs. 100 each. Capital redemption reserve is allocated Rs. 1.50 lakhs and development rebate reserve Rs. 24,000. The carry-forward is Rs. 22,124, against Rs. 2.42 lakhs brought in.

The satisfactory working of the jute mills contributed to the group profits substantially. But the directors say that the impact of the surtax on profits and the dividend tax was heavy. Results of the tea companies under the management of Duncan Brothers have suffered due mainly to sharp rises in production costs. The directors have taken steps to improve the productivity and the quality of teas by adopting modern techniques. The Company's tea warehouses enjoyed a successful year. As for wool-combing by Isaac Holdens, the directors hope that the full licensed capacity will be reached by 1965, due to the arrival of the foreign equipment. The dye plant has suffered due to the shortage of dye-stuffs. The capacity of this department will improve, if more dyestuffs are produced in India. The working of Phillips Carbon Black suffered for 1963, due to the shortage of power and the high excise duty on imported oils. There are good prospects for increasing the production of the factory during the current year and better results are expected. Negotiations with the Government are proceeding to install a further capacity for 10 million lbs. Schrader-Seovill has begun to manufacture valves. It is hoped to make 100 percent of the product in the factory when further equipment is imported from abroad and installed in the factory. It is expected that National-Standard Duncan will begin to produce head-wire in the near future as the factory will undertake trial runs soon. An application has been made to the Government for diversifying the products of this factory. The Cochin refinery is likely to be ready for production by the end of 1965.

Bridge and Roof Pays the Same

BRIDGE and Roof Co. (India) Ltd has repeated the taxable ordinary dividend of 30 percent for the year ended December 1963. The yield works out to 5.7 percent at the present price of Rs. 52.25 a share of Rs. 10 each. The profit has amounted to Rs. 23.91 lakhs, against Rs. 21.52 lakhs for 1962, after transferring Rs. 12.48 lakhs (against Rs. 9.40 lakhs) to depreciation and Rs. 12.12 lakhs (against Rs. 9.60 lakhs) to taxation. General reserve absorbs Rs. 4.91 lakhs (against Rs. 6.20 lakhs) and development rebate reserve Rs. 3.28 lakhs (against Rs. 3.94 lakhs). Turnover rose from Rs. 3.86 crores to Rs. 4.37 crores.

Balmer Lawrie Cuts Dividend

THE results of Balmer Lawrie and Co. Ltd for the year ended December 1963 were adversely affected by the difficult trading conditions, particularly for tea. But the reduction in the profit was partly offset by the improvement in trading profits

from other sources. In view of the liability to tax under the surtax on profits and the dividend tax, the directors have decided to cut the taxable ordinary dividend from 25 percent to 22½ percent, including an interim of 7 percent. The yield amounts to 8.9 percent at the present price of Rs. 254 a share of Rs. 100 each. The profit has dropped from Rs. 29.41 lakhs for 1962 to Rs. 24.86 lakhs for 1963, after transferring Rs. 3.46 lakhs (against Rs. 3.03 lakhs) to depreciation and Rs. 22.90 lakhs (against Rs. 22.22 lakhs) to taxation. Development rebate reserve is allocated Rs. 56,953 (against Rs. 78,579) and general reserve Rs. 6.28 lakhs (against Rs. 14.12 lakhs).

British India Electric Earns More

BRITISH India Electric Construction Co. Ltd has repeated the taxable ordinary dividend of 15 percent for the year ended December 1963 on the increased share capital. The yield amounts to 5.2 percent at the present price of 29.12 a share of Rs. 10 each. The profit has risen from Rs. 14.08 lakhs for 1962 to Rs. 22.04 lakhs for 1963, after transferring Rs. 3.31 lakhs (against Rs. 2.46 lakhs) to depreciation. Taxation absorbs Rs. 1.250 lakhs (against Rs. 9.23 lakhs), development rebate reserve Rs. 1.10 lakhs (against Rs. 95,225) and general reserve Rs. 4.69 lakhs (against Rs. 2.60 lakhs). Sales rose from Rs. 1.17 crores to Rs. 1.58 crores. Sales of switch-gears and electric motors improved.

Octavius Steel Tea Group Results

THE results of the Octavius Steel group of tea Companies for the year ended December 1963, have been published. The Chundeecherra Tea Co. Ltd (a Sylhet garden) has earned a profit of Rs. 6.06 lakhs, against Rs. 7.17 lakhs for 1962, after providing Rs. 1.03 lakhs (against Rs. 78,036) for depreciation. The directors say that the Company has not been able to transfer profits from Pakistan, so it has not been possible to pay dividends due to the shortage of funds in India. Taxation absorbs Rs. 3.32 lakhs (against Rs. 3.92 lakhs), development rebate reserve Rs. 13,506 (against Rs. 13,434) and general reserve Rs. 2.50 lakhs (against Rs. 3 lakhs). The carry-forward is Rs. 6,017, against Rs. 2,216 brought in. The crop amounted to 232,138 kilograms, against 214,907 kilograms and the average sale price fell from Rs. 7.92 a kilogram to Rs. 7.61 a kilogram. The crop for 1964 has been estimated at 254,012 kilograms at a cost of Rs. 11.93 lakhs.

The Grob Tea Co. Ltd (an Assam garden) has halved the taxable ordinary dividend from 6 percent to 3 percent. The yield amounts to 2.5 percent at the present price of Rs. 5.94 a share of Rs. 5 each. The profit has dropped from Rs. 3.91 lakhs to Rs. 45,819, after transferring Rs. 3.33 lakhs (against Rs. 3.27 lakhs) to depreciation. Taxation is allocated Rs. 11,000 (against Rs. 2.10 lakhs) and development rebate reserve Rs. 10,943 (against Rs. 3,574). A sum of Rs. 75,000 has been transferred from hail insurance reserve. The carry-forward is Rs. 21,017, against Rs. 12,112 brought in. The crop amounted to 1 million kilograms and the average sale price dropped from Rs. 6.17 to Rs. 6.09 a kilogram. The 1964 crop has been estimated at 1.08 million kilograms at a cost of Rs. 64.30 lakhs.

The profit of the Oodfabari Co. Ltd (a Dooars garden) has amounted



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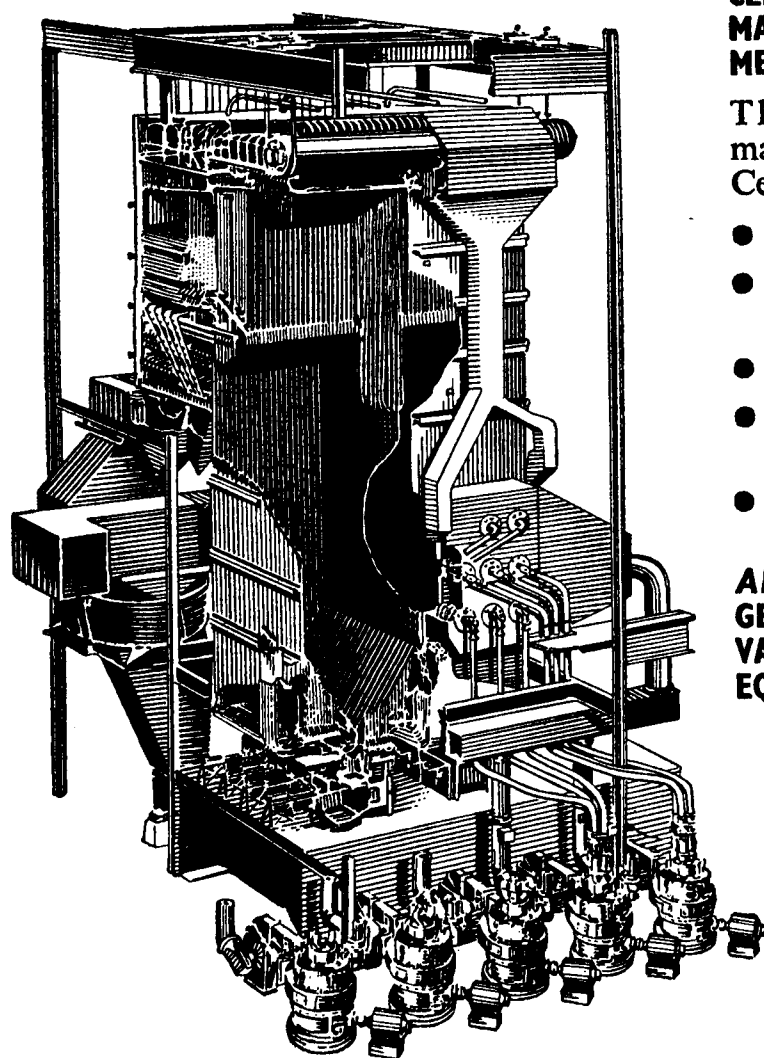
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to Rs. 83,393, against a loss of Rs. 4,124, after providing Rs. 1.05 lakhs (against Rs. 79,751) for depreciation, Rs. 44,000 (against Rs. 16,656) for development rebate reserve and Rs. 500 for taxation. A taxable ordinary dividend of 7½ percent has been declared, which absorbs Rs. 48,000. The yield works out to 5.5 percent at the present price of Rs. 13.75 a share of Rs. 10 each. A sum of Rs. 15,382 has been provided to cover short provision for taxation relating to earlier years. A sum of Rs. 80,000 has been transferred from general reserve. The carry-forward is Rs. 249. The crop rose from 326,073 kilograms to 349,153 kilograms, and the average sale price from Rs. 3.55 to Rs. 4.42 a kilogram. An extension of 8.07 hectares was planted. The crop for 1964 has been estimated at 351,500 kilograms at a cost of Rs. 14.34 lakhs.

Record Output from Bengal Paper

COMMENTING on the satisfactory results achieved by the Bengal Paper Mill Co. Ltd for the year ended December 1963, the directors refer to the record output of 22,567 tonnes. The new paper machine also contributed to the increased output. Production costs have risen due to the higher prices of raw materials, chemicals and stores. The supply of chemicals at reasonable prices has been inadequate. It is hoped that the Government will soon increase the price of paper to compensate the producers for the increase in production costs. The expansion scheme of the Company has been completed and the factory has reached an output capacity for 100 tonnes of paper a day. The Company has been granted an industrial licence to increase its paper production by a further 21,000 tonnes a year. The total ordinary share capital has been increased to Rs. 73.07 lakhs by the issue of new shares, combined with the conversion of convertible loan stock into ordinary shares.

The profit has amounted to Rs. 3.52 lakhs, against Rs. 15.18 lakhs for 1962, after providing Rs. 29.83 lakhs (against Rs. 12.85 lakhs) for depreciation, Rs. 31.40 lakhs (against Rs. 1.26 lakhs) for development rebate reserve. A sum of Rs. 11.35 lakhs has been transferred from general reserve. Capital reserve is allocated Rs. 10,000 (the same). The taxable ordinary dividend of 20 percent has been repeated which works out to a yield of 7.3 percent at the present price of Rs. 27.37 a share. The payment of the dividend is subject to the approval of the Industrial Finance Corporation.

New Dooars Tea Incurs Loss

THE New Dooars Tea Co. Ltd has incurred a loss of Rs. 73,566 for the year ended December 1963, against a profit of Rs. 2.31 lakhs for 1962, after transferring Rs. 4,278 (against Rs. 8,115) to depreciation. The ordinary dividend has been passed, but the usual preference dividends have been paid. Sums of Rs. 15,000 have been transferred from excess tax provision and Rs. 70,000 from general reserve. The carry-forward is Rs. 2,723, against Rs. 6,049 brought in. The disappointing results have been due to the severe hail damage, rising production costs and less favourable market conditions. The crop declined by 507 quintals to 5,902 quintals and the average sale price fell from Rs. 5.10 to Rs. 5.01 a kilogram. The crop for 1964 estimated at 6,750 quintals is expected to be reached considering the prun-

ing programme which is being carried out. Capital expenditure amounted to Rs. 4.83 lakhs.

Kettlewell Bullen Tea Group Results

IN their report for the year ended December 1963, the directors of the Kettlewell Bullen group of tea Companies say that the smaller crop of the Joonktollie Tea Co. Ltd (an Assam garden) has to be attributed to drought. It amounted to 493,352 kilograms, against 521,184 kilograms. The average sale price dropped from Rs. 5.49 to Rs. 5.42 a kilogram. So the profit has declined from Rs. 6.03 lakhs for 1962 to Rs. 3.91 lakhs for 1963, after transferring Rs. 1.11 lakhs (against Rs. 1.22 lakhs) to depreciation. The taxable ordinary dividend of 15 percent has been repeated. The yield amounts to 10.7 percent at the present price of Rs. 140 a share of Rs. 100 each. General reserve is allocated Rs. 1 lakh (the same), development rebate reserve Rs. 470 (against Rs. 8,727) and taxation reserve Rs. 2.05 lakhs (against Rs. 3.10 lakhs). The carry-forward is Rs. 16,491, against Rs. 81,941 brought in.

The Mothola Co. Ltd (an Assam garden) has made a profit of Rs. 1.27 lakhs, against Rs. 1.23 lakhs, after providing Rs. 44 (against Rs. 55) for depreciation. The taxable ordinary dividend of 35 percent has been repeated which works out to a yield of 6.9 percent at the present price of Rs. 507 a share of Rs. 100 each. General reserve absorbs Rs. 1.25 lakhs (against nil) and taxation reserve Rs. 65,000 (the same). The carry-forward is Rs. 21,812, against Rs. 45,423 brought in. The crop rose from 122,745 kilograms to 179,058 kilograms. A further 28 acres of land have been brought under plantation. Arrangements are being made to plant further acreage during the next cold weather.

Banarhat, Choonabhutti Tea Pay Less

THE results of the Banarhat Tea Co. Ltd and the Choonabhutti Tea Co. Ltd (Dooars gardens) in the management of Andrew Yule and Co. Ltd for the year ended December 1963, have been published. Banarhat has earned a profit of Rs. 8.20 lakhs, against Rs. 11.19 lakhs for 1962, after transferring Rs. 4.39 lakhs (against Rs. 3.74 lakhs) to depreciation. The taxable ordinary dividend has been reduced from 21 percent to 17 percent which works out to a yield of 7.4 percent at the present price of Rs. 230 a share of Rs. 100 each. Taxation absorbs Rs. 2.60 lakhs (against Rs. 4.95 lakhs), development rebate reserve Rs. 30,000 (against Rs. 5,000), general reserve Rs. 50,000 (the same) and capital reserve Rs. 1,200. Supplementary dividends for 1959, 1960 and 1961 on 4,000 preference shares at the rate of 0.07 percent have also been paid. The carry-forward is Rs. 28,826, against Rs. 41,581 brought in.

The crop dropped by 745 quintals to 14,099 quintals, but the average sale price rose from Rs. 4.86 to Rs. 5.15 a kilogram. The crop for 1964 has been estimated at 15,150 quintals. Capital expenditure amounted to Rs. 12.54 lakhs. The Banarhat division has switched on to C.T.C. manufacture from the beginning of the current season. The modernisation of the two factories has been completed, but expenditure on machinery and plant is likely to be at a considerably reduced level for some time to come. The Company will have to incur considerable expenditure on the statutory cons-

truction of houses for the labour force.

Choonabhutti Tea has cut the taxable ordinary dividend from 20 percent to 7.5 percent. The yield amounts to 3.6 percent at the present price of Rs. 211 a share of Rs. 100 each. The profit has dropped from Rs. 2.82 lakhs to Rs. 84,373, after providing Rs. 1.68 lakhs (against Rs. 1.56 lakhs) for depreciation. Taxation is allocated Rs. 8,000 (against Rs. 1.26 lakhs), development rebate reserve Rs. 1,400 (against Rs. 6,000) and capital reserve Rs. 1,308. The carry-forward is Rs. 42,753, against Rs. 43,000 brought in. A sum of Rs. 7,000 has been written back from excess tax provision. The crop fell by 1,207 quintals to 4,007 quintals due to a severe hail damage. The average sale price improved by 38p to Rs. 5.07 a kilogram. Capital expenditure amounted to Rs. 2.41 lakhs. The crop for 1964 has been estimated at 5,250 quintals.

Colour-Chem Increases Dividend

COLOUR-CHEM Ltd has stepped up the dividend for the year ended March 1964, from 12 percent to 16 percent, and the preliminary figures released along with the announcement of the dividend showed that the Company had done exceedingly well during the year. The directors' full report says that production was quite satisfactory during the year, and the demand for the Company's products was good. Sales recorded an impressive rise of 50 percent from Rs. 2.75 crores to Rs. 4.11 crores, and the gross profit rose by 40 percent from Rs. 1.28 crores to Rs. 1.79 crores. Production and sales since the close of the financial year are stated to have been satisfactory, but the directors have hinted that the Company's profit margin is likely to be squeezed by the enhanced excise duty burden.

The Central excise duty on pigment emulsions has been increased and duty at 24 percent *ad valorem* has been imposed on binder materials. The total duty payable on all the Company's products during 1964-65 is estimated around Rs. 50 lakhs, compared with Rs. 1.18 lakhs paid in 1963-64. This burden is, however, being shared with the Company's customers. The phthalocyanine blue project has not been commissioned since indigenous components of the sulphuric acid reconcentration plant have not been received. Efforts are being made to expedite their delivery and start the manufacture of phthalocyanine blue as early as possible. Further, plans to start the manufacture of new products are being finalised with the Company's foreign collaborators.

Larsen and Toubro Rights Offer

LARSEN and Toubro Ltd has received the sanction of the Controller of Capital Issues to issue 660,000 equity shares of Rs. 10 each at a premium of Rs. 2 a share. These shares will be offered to the existing shareholders in the ratio of two new shares for every five held. The issue will be made some time in September or October. Additional funds are being raised in order to finance the Company's expansion programme which is already in progress. The Company has yet to release its working results for the year ended March, 1964, but according to well-informed sources, the Company has fared much better than in 1962-63. Its sales are reported to be up by about 40 percent over the previous year. The Rs. 10-paid share of Larsen and

Toubro is currently quoted around Rs. 22.20.

Outlook for Ceat Tyres

IN spite of an increase of about 42 percent in the sales from Rs. 4.34 crores to Rs. 6.18 crores, Ceat Tyres' gross profit in 1963 increased by only 5 percent from Rs. 30.44 lakhs to Rs. 32.09 lakhs. The Company's performance in the current year is unlikely to be any better. The chairman, Mr. P. A. Narielwala, made it very clear to the shareholders at the Company's annual meeting that there was no chance of a maiden dividend for 1964, and he was unable to say how long the shareholders might have to wait for their investment to bear fruit. Mr. Narielwala explained that there was a slump in the motor-vehicles tyres market; the demand for tyres had gone down substantially because of the reduction in the number of lorries made available for civilian use. While it was becoming increasingly difficult to effect sales, the cost of raw materials, both indigenous and imported, has gone up considerably. The increase in the prices of tyres effected by the Company some time ago had been fully absorbed by the increase in the cost of raw materials.

The chairman, however, assured the shareholders that the management was doing its utmost to operate the plant efficiently and economically. Comparing the results of some of the new tyre companies with Ceat's, Mr. Narielwala said that while some of them had incurred losses, Ceat was able to keep its head above water and provide full depreciation and development rebate. He said that the Company would be able to do better if the tyre market improved. The Company's present output is around 700 tons a month, and it is hoped that the rated capacity of 1,000 tons will be reached by the end of this year. The chairman told the shareholders that the Company had represented to the Government for allowing the benefit of the excise duty concession of 5 percent on the first clearance of Rs. 1 crore worth of turnover granted to those companies which started production after 1st April, 1962.

Ceat Tyres is not entitled to this benefit at present as the Company went into production before this time. The benefit from this concession, if allowed, is estimated around Rs. 5 lakhs. The chairman stated that there was no prospect of exporting tyres at a profit. However, in view of the benefit of import entitlements, the Company was trying to establish export market for its products. The Rs. 100-paid share of Ceat Tyres which had been marked down from Rs. 115 to Rs. 96 after the release of the Company's working results for 1963 declined further to Rs. 86, after the chairman's encouraging assessment of future prospects at the annual meeting on 16th June.

General Industrial Society Expanding

COMMENTING on the working of the jute mills in their report for the year ended December 1963, the directors of the General Industrial Society Ltd say that the Company has increased the production of jute goods since the abolition of the working time agreement. Trading conditions for the current year are not considered bright since the prices of manufactured goods have dropped while those of raw jute have been maintained at a steady level due to the price support scheme of the Government. Production costs have,

meanwhile, risen considerably due to the enhanced charges for power, fuel, shipping, stores and wages. The Company has installed 63 broad looms and proposes to install a further 27 of these. Meantime, the prices of carpet-backing cloth have declined due to the increased supply. So the directors will have to take a decision on further expansion in the light of conditions which prevail from time to time. The cast-iron foundry has worked satisfactorily and the output has risen. The supply of principal raw materials, however, continues to be short. The Company has completed the modernisation and expansion of the cotton mill. The latter has worked satisfactorily and is likely to do better in the future. The Company has been granted a licence to install a further 7,000 spindles and 100 looms. The new spindles will be installed during 1964. It is proposed to manufacture 12,000 tons of aluminium foils a year in a unit which is to be built near the factory of the Hindustan Aluminium Corporation Ltd. The directors are trying to obtain the necessary foreign exchange to implement the project. Although the Company has received the official sanction for issuing further ordinary shares, the directors do not think that they will issue these shares for the time being. Arrangements have been made to get the issue of 12,500

cumulative redeemable preference shares underwritten.

The profit has risen from Rs. 19.56 lakhs for 1962 to Rs. 21.05 lakhs for 1963, after providing Rs. 20.80 lakhs (against Rs. 9.86 lakhs) for depreciation. The taxable ordinary dividend has been increased from 13 percent to 14 percent which works out to a yield of 10 percent at the present price of Rs. 14 a share of Rs. 10 each. Taxation absorbs Rs. 6.50 lakhs (against Rs. 10 lakhs), general reserve Rs. 1.60 lakhs (against Rs. 2.30 lakhs) and development rebate reserve Rs. 6.97 lakhs (against Rs. 3.35 lakhs). The carry-forward is Rs. 9,681, against Rs. 16,522 brought in.

Sone Valley Portland Cement Repeats

THE Sone Valley Portland Cement Co. Ltd has repeated the taxable ordinary dividend of 8 percent for the year ended December 1963 which works out to a yield of 9.2 percent at the present price of Rs. 4.34 a share of Rs. 5 each. The profit has dropped from Rs. 16.83 lakhs for 1962 to Rs. 12.18 lakhs for 1963, after providing Rs. 4.71 lakhs (against Rs. 4.50 lakhs) for depreciation. Development rebate reserve is allocated Rs. 64,100 (against Rs. 6,500) and

taxation reserve Rs. 5.55 lakhs (against Rs. 8.80 lakhs). The carry-forward is Rs. 6,195, against Rs. 7,167 brought in.

The cement output amounted to 229,220 tonnes, against 234,640 tonnes. The directors say that the price of cement fixed by the Government does not compensate the producers for rising production costs due to the increased prices of coal, railway freight and labour. The royalty on limestone has also been raised. The packing charges fixed by the Government have involved the producers in losses because the prices of second-hand bags assumed by the Government are much lower than their market values. In view of the low profitability of the cement industry, the Government should carefully consider how to implement the recommendations of the Bonus Commission in relation to the cement industry. Unless concrete incentives are given to producers, the shortfall in cement production will be difficult to remove.

Straw Products Results Impress

STRAW Products Ltd has produced satisfactory results for the year ended December 1963 which is the

CAPITAL, 25th June, 1964.

Company's silver jubilee year. The production capacity rose from 3,600 tonnes in 1939 to 30,000 tonnes in 1963. J. K. Paper Mills in Orissa has begun production and the output has been satisfactory. Production amounted to 15,737 tonnes of paper and sales for 1963 exceeded Rs. 3 crores. The forests leased to the Company by the Government of Orissa are being developed scientifically. The Bhopal factory has done well and produced 12,022 tonnes of straw boards. Sales amounted to Rs. 1.53 crores. The directors say that the factory has suffered due to the competition from smaller units producing less than 5,000 tonnes a year since the latter enjoys tax concessions. The present prices of paper are uneconomic since they do not cover the rising production costs. The new paper mills, in particular, have suffered in view of their high capital investments in comparison with those of the older mills. Capital investments of a new factory amount to Rs. 3,500 a tonne while the Tariff Commission has fixed the fair selling prices on the basis of capital investment ranging from Rs. 1,100 to Rs. 1,300 a tonne. The new factories will continue to suffer unless the paper prices are increased to a more realistic level.

The gross profit has amounted to Rs. 61.70 lakhs for 1963, against Rs. 10.97 lakhs for 1962. Depreciation absorbs Rs. 42.45 lakhs (against Rs. 6.15 lakhs) and general reserve Rs. 13 lakhs (against Rs. 11 lakhs). The preference dividends up to 1960 have been provided for. The ordinary dividend has been passed. Development rebate for Rs. 1.06 crores has still to be provided for. The carry-forward is Rs. 18,014, against Rs. 43,574 brought in.

Thakurdass Surekha Iron Foundry Does Well

THAKURDASS Surekha Iron Foundry Ltd has produced satisfactory results for the year ended December 1963. Sales rose from Rs. 2.68 crores to Rs. 4.04 crores. The profit has risen from Rs. 7.01 lakhs for 1962 to Rs. 15.74 lakhs for 1963, after transferring Rs. 1.63 lakhs (against Rs. 1.42 lakhs) to depreciation and Rs. 23,000 (against Rs. 8,100) to development rebate reserve. A taxable ordinary dividend of 12 percent has been declared to absorb Rs. 2.68 lakhs. Taxation is allocated Rs. 9.50 lakhs (against Rs. 3.70 lakhs), and general reserve Rs. 3.50 lakhs (against Rs. 1.25 lakhs). The carry-forward is Rs. 4,186, against Rs. 9,287 brought in.

The Company obtained orders for 31,500 tons of cast-iron sleeper plates from the Railway Board. The total output rose from 64,000 tons to 81,000 tons, although pig iron continued to be in short supply.

Patrakola Tea Skips Dividend

IN spite of the large profit earned by the Patrakola Tea Co. Ltd for the year ended December 1963, the dividend has been passed due to the non-availability of funds in India. The dividends proposed for 1962 to 1964 amounting to Rs. 57.60 lakh could not be declared since no remittance was received from Pakistan for this purpose. These sums which were set aside for paying the dividends have now been realised and the directors propose that Rs. 57.6 lakhs be transferred to contingency reserve account. A sum of Rs. 38.5 lakhs provided earlier to cover additional tax liability has now been transferred to contingencies reserve

CAPITAL, 25th June, 1964.

account because the tax liability may not arise.

The profit has amounted to Rs. 53.30 lakhs for 1963, against Rs. 77.15 lakhs for 1962, after providing Rs. 3.51 lakhs (against Rs. 2.81 lakhs) for depreciation. Taxation absorbs Rs. 37.50 lakhs (against Rs. 90.15 lakhs), revenue reserve Rs. 20.50 lakhs, development rebate reserve Rs. 61,000 (against Rs. 1.16 lakhs) and contingencies reserve Rs. 95.92 lakhs. Sums of Rs. 57.60 lakhs have been transferred from proposed dividends and Rs. 38.32 lakhs from taxation provision written back. The carry-forward is Rs. 14,001, against Rs. 26,078 brought in. The crop amounted to 1.9 million kilograms, against 1.8 million kilograms, but the average sale price dropped from Rs. 8.16 to Rs. 6.83 a kilogram. The crop for 1964 has been estimated at 1.9 million kilograms at an outlay of Rs. 1 crore. The start of the new season has been satisfactory.

Same from Naga Hills Tea

NAGA Hills Tea Co. Ltd (an Assam garden) has increased its profit from Rs. 1.25 lakhs for 1962 to Rs. 2.19 lakhs for 1963, after providing Rs. 1.10 lakhs (against Rs. 1.02 lakhs) for depreciation. A taxable ordinary dividend of 10 percent has been repeated, which works out to a yield of 4.7 percent at the present price of Rs. 21.25 a share of Rs. 10 each. Taxation is allocated Rs. 1.12 lakhs (against Rs. 9,000), general reserve Rs. 50,000 (the same), capital reserve Rs. 4.44 lakhs (against Rs. 15,201) and development rebate reserve Rs. 520 (against Rs. 27,500). The carry-forward is Rs. 34,082, against Rs. 21,008 brought in. The crop fell from 326,748 kilograms to 304,796 kilograms, but the average sale price rose from Rs. 5.55 a kilogram to Rs. 5.94 a kilogram. The crop for 1964 has been estimated at 340,000 kilograms at a cost of Rs. 4.79 a kilogram. It is proposed to extend the planted area by 60 hectares by 1966.

Kettlewell Bullen Pays More

KETTLEWELL Bullen and Co. Ltd has increased the taxable ordinary dividend from 10 percent to 14 percent for the year ended December 1963. At the present price of Rs. 132 a share of Rs. 100 each, the yield amounts to 10.6 percent. The profit has improved from Rs. 9 lakhs for 1962 to Rs. 11.94 lakhs for 1963, after providing Rs. 33,073 (against Rs. 34,373) for depreciation and Rs. 6.10 lakhs (against Rs. 5.50 lakhs) for taxation. General reserve is allocated Rs. 5.50 lakhs (against Rs. 7 lakhs), leaving a carry-forward of Rs. 6,548, against Rs. 86,447 brought in.

Hooghly Docking Cuts Dividend

THE Hooghly Docking and Engineering Co. Ltd has reduced the taxable ordinary dividend from 12½ percent to 10 percent for the year ended December 1963. But the ordinary share capital has, meanwhile, been raised from Rs. 12.50 lakhs to Rs. 17.50 lakhs by issuing bonus shares through the capitalisation of reserves. The yield amounts to 5.6 percent at the present price of Rs. 89 a share of Rs. 50 each. The profit has amounted to Rs. 3.81 lakhs, against Rs. 3.80 lakhs for 1962, after providing Rs. 94,829 (against Rs. 94,167) for depreciation. Development rebate reserve is allocated Rs. 2,000 (against Rs. 5,000) and general

reserve Rs. 2.07 lakhs (against Rs. 2.99 lakhs). The carry-forward is Rs. 3,237, against Rs. 5,801 brought in. The net value of completed work billed amounted to Rs. 1.55 crores (against Rs. 77.24 lakhs). The directors explain that the drop in the ratio of sales to gross profits is due to the keen competition in the field of construction work, in which the margin of profit is low. Work-in-progress at the end of December 1963, amounted to Rs. 1.04 crores, against Rs. 1.30 crores at the end of December 1962.

Rewa Coal Raises Dividend

THE profit of Rewa Coal Fields Ltd has risen from Rs. 13.36 lakhs for 1962 to Rs. 19.17 lakhs for 1963, after transferring Rs. 4.16 lakhs (against Rs. 2.80 lakhs) to depreciation. The taxable ordinary dividend has been increased from 10 percent to 20 percent, including an interim of 5 percent. The yield works out to 7.8 percent at the present price of Rs. 25.50 a share of Rs. 10 each. Taxation absorbs Rs. 9.31 lakhs (against Rs. 7.01 lakhs) and general reserve Rs. 6½ lakhs (against Rs. 2½ lakhs).

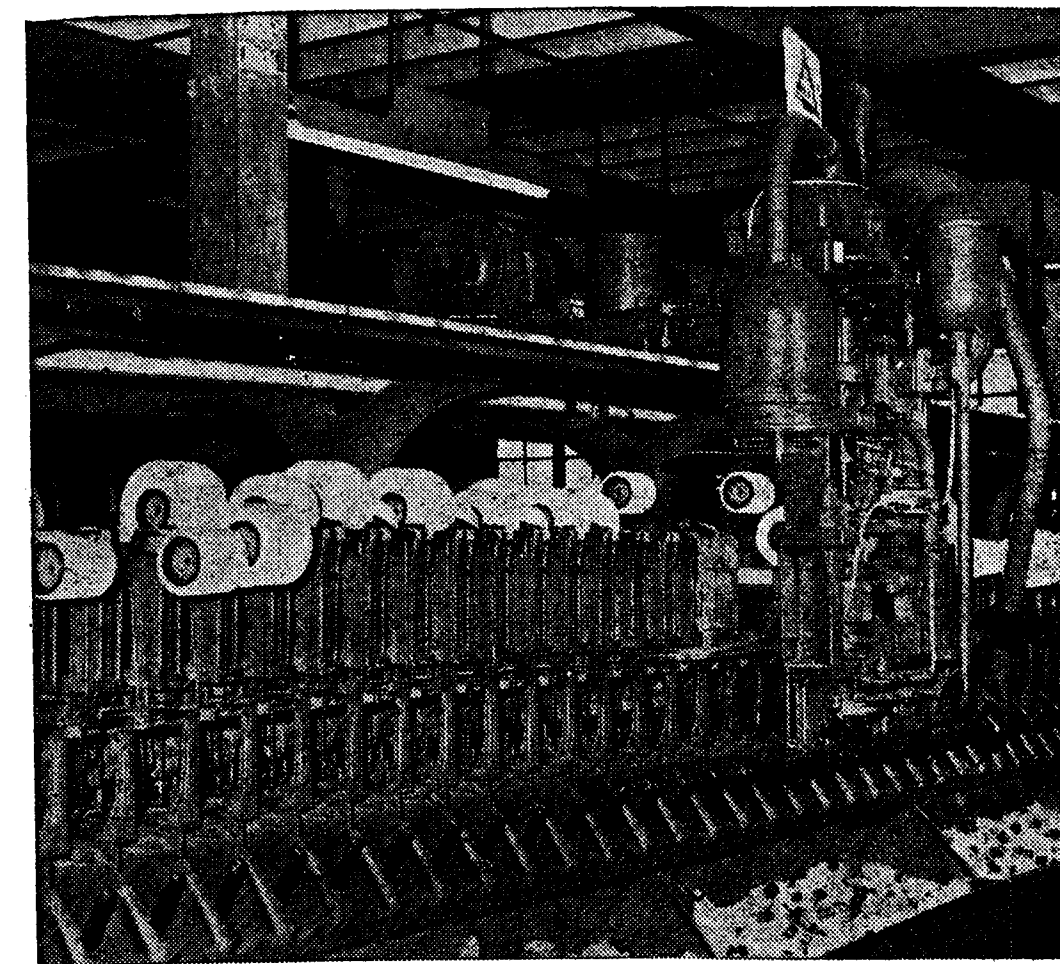
the total surplus comes to Rs. 3,31,601. Out of this, provision for taxation comes to Rs. 1,88,000 (against Rs. 1,75,000). A sum of Rs. 68,150 is transferred to general reserve. The dividend on preference shares at 7.8 percent (gross) amounts to Rs. 9,453. The dividend on equity shares at 12½ percent (against 13 percent) amounts to Rs. 58,775. The balance of Rs. 6,623 is carried forward.

A sum of Rs. 2.13 lakhs (against Rs. 1.81 lakhs) has been transferred to development rebate reserve, leaving a carryforward of Rs. 8,453, against Rs. 11,063 brought in.

Capital expenditure amounted to Rs. 9.18 lakhs (against Rs. 14.88 lakhs). Raisings moved up from 536,226 tonnes to 681,597 tonnes, and despatches from 527,981 tonnes to 644,068 tonnes. The directors say that the demand for middle and low-grade coal fell, but they hope that the situation will improve towards the close of 1964. They also mention that the introduction of box wagons for carrying coal has added to the difficulty of selling coal, because it can only be supplied to consumers who are used to handling these wagons.

Ganesh Flour to Raise Fresh Capital

GANESH Flour Mills Co. Ltd, Delhi, has decided to raise additional capital amounting to Rs. 24.50 lakhs by the issue of equity



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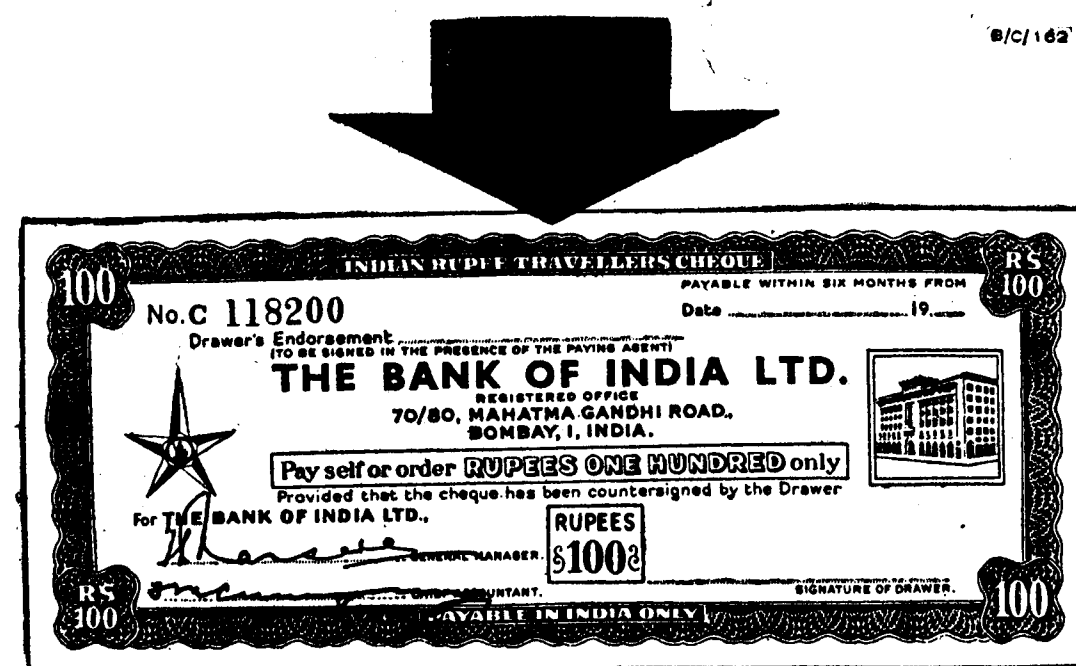
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shares and preference shares. Additional funds are required to finance the Company's expansion programme. It proposes to issue 108,000 equity shares of Rs. 12.50 each at par in the ratio of two shares for every 11 already held. In addition, 88,000 9.3 percent cumulative redeemable preference shares of Rs. 12.50 each are being issued at par in the ratio of four new shares for every 27 equity shares held. The new preference shares will be redeemable not earlier than 30th September, 1975, and not later than 30th September, 1980. These will have a preference on dividend as well as capital over the old and new equity capital, but will rank after 1st and 5th preference shares.

Pussimbing Tea Passes Dividend

THE profit of Pussimbing Tea Co. Ltd (a Darjeeling garden) has amounted to Rs. 15,481 for the year ended December 1963, against Rs. 1.04 lakhs for 1962, after providing Rs. 13,200 (against Rs. 700) for depreciation. The taxable ordinary dividend has been passed, but the preference dividends for 1957 and 1958 have been paid. The carry-forward is Rs. 5,216, against Rs. 6,852 brought in. The crop dropped from 116,997 kilograms to 95,502 kilograms and the average sale price from Rs. 5.95 to Rs. 5.81 a kilogram. The crop for 1964 has been estimated at 126,000 kilograms. The crop up-to-date has amounted to 35,302 kilograms, against

25,572 kilograms for the corresponding period of 1962.

Good Results from United Electrical

THE 1 percent increase in the dividend of United Electrical Industries, Quilon, from 7 percent to 8 percent, for 1963, provides little indication of the Company's impressive performance during the year. And the expansion programme that the Company has on hand holds out the promise of still better results in future. During 1963, the Company sold 110,000 meters against 76,000 meters in the previous year. Sales realisation rose by about 46 percent from Rs. 35.70 lakhs to Rs. 51.73 lakhs, and the gross profit shot up by as much as 132 percent from Rs. 5.14 lakhs to Rs. 11.96 lakhs. The provision for taxes amounts to Rs. 7.15 lakhs, against Rs. 3.32 lakhs. Allocation to general reserve has been raised from Rs. 1 lakh to Rs. 4 lakhs. The proposed ordinary and preference dividends absorb Rs. 1.51 lakhs (against Rs. 92,000). After making these appropriations, there remains a balance of Rs. 35,000 to be carried forward, against Rs. 1.04 lakhs brought in.

The directors state that there was a considerable increase in the production of single-phase meters during 1963 and that it will show a further increase in the current year. Full expansion contemplated in the production of these meters, is likely to

be achieved by the end of this year. The Company has decided to take up the manufacture of motor starters in collaboration with Mysore Electrical Industries. The scheme involving a capital outlay of Rs. 6 lakhs has already been taken up for implementation. The plant, it is expected, will be commissioned in the course of next few months. The Company also proposes to undertake the manufacture of some other equipments, in collaboration with foreign concerns. Negotiations have already been completed with certain firms on the Continent and the Company will soon be approaching the Government of India for the approval of the collaboration agreements.

More from Indore Malwa

THE Indore Malwa United Mills made a good showing in 1963. Despite a slight setback in its sales from Rs. 3.96 crores to Rs. 3.82 crores, the gross profit increased impressively from Rs. 15.75 lakhs to Rs. 23.94 lakhs. The dividend has been raised from Rs. 7.50 to Rs. 8 a share (Rs. 100-paid). From what the chairman, Mr. Kudilal Govindram Seksaria, stated at the Company's annual meeting, the improvement noticed in 1963 is unlikely to be carried much further during the current year. The chairman says that 1964 would be a year of stress and strain. Costs, particularly of cotton, are rising at an alarming rate. He, however, hoped that with the completion of

the present modernisation and renovation programme, the competitive capacity of the Company would improve and the shareholders could expect the results for the current year to be as good or slightly better than in 1963.

The Company's working during the first five months of the current year has been normal, and it will be producing more processed cloth this year than in 1963. The new machinery purchased last year has been commissioned, and is working satisfactorily. Mr. Seksaria pointed out that the textile industry was in the grip of persistent cost inflation. Production costs are said to have risen by about 15 percent since 1962 whereas cloth prices have been pegged at the 1961 level. He hoped that the Government would suitably revise cloth prices in order to ensure a fair return to the shareholders, and at the same time leave adequate margin for the industry to modernise and rehabilitate itself. Referring to the changes in taxation in the last Budget, Mr. Seksaria said that Indore Malwa would not be required to pay any surtax for 1963. The amount of third shift depreciation allowance is being worked out and the same will be adjusted in the current year's accounts. The chairman informed the shareholders that the Company was receiving bulk orders for mineral khaki from the Defence Department, and its supplies are being approved and accepted.

National Tannery Earns More

THE National Tannery Co. Ltd has increased its profit from Rs. 1.24 lakhs for 1962 to Rs. 1.55 lakhs for the year ended December 1963, after providing Rs. 1.21 lakhs (against Rs. 79,868) for depreciation. A taxable ordinary dividend of 4½ percent has been declared to absorb Rs. 42,750. Capital reserve is allocated Rs. 18,575 (against nil), development rebate reserve Rs. 49,700 (against Rs. 40,000), taxation Rs. 38,400 (against Rs. 38,000) and general reserve Rs. 35,000 (against Rs. 46,000). A sum of Rs. 14,627 has been provided for taxation for earlier years. The carry-forward is Rs. 6,268, against Rs. 35,391 brought in. Sales rose from Rs. 45.25 lakhs to Rs. 64.56 lakhs. A sum of Rs. 3.31 lakhs has been spent on additions to plant and machinery. A further loan of Rs. 8.25 lakhs has been sanctioned to the Company by the West Bengal Financial Corporation to increase its capacity for manufacturing chrome-tanned goat skins.

Engel India Machines

ENGEL India Machines and Tools Ltd has produced its report for the year ended December 1963. Since the factory has not yet started production there has been no earning, and the Company has incurred a loss of Rs. 57,176 during construction. The construction of the factory started in September 1963, and it is expected to be completed by the end of 1964. Out of the loan of Rs. 25 lakhs sanctioned by the Industrial Finance Corporation of India, the Company has already received a sum of Rs. 14 lakhs. The remaining balance, it is expected, will be received in the near future.

Samla Colliery Repeats

SAMLA Colliery Ltd has made a profit of Rs. 11.07 lakhs for the year ended December 1963, against Rs. 9.10 lakhs for 1962, after provid-

ing Rs. 4.22 lakhs (against Rs. 4.14 lakhs) for depreciation. A taxable ordinary dividend of 7.5 percent has been repeated. Development rebate reserve is allocated Rs. 75,000 (against Rs. 1.15 lakhs), general reserve Rs. 2 lakhs (against Rs. 1 lakh) and taxation Rs. 5.50 lakhs (against Rs. 4.45 lakhs). The carry-forward is Rs. 3,953, against Rs. 15,405 brought in. Raisings increased from 373,658 tonnes to 403,010 tonnes, and despatches from 360,534 tonnes to 370,952 tonnes.

Sutna Stone and Lime Cuts Dividend

THE profit of the Sutna Stone and Lime Co. Ltd has dropped from Rs. 15.23 lakhs for 1962 to Rs. 8.80 lakhs for 1963, after transferring Rs. 2.45 lakhs (against Rs. 2.17 lakhs) to depreciation. The taxable ordinary dividend has been decreased from 35 percent to 20 percent to give a yield of 7.1 percent at the present price of Rs. 28.31 a share of Rs. 10 each. Taxation absorbs Rs. 5.40 lakhs, including Rs. 82,000 for surtax on profits, against Rs. 9.80 lakhs, development rebate reserve Rs. 46,000 (against Rs. 85,000) and general reserve Rs. 2.13 lakhs (against nil). The carry-forward is Rs. 5,375, against Rs. 21,096 brought in. The directors hope to improve the results for the current year by taking suitable measures for promoting sales.

New Asiatic Insurance Does Better

THE New Asiatic Insurance Co. Ltd has made a profit of Rs. 61,917 for the year ended December 1963, after providing Rs. 6,436 for foreign taxation, Rs. 1,082 for expenses of management, Rs. 67,687 for loss on sale of shares, debentures and redemption of securities. A sum of Rs. 1.44 lakhs has been provided to cover losses from fire insurance and miscellaneous insurance accounts. The directors have mentioned in their report that the Controller of Insurance has not given the Company permission to start business other than insurance. The Company has in the meantime been carrying on only investment business. The surplus of Rs. 1.20 lakhs for 1963 has been adjusted, against the previous loss, and they hope that the outstanding losses will be written off completely during the current year. The Company has been advised to file an application in the court to get the refund of deposit with the Reserve Bank of India which has been kept under the Insurance Act. It is expected that after the release of the deposit, it will be easier to obtain sanction for undertaking other business or industrial activity.

Hyderabad Asbestos Results Impress

HYDERABAD Asbestos Cement Products Ltd reports excellent results for 1963. Sales have gone up by about 63 percent from Rs. 2 crores to Rs. 3.27 crores, and the gross profit has shot up by nearly 73 percent from Rs. 42.41 lakhs to Rs. 73.57 lakhs. Dividend has been stepped up from Re. 1 to Rs. 1.50 a share (40 percent to 60 percent), but the total distribution amounts to no more than Rs. 1.77 lakhs (against Rs. 1.18 lakhs). Appropriations include depreciation Rs. 10.91 lakhs (against Rs. 5.55 lakhs), development rebate reserve Rs. 4.87 lakhs (against Rs. 3.32 lakhs), taxation Rs. 34 lakhs (against Rs. 12 lakhs), general reserve Rs. 12 lakhs (against Rs. 5 lakhs) and contingencies Rs. 5 lakhs (against nil). After

providing for the proposed dividend and making some minor adjustments, there remains a balance of Rs. 1.07 lakhs to be carried forward, against Rs. 60,147 brought in. The directors state that the Company has been permitted to expand its existing factory and to establish another production centre in Ballabgarh in the Punjab. The new factory in Ballabgarh is expected to go into production this year. The Rs. 2.50 paid share of the Company is currently quoted around Rs. 22, offering a gross return of a little over 7 percent.

Edward Textiles Fares Well

EDWARD Textiles reports fairly encouraging results for 1963. Although the sales have registered only a small increase from Rs. 2.37 crores to Rs. 2.60 crores, the gross profit has gone up from Rs. 5.35 lakhs to Rs. 8.54 lakhs. The directors have provided Rs. 14.55 lakhs (against Rs. 9.10 lakhs) for depreciation, Rs. 1.41 lakhs (against Rs. 5.84 lakhs) for development rebate reserve and Rs. 9.32 lakhs (against nil) for bonus for previous years. Writing back Rs. 3.30 lakhs, being excess provision for statutory development rebate reserve for the previous year, the accounts show an overall loss of Rs. 13.44 lakhs. This, together with the deficit of Rs. 9.39 lakhs brought forward from the previous year, making an aggregate loss of Rs. 22.83 lakhs, is being carried forward.

The dividend has been maintained at 6 percent and this is being paid out of the general reserve as in the preceding year. Orders for machinery to the extent of Rs. 7.65 lakhs remained unexecuted at the end of the year and further orders for machinery worth Rs. 2.75 lakhs have been placed since then. The Company has deferred for the time being the issue of 5,000 9.3 percent cumulative preference shares of Rs. 200 each, which had been approved by the shareholders at the Company's last annual meeting. The issue has been deferred because of the depressed conditions in the capital market.

Binod Mills Pays the Same

THE Binod Mills Ltd has done well during 1963, in that both sales and gross profit are higher, although

the increase in profit is too small in relation to the rise in sales. Sales have gone up by about 17 percent from Rs. 3.88 crores to Rs. 4.54 crores, whereas the gross profit has recorded only a modest improvement from Rs. 14.75 lakhs to Rs. 15.06 lakhs. The dividend has been maintained at 7 percent. After providing Rs. 12.40 lakhs (against Rs. 10.40 lakhs) for depreciation, the pre-tax profit amounts to Rs. 2.66 lakhs, against Rs. 4.35 lakhs. After taking credit of Rs. 3.77 lakhs for items relating to previous years, the directors have provided Rs. 1.20 lakhs (against Rs. 5.65 lakhs) for development rebate reserve.

The proposed equity dividend absorbs Rs. 4.20 lakhs (the same) and preference dividend accounts for Rs. 1.20 lakhs (against Rs. 7,112). No provision has been made for taxation as in the previous year. After making various appropriations, there remains a balance of Rs. 7,597 to be carried forward, against Rs. 23,604 brought in. The Company has received a loan of Rs. 98.33 lakhs from the Industrial Finance Corporation for financing its Bimal Mills project. It has also raised Rs. 58.93 lakhs by the issue of shares. The cost of the project is stated to have gone up by Rs. 44 lakhs. In order to meet this shortfall, the Company is seeking an additional loan of Rs. 25 lakhs from the I. F. C., and it has also approached the Madhya Pradesh Financial Corporation for a loan of Rs. 20 lakhs.

Tirumurti Mills Pays More

A SUBSTANTIAL improvement in profits and sales marks the working of Tirumurti Mills Ltd for the year ended December 1963. Sales amounted to Rs. 1,04,13,786, against Rs. 83,23,424 in the previous year. The profit amounts to Rs. 3,27,586, after providing Rs. 3,04,955 for depreciation. The previous year's profit was Rs. 1,36,910, after providing Rs. 2,46,465 for depreciation. Out of this, Rs. 90,000 (against Rs. 38,240) is transferred to development rebate reserve. Provision for taxation amounts to Rs. 1,35,240 (against Rs. 16,512). The proposed dividend of 7 percent (against 6 percent) amounts to Rs. 1,02,346. These appropriations have absorbed the available surplus.

The directors state that the price of raw materials continued to be high during the year. There was increase

in wages, cost of electric energy, stores consumption, insurance, etcetera. The export prices of yarn and cloth were much below the local selling prices. The report adds that there was no profit in the weaving department because the ceiling prices of cloth remained the same in spite of an increase in the cost of production of yarn. Under the circumstances, the profits for the year are considered satisfactory.

Gnanambikai Mills Raises Dividend

THE working of Gnanambikai Mills Ltd for the year ended December 1963, shows a profit of Rs. 2,66,647, after providing Rs. 1,13,260 for depreciation. The previous year's profit was Rs. 2,71,044, after providing Rs. 1,08,844 for depreciation. Out of the profit, the directors have provided Rs. 40,996 (against Rs. 27,023) for development rebate reserve. Provision for taxation amounts to Rs. 1,30,454 (against Rs. 1,72,732). The dividend on preference shares at 8.45 percent (subject to deduction of tax) amounts to Rs. 1,749. The proposed dividend on equity shares at 9 percent (against 7½ percent) amounts to Rs. 83,448. A sum of Rs. 10,000 is transferred to general reserve.

Total sales for the year amounted to Rs. 46,68,046, against Rs. 45,77,264. The directors' report says that the price of cotton remained at a high level during the year. There was an increase in the cost of production also. The export of yarn under the compulsory scheme caused a loss to the Company. The directors are, however, making arrangements to increase the spindleage to 25,000.

Brunton (Engineers) Shows Loss

THE directors of the Brunton and Co. Engineers Ltd say in their report for the year ended December 1963, that the Company's working results for the year have not been satisfactory. After providing Rs. 50,246 (against Rs. 53,340) for depreciation, there is a net loss of Rs. 46,887, compared with the previous year's profit of Rs. 98,859. Including the loss of Rs. 46,887 for the year, the total loss in the balance-sheet stands at Rs. 3,74,162. The directors say that the Company has concluded a technical collaboration agreement with

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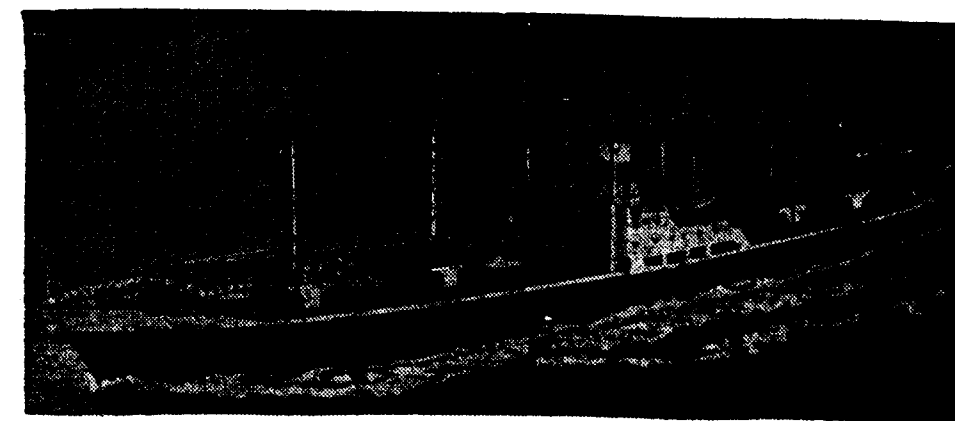


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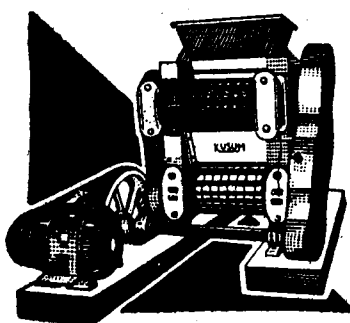
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Messrs Spintex Spinnerei-Maschinenbau Stiehl, Fromm and Company of West Germany, for the manufacture of high-speed draw-frames for textile mills. The formal approval of the Government of the terms of collaboration for the commencement of manufacture has also been received.

Sri Ramalinga Choodambikai Mills Earns Less

A FALL in the turnover and profit feature the working results of Sri Ramalinga Choodambikai Mills Ltd for the year ended December 1963. The directors state that the

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price of raw materials and wages rose without a corresponding increase in the selling price of the yarn. Due to a strike, production was much affected during the year, so the turnover was low. Furthermore, the low selling price for export reduced the profit margin considerably.

The net profit for the year amounts to Rs. 3,18,601, after providing Rs. 5,66,961 for depreciation. The previous year's profit was Rs. 8,90,951, after providing Rs. 6,33,875 for depreciation. With Rs. 258 brought forward from the previous year, the total available for appropriation comes to Rs. 3,18,859. Out of this, donations amounted to Rs. 700. Bonus for previous years in excess of provision amounted to Rs. 69,369. A sum of Rs. 57,844 is transferred to general reserve. The dividend at 10 percent (against 7½ percent) amounts to Rs. 1,90,328. The balance of Rs. 618 is carried forward. Sale of finished goods amounted to Rs. 1,02,00,138 (against Rs. 1,13,61,080).

Progress of Sakthi Pipes

THE report of Sakthi Pipes Ltd for the year ended December 1963, says that no profit and loss account has been prepared as the factory is in the construction stage. So the revenue expenditure incurred less the sundry income by way of interest receipts have been shown under the head "unallocated expenses". As on 31st December, 1963, this amounted to Rs. 3,84,997. The report says that necessary arrangements for the erection of the factory buildings and the construction of staff quarters have been made. The work for the installation of machinery is expected to be completed by August 1964. The Company has been granted a loan of Rs. 64 lakhs by the Industrial Credit and Investment Corporation of India, for meeting the foreign exchange requirements. But there has been some delay as some of the conditions of the Corporation were not accept-

able to Messrs Banque de Brussels, bankers to the Company's collaborators. Alternative arrangements have been made through Messrs Morgan Gaurantee Trust Company of New York for opening the letter of credit. The report adds that in spite of best efforts, there has been some delay due to procedural formalities in opening the letter of credit.

Port Shipping Pays Dividend Again

THE Port Shipping Co. Ltd has returned to the dividend list and has declared a taxable ordinary dividend of 12 percent for the year ended December 1963. At the present price of Rs. 14.25 a share of Rs. 10 each, the yield works out to 8.4 percent. The profit has risen from Rs. 4.14 lakhs for 1962 to Rs. 5.51 lakhs for 1963, after transferring Rs. 1.63 lakhs (against Rs. 1.37 lakhs) to depreciation. Taxation absorbs Rs. 1.02 lakhs, development rebate reserve Rs. 1.62 lakhs and general reserve Rs. 1.05 lakhs, leaving a carry-forward of Rs. 17,363, against Rs. 4,392 brought in. Freight rose from Rs. 32.02 lakhs to Rs. 36.39 lakhs. The Company participated in the contract between the Calcutta River Transport Association and the Calcutta Port Commissioners for the carriage of foodgrains from the Haldia anchorage during the winter months. The Company entered road transport business in order to provide better facilities and quick delivery of materials to its clients. It has become necessary for the Company to add to its fleet specially designed lighters due to the diversification of products by jute mills.

Nil from Udayagiri Rubber

THE directors of the Udayagiri Rubber Co. Ltd have passed over the ordinary dividend for the year ended December 1963. The profit for the year amounts to Rs. 35,256, after providing Rs. 11,855 for depreciation. The previous year showed a loss of Rs. 42,641, after providing Rs. 11,429 for depreciation. The dividend at 7.84 percent on preference shares amounts to Rs. 6,272, leaving a balance of Rs. 28,984 which is carried forward.

The tea crop for the year amounted to 138,470 kilograms, against an estimate of 133,900 kilograms. The estimated crop for 1964 is 140,000 kilograms. The average price realised for tea amounted to 354nP a kilogram.

New Capital Issues

SEVEN companies have been authorised to raise fresh capital aggregating Rs. 7.31 crores. Out of these, one company is issuing its capital on rights basis, two are issuing equities and another two are offering equity shares plus preference shares. Five of the companies are offering part of their capital for public subscription. Foreign collaboration is involved in the case of two companies. Excepting one company which has been given permission to float its issues until 16th November, 1964, the consent of the Controller of Capital Issues is valid for 12 months in all cases. The following are the details:

Mysore Acetate and Chemicals Co. Ltd. Mysore, is to issue capital of Rs. 2,25,00,000 in equity shares of Rs. 100 each, partly in cash and partly for consideration other than

cash. The money will be used for the manufacture of cellulose acetate in Mandya. Out of this issue the Government of Mysore would subscribe for Rs. 50 lakhs in addition to Rs. 30 lakhs to be taken up by Mysore Sugar Co. Ltd, a wholly-owned undertaking of the State Government. The foreign collaborators Von Kohn Universal Corporation of the U.S.A. and Chematur of Sweden will be offered shares of the value of Rs. 58.5 lakhs and Rs. 9.5 lakhs, respectively. Out of the balance, such number of the shares as would qualify to be listed on stock exchanges would be offered to the public.

Jayshree Chemicals Ltd. Calcutta, was given consent in 1963 for the issue of Rs. 90 lakhs consisting of Rs. 70 lakhs in equity and Rs. 20 lakhs in preference for the manufacture of caustic soda, chlorine, bleaching powder, etcetera, at Ganjam, Orissa. To enable the Company to meet capital requirements as now revised, another consent has been given for the issue of Rs. 30 lakhs consisting of Rs. 20 lakhs in equity shares of Rs. 10 each and Rs. 10 lakhs in cumulative redeemable preference shares of Rs. 100 each carrying a dividend of 9.5 percent free of Company's tax, but subject to deduction of taxes at source at the prescribed rates. Out of these, such number of shares of each kind as would qualify each kind of scrip to be listed on the recognised stock exchanges will be offered to the public by prospectus.

In supersession of an earlier consent for an issue of capital of Rs. 1,249 crores, Madras Tube Company Ltd, Madras, has now been given permission to issue capital of Rs. 1,39,93,000 divided into 999,300 equity shares of Rs. 10 each, and 40,000 preference shares of Rs. 100 each, for cash at par. Out of the issue, a suitable number of equity and preference shares which will enable the Company's scrip to enlist with the recognised stock exchanges will be offered for public subscription. The capital will be used for setting up a new undertaking in Madras for the manufacture of welded steel tubes. The consent remains valid for 12 months from the date of its earlier issue, that is, until 10th November, 1964.

Larsen and Toubro Ltd. Maharashtra, Bombay, engaged in the business of engineers, contractors, and manufacturers, will be issuing on a rights basis further capital of Rs. 66 lakhs (nominal) divided into 660,000 equity shares of Rs. 10 each for cash at a premium of Rs. 2 a share.

The Mysore Chemicals and Fertilisers Ltd. Mysore, is to issue further capital of Rs. 1 crore, for cash at par. Of the issue, shares of a value not exceeding Rs. 10 lakhs may be offered to the Government of Mysore and the remaining shares will be offered for public subscription. The capital will be expended on the installation of a new plant in the existing factory premises for manufacture of caustic soda and chlorine.

Hindustan Photo Films Manufacturing Co. Ltd. Ootacamund, a Central Government Company, is to issue equity capital of Rs. 60 lakhs in 6,000 shares of Rs. 1,000 each for cash at par. The money will be used for the manufacture of raw films for cinema industry, etcetera.

Transformers and Electricals Kerala Ltd. a new company incorporated in Kerala, will be issuing capital of Rs. 1.10 crores for the establishment of a factory with Japanese collaboration for the manufacture of power transformers. The issue will be made to the Kerala State Industrial Development Corporation Ltd to the extent of Rs. 25 lakhs, the Kerala State Government—Rs. 28.60 lakhs, Hitachi Ltd of Tokyo—Rs. 28.60 lakhs, and Rs. 27.80 lakhs will be offered for public subscription.

The Stock Markets

SHARES RECOVER SMARTLY ON SHORT-COVERING

Wednesday Evening.

THERE has been a smart recovery in the Calcutta stock market during the past week. The prices, especially of clearing shares, have hardened because of brisk short-covering, combined with replacement purchases. Although turnover is concentrated on clearing shares, prices of selected cash scrip have also improved due to the absence of sellers.

The cheerfulness has been caused mainly because of optimism about the dividend of the Indian Iron and Steel Company for 1963-64, which is likely to be announced shortly. The Company's transfer books will be closed from 1st August to 22nd August for the purpose of the dividend. The market has welcomed the meeting between the members of the Calcutta Stock Exchange and the chairman of the Unit Trust of India. Lyons Range is inclined to think that in the long run, the Unit Trust will have a good effect on the stock market since it will buy a substantial volume of equities for investment. But the short-term effects of such purchases may not be as bullish as has been made out. Since the units of the Trust will mop up substantial savings, the flow of funds to the stock market is likely to diminish.

Operators are encouraged by the hope that New Delhi will soon relax the margin system. The relaxation will, no doubt, help stimulate speculation in clearing shares, but it may not by itself broaden investment support until the outlook for equities is improved by suitable modifications of the fiscal and monetary policies. The advent of the slack season, combined with a larger return of funds into the banking system, has impressed the stock market, although it is doubtful whether banks will direct a considerable part of their resources into stocks and shares.

The concern over rising prices, particularly of foodgrains, continues. Attention centres on the meeting of the State Chief Ministers which is being held in New Delhi. Unless effective steps are taken to restrain inflationary pressures, various distortions will appear in the economy.

Indian Iron have improved to Rs. 25.02, after profit-taking at every bulge. All offerings have nevertheless been absorbed without much difficulty. Selected engineering shares have gained. Burn have been supported on producing good results. Interest has been shown in Guest, Keen, Williams, Texmaco and Braithwaite Bhartia Electric Steel have improved on good report. Jessop have been sluggish.

Clearing shares are prominent in the miscellaneous section. Hindustan Motors, Indian Aluminium, Indian Copper, Kesoram Industries and Dunlop Rubber have risen. Support is forthcoming for Alkali and Chemical, Union Carbide. British Paints, Metal Box and Associated Battery. Among managing agency shares, Balmer Lawrie, Jardine Henderson and Martin Burn have been steady. Among new shares, Philips Carbon have recovered. Hindustan Aluminium enjoy support on prospects of expansion. Electric company shares are sluggish and stray business in Calcutta Electric has been done. Orient Paper are active in the paper section; Bengal

Paper have been steady on a good report. Shree Gopal have been supported. Seshasayee are steady.

Selected jute shares have improved in sympathy with the general trend, although turnover is limited. Birla, Ganges, Anglo-India, Champdany, Kinnison, Auckland and New Central have attracted support. Coal shares are neglected and business has been small. Burrakur, Bengal, Central India and Western Bengal have changed hands. In cotton mills, Bharat Commerce, Elgin, Dunbar and Jay Shree Textiles are steady. J. K. Rayon have gained on producing good results. Investors are nevertheless cautious due to uncertainty concerning the price of cloth. Business in tea shares has been limited, and attention has generally centred on selected Assam gardens.

Government securities are steady. The 3 percent Conversion Loan 1986 has been quoted around Rs. 63.75. The prices of short-dated loans have been fully steady due to good institutional enquiries. The prices of medium-dated stocks have been about steady. Selected State Government loans have met with scattered institutional buying.

Bombay

SHARES RISE ON EASIER MARGIN HOPES

BUSINESS CONFINED TO CLEARING SHARES

Wednesday Evening.

THE Bombay stock market started the new account last Monday in a cheerful mood. Sentiment has taken a turn for the better due to

many favourable circumstances. Turnover is, however, largely confined to clearing shares, which have scored handsome gains on replacement buying, combined with short-covering. Although business in cash shares has been limited, their prices have gained considerably due to the absence of sellers.

Dalal Street is optimistic that the margin system will be relaxed. Activity in the stock market, it is generally thought, has been affected by the present stringent margin rules. During the past couple of months, turnover has declined to almost a trickle, and brokers have generally found it difficult to defray even recurring expenses.

The buoyancy has been due largely to hopes that the Tata Iron and Steel Company will declare a higher dividend for 1963-64 within next few days. Dalal Street has been impressed by the way in which the new Central Government has tackled domestic political problems. Although rising foodgrains prices have caused a great deal of concern, it is generally thought that the Chief Minister's conference which is being held in New Delhi, will formulate concrete measures to tackle the shortage of food. Operators have been encouraged by easier money conditions and they hope that the supply of bank credit to the stock market will increase.

Tata Steel ordinary have risen to Rs. 151. Among engineering shares, Tata Engineering have attracted support on dividend prospects. Premier Construction, Mukand Iron and Alcock Ashdown have been bought. Among motor-vehicle shares, Hindustan Motors have gained on support from Lyons Range. Premier Automobiles have improved fractionally.

The prices of selected cotton mill shares have hardened on brisk short-covering, combined with replacement purchases. Century, Bombay Dyeing,

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Liabilities			Assets		
	1963	April 12, 1962		1963	April 12, 1962
	Rs.	Rs.		Rs.	Rs.
Capital	2,500	2,500	Cash	33,993	27,992
Reserves	7,032	6,656	Investment	160	120
Deposits	94,503	80,382			
Other Liabilities	5,954	3,198	Loan & Discs.	74,069	63,006
Contra A/cs.	10,940	7,958	Contra A/cs.	10,940	7,958
Profit & Loss	699	790	Other assets	2,468	2,408
	1,21,628	1,01,494		1,21,628	1,01,494

a new dimension to investment

The Unit Trust of India—established by an Act of Parliament—offers you a unique form of investment which is safe, brings a steady return and is liquid enough to realise when you are in need of funds. This is: Units under the Unit Scheme, 1964.

The object of the Unit Trust is to pool the savings of the community by sale of units and to invest them in well chosen securities of diverse types. The investment policy of the Trust is to build up a balanced portfolio of investments, yielding an average return of over six per cent per annum.

Barring expenses limited by statute to a maximum of five per cent of the income, the Trust will distribute the balance to the unit holders as dividend.

Income from dividend up to Rs. 1,000 is free of income-tax in the hands of unit holders.

The management of the Unit Trust is vested in the Board of Trustees consisting of representatives of the Reserve Bank of India, State Bank of India, Life Insurance Corporation, commercial banks and business and financial institutions.

Each unit will be of the face value of Rs. 10. You can buy ten or a multiple of ten units. There is no upper limit to investment in units.

The Trust offers the initial sale of units at par from July 1 to July 31.

By investing in units,
you get
these advantages:

- Safety of Capital**
- Assured Income**
- Promise of Capital Growth**
- Spread of Investment**
- Tax Concessions**
- A Share in the Nation's Growing Industrial Prosperity**

Details of the unit scheme and application forms will be available at over 3,500 offices of the following banks from July 1:

State Bank of India, Bank of India Ltd., Central Bank of India, Punjab National Bank Ltd., United Commercial Bank Ltd., Allahabad Bank Ltd., Bank of Baroda Ltd., State Bank of Bikaner & Jaipur, State Bank of Hyderabad, State Bank of Indore, Bank of Maharashtra Ltd., State Bank of Mysore, State Bank of Patiala, Bank of Rajasthan Ltd., State Bank of Saurashtra, State Bank of Travancore, Indian Bank Ltd., Devkaran Nanjee Banking Co., Krishnam Baldeo Bank Ltd., New Bank of India Ltd., Syndicate Bank Ltd., Tanjore Permanent Bank Ltd., United Bank of India, Union Bank of India Ltd., British Bank of the Middle East Ltd., Chartered Bank, First National City Bank, Hongkong and Shanghai Bank Ltd., National & Grindlays Bank Ltd., Netherlands Trading Society Ltd., Mercantile Bank Ltd., Oriental Bank of Commerce Ltd. and India Overseas Bank Ltd.



Unit Trust of India

Amar Building, Pherozeshah Mehta Road, Bombay-1.

DA 64/119

Kohinoor and Svadeshi have risen. Standard have attracted interest on prospects of diversification of activity. India United ordinary, Tata Mills, Gokak and Morarjee have been transacted at higher prices.

Although turnover in miscellaneous shares has been limited, the prices of selected scrip have gained. In cement shares, Associated Cement and Digvijay have been steady. Among sugar shares, Belapur and Walchandnagar Industries have attracted support. In steamship companies, Scindia have gained on short-covering. Great Eastern Shipping have been steady. Be Be Petrol have been prominent in the mining section. Scattered support has been forthcoming for Shivrajpur Syndicate on the news that private traders will be allowed to export manganese ore.

Among chemical shares, Tata Chemical have improved on hopes of a higher dividend. Rayon shares have been very steady. National Rayon have gained on short-covering. Voltas have been steady. Indian Dyestuff have improved due to support from Ahmedabad interests in particular. A small turnover in bank shares has been transacted. Central Bank and Bank of Baroda have been done. Electric company shares have been cheerful. Ahmedabad Electric have soared to a new high for many years. Tata Hydro have changed hands.

Madras

MARKET STEADY ON OUTSIDE SUPPORT TURNOVER CENTRES ON CLEARING SCRIP

Tuesday Evening.

THE Madras stock market has been steady during the past week due to broadening support, particularly from outside sources. Turnover centres on selected clearing scrip. Investors have been encouraged by the prospect that the supply of credit to the stock market may improve due to the advent of the slack season. It is also thought that the Government may take active steps to stimulate activity in the stock market. The news that the Unit Trust will begin to sell units from 1st July has been interpreted bullishly.

Selected State Government loans have been bought. In bank shares, Indian Overseas have been done at Rs. 140 and Indian at Rs. 152. In insurance companies, United India have been steady at Rs. 640. Among electric companies, Karaikkal have changed hands at Rs. 10.25 and Vellore at Rs. 15.62. Sugar shares have been neglected. E.I.D. have been available at Rs. 34 and Andhra at Rs. 13.55. Deccan have dropped to Rs. 11.20 and Kothari to Rs. 6.65. Mysore have been barely steady at Rs. 28.33 and Travancore have been freely sold down to Rs. 7.20.

In the plantation section, Blue Mountain have been bought at Rs. 2.35 and Cochin Malabar at Rs. 6.30. Consolidated Coffee have hardened to Rs. 21.90 and Ouchterlony to Rs. 3.45. Periakaramalai have been transacted at Rs. 3.43. In rubber shares, Rajagiri have been wanted up to Rs. 21.50 on declaring an interim taxable ordinary dividend of 10 per cent. Be Be have been done at Rs. 2.27 and Nilambur at Rs. 11.65. T.R. and Tea have changed hands at Rs. 9.50 and Woodland have come to hand at Rs. 6.80. Among tea shares, Peermade have been steady at Rs. 21.25, Parkside at Rs. 25.73 and Nelliampathy at Rs. 3.93. In the coffee group, Amalgamated have been

done at Rs. 10.01, Coffee Lands at Rs. 17.65 and Kumergode at Rs. 3.78.

Selected textile shares have improved all round. South India Viscose have gained at Rs. 119.50 and Travancore Rayon have risen to Rs. 20.65. Lakshmi have been bought at Rs. 131 and Madura at Rs. 32.85. Cauvery Spinning have been transacted at Rs. 16.25 on declaring a taxable ordinary dividend of 10 percent. Buckingham have come to hand at Rs. 267 and Bangalore Woollen at Rs. 248. Mettur have been steady at Rs. 277.50 and Premier at Rs. 280. Ramakrishna have been done at Rs. 217.80 and Sarada at Rs. 96.

Among miscellaneous shares, Aluminium Industries are steady at Rs. 19.50, but Ashok Leyland are sluggish at Rs. 6.50. Dalmia Cement have been bought up to Rs. 13.62 and India Cement up to Rs. 5.55. Mettur Chemical have gained at Rs. 13.45. Seshasayee Paper have hardened to Rs. 7.12 and Mysore Paper to Rs. 12.50. Enfield have been taken at Rs. 10.87.

Parry's Confectionery have recovered to Rs. 2.72 and Spencer have changed hands at Rs. 21.65. T. Stanes have been steady at Rs. 30.50 and Textool at Rs. 142. Kirloskar Electric have been wanted at Rs. 18.40 and Madras Rubber have been quoted at Rs. 11.25.

THE WEEK'S TRANSACTIONS

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

CLEARED SECURITIES

Birla Jute Rs. 30/00—30/87—30/00—30/75—(28/00).
Burrakur Coal—Rs. 15/81—15/81—15/81—15/81—(16/50).

Dunlop Rubber—Rs. 33/62—34/50—33/62—34/37—(31/00).
Guest, Keen, Williams—Rs. 23/00—x.d.—24/44—23/00 x.d.—24/25—(31/62).
Hindustan Motors—Rs. 17/81—18/53—17/81—18/44—(15/78).
Howrah Jute—Rs. 15/37—15/75—15/37—15/75—(18/79).
Indian Aluminium—Rs. 29/94—31/44—29/94—31/31—(32/75).
Do. (New)—Rs. 20/69—20/69—20/69—20/69.
Indian Copper—Rs. 3/26—3/46—3/26—3/44—(4/60).
Indian Iron—Rs. 24/28—25/08—24/28—25/02—(22/06).
Indian Cable—Rs. 35/00—35/00—35/00—35/00—(30/25).
Jaipur Udyog—Rs. 11/00—11/44—10/94—11/37—(11/06).
J. K. Cotton—Rs. 10/75—11/06—10/75—10/94—(11/75).
Kesoram Industries—Rs. 25/12—26/69—25/12—26/56—(21/56).
Orient Paper—Rs. 35/75—36/30—35/70—36/30—(33/70).
Orissa Cement—Rs. 12/87—13/25—12/81—13/25—(13/75).
Rohtas Industries—Rs. 11/56—11/84—11/47—11/72—(10/69).
Shree Gopal Paper—Rs. 23/50—26/12—23/25—26/03—(23/81).

A RUBBASEALED CAR IS A MONSOON-PROOF CAR



PROTECT YOUR CAR TODAY

- AGAINST:
- UNDERBODY RUST
 - RUST INSIDE DOOR PANELS
 - DAMAGE BY FLINTS AND STONES
 - AVOIDABLE DEPRECIATION IN VALUE



DUNLOP RUBBASEAL

THE COMPLETE UNDERBODY PROTECTION

Textile Machinery—Rs. 27/55—28/25—27/55—28/20—(23/20).

GILT-EDGED

3 % Loan (1966-68)—Rs. 98/25—98/25—98/25—98/25—(11/31).
 3 % " (1966)—Rs. 63/70—63/75—63/70—63/75—(4/69).
 3 % " (1970-75)—Rs. 90/45—90/45—90/45—90/45—(7/91).
 3½ % " (1967)—Rs. 99/80—99/80—99/80—99/80—(7/91).
 3½ % " (1968)—Rs. 99/70—99/70—99/70—99/70—(27/75).
 4 % " (1970)—Rs. 99/00—99/10—99/00—99/05—(7/31).
 4 % U.P. (1967)—Rs. 99/40—99/40—99/40—99/40—(4/75).
 4 % Maharashtra (1967)—Rs. 99/40—99/40—99/40—99/40—(13/31).
 4½ % Loan (1973)—Rs. 100/00—100/05—100/00—100/05—(7/81—8/69).
 4½ % West Bengal (1974)—Rs. 99/55—99/55—99/55—99/55—(10/70).
 4½ % Madras (1974)—Rs. 99/30—99/30—99/30—99/30—(4/56).
 4½ % (1989)—Rs. 100/00—100/00—100/00—100/00—(10/00).

BANKS

Bank of Baroda—Rs. 95/50—95/50—95/50—95/50—(18/69).
 Punjab National—Rs. 19/06—19/75—10/06—19/75—(18/69).
 United Bank of India (Rs. 10/- paid)—Rs. 7/56—7/56—7/56—7/56—(7/25).
 United Commercial—Rs. 68/00—68/75—68/00—68/75—(68/00).
RAILWAY
 Dehri Rohtas—Rs. 11/00—11/06—11/00—11/06—(13/75).

TEXTILES

Basanti—Rs. 12/00—12/12—12/00—12/12—(11/50).
 Cawnpore—Rs. 5/94—6/19—5/94—6/19—(6/31).
 Elgin—Rs. 17/62—18/25—17/62—18/12—(17/94).
 Jaya Shree—Rs. 13/44—14/25—13/44—14/12—(14/25).
 New Victoria—Rs. 1/31—1/44—1/31—1/44—(1/41).
 Swadeshi (P.O.)—Rs. 6/25—6/75—6/25—6/75—(13/00).
 Shree Madhusudan (Pref.)—Rs. 58/00—58/00—58/00—58/00—(58/00).

COALS

Bengal—Rs. 230/00—230/00—230/00—230/00—(280/00).
 Central India—Rs. 8/44—8/75—8/44—8/69—(9/87).
 New Beerbhoom—Rs. 14/62—15/25—14/62—15/19—(19/12).
 Raneeunge—Rs. 13/31—13/37—13/31—13/37—(16/00).
 Samla—Rs. 7/75—7/81—7/75—7/81—(10/03).
 Standard—Rs. 10/44—10/53—10/44—10/50—(13/12).
 Western Bengal—Rs. 8/62—8/78—8/62—8/78—(19/06).
 West Ghusick—Rs. 14/50—15/00—14/50—15/00—(15/00).

JUTES

Agarpara—Rs. 8/62—9/08—8/62—9/06—(9/94).
 Anglo-India—Rs. 155/00—155/00—151/00—152/00—(224/00).
 Auckland—Rs. 122/00—122/00—122/00—122/00—(146/00).
 Bally—Rs. 235/00—235/00—235/00—235/00—(265/00).
 Ft. William—Rs. 21/37—21/44—21/37—21/44—(13/87).
 Ganges—Rs. 13/12—13/69—13/12—13/69—(13/87).
 Gondalpara—Rs. 13/87—14/06—13/87—14/06—(15/62).
 Kinnison—Rs. 114/00—114/00—114/00—114/00—(148/00).
 Do. (Pref.)—Rs. 95/75—96/50—95/75—96/50—(92/50).
 Megna—Rs. 12/50—12/75—12/50—12/75—(13/12).
 Nuddea—Rs. 10/19—10/19—10/19—10/19—11/81—(12/37).
 New Central—Rs. 11/37—11/81—11/37—11/81—(12/37).
 Do. (Pref.)—Rs. 91/00—91/75—91/00—91/75—(91/50).
 Naihati—Rs. 75/00—75/00—75/00—75/00—(81/00).

Nellimarla—Rs. 8/19—8/31—8/19—8/31—(11/31).
 Presidency—Rs. 4/37—4/69—4/37—4/56—(4/69).
 Shree Ambica—Rs. 25/00—25/25—25/00—25/25—(25/00).

MININGS

Assam Sillimanite—Rs. 6/31—6/50—6/25—6/37—(7/91).
 Metal Corp.—Rs. 6/56—6/69—6/50—6/69—(7/91).
 Orissa Minerals—Rs. 19/56—19/56—19/44—19/56—(27/75).

CEMENTS

Ashoka—Rs. 6/69—6/69—6/62—6/62—(7/31).
 Bengal Potteries—Rs. 4/75—4/75—4/75—4/75—(12/87).
 Dalmia (Bharat)—Rs. 12/87—12/87—12/75—12/81—(13/31).
 Do. (Pref.)—Rs. 7/81—7/87—7/81—7/87—(8/69).
 Kalyanpur Lime & Cement—Rs. 107/00—107/00—107/00—107/00—(10/70).
 Sone Valley—Rs. 4/31—4/44—4/31—4/44—(4/56).

CHEMICALS

Alkali & Chemical—Rs. 26/37—27/12—26/25—27/00—(31/12).
 Chemicals & Fibres—Rs. 12/12—12/44—12/00—12/50.

PUBLIC UTILITIES

Calcutta—Rs. 14/56—14/87—14/50—14/81—(14/25).
 Do. (Pref.)—Rs. 7/90—7/90—7/90—7/90—(8/19).
 Patna—Rs. 10/06—10/12—10/06—10/12—(10/56).
 U.P.—Rs. 151/00—151/00—151/00—151/00—(10/56).

ENGINEERS

Britannia Eng.—Rs. 9/81—10/00—9/75—10/00—(9/37).
 Burn & Co.—Rs. 285/00—270/00—260/00—270/00—(550/00).
 Bhartiya Electric Steel—Rs. 15/12—15/44—15/12—15/44—(14/50).
 Binani Metals—Rs. 12/84—12/84—12/73—12/75—(10/25).
 Bharat Ball Bearing—Rs. 11/56—11/62—11/50—11/50—(11/50).
 Calcutta Steel—Rs. 13/69—13/75—13/62—13/69—(13/00).
 Dalmia Iron—Rs. 11/19—11/19—11/12—11/12—(10/62).
 Indian Iron (Pref.)—Rs. 81/00—81/00—80/75—80/75—(85/00).
 Indian St. Wagon—Rs. 34/37—36/37—34/37—36/37—(32/50).
 Industrial Containers—Rs. 22/00 x.d.—22/50—(21/37).
 Jay Eng.—Rs. 17/37—17/44—17/37—17/44—(21/06).
 Jessop & Co.—Rs. 20/50—20/81—20/50—20/75—(23/06).
 J. K. Steel—Rs. 15/75—16/00—15/75—16/00—(14/12).
 Kumardhubi—Rs. 5/00—5/44—5/00—5/44—(8/19).
 Marshall—Rs. 3/06—3/12—3/06—3/06—(2/56).
 Machinery Mfg.—Rs. 24/00—24/00—24/00—24/00—(24/00).
 National Iron & Steel—Rs. 6/00—6/12—6/00—6/12—(3/87).
 National Screw & Wire—Rs. 11/00—11/00—11/00—11/00—(11/00).
 Saran Eng.—Rs. 6/75—6/94—6/62—6/94—(8/75).
 Textile Machinery (2nd Pref.)—Rs. 62/00—62/50—62/00—62/50—(62/50).

INSURANCE

Ruby General—Rs. 12/06—12/12—12/06—12/12—(9/31).

MISCELLANEOUS

Aluminium Corp.—Rs. 11/37—11/62—11/37—11/50—(12/50).
 Associated Battery—Rs. 21/56—23/37—21/56—23/37—(23/50).
 Asiatic Oxygen—Rs. 10/37—10/37—10/37—10/37—(10/37).
 American Refrigerators—Rs. 7/06—7/12—7/00—7/12—(7/00).
 Angelo Brothers—Rs. 23/69—23/69—23/56—23/56—(21/75).
 Bararee Coke—Rs. 18/50—18/62—18/50—18/62—(18/62).
 Balmer Lawrie—Rs. 256/00—256/00—249/00—251/00—(239/00).
 Bharat Nidhi—Rs. 6/00—6/00—6/00—6/00—(5/10).

B. I. Corp.—Rs. 9/31—9/75—9/25—9/69—(7/82).
 British Paints—Rs. 21/00—21/37—21/00—21/37—(18/75).
 Britannia Biscuits—Rs. 37/75—37/75—37/75—37/75—(42/12).
 Calcutta Tramways—Rs. 10/37—10/44—10/12—10/37—(11/06).
 Dr. Paul Lohmann—Rs. 8/69—8/87—8/69—8/87—(10/25).
 Do. (New)—Rs. 5/00—5/00—5/00—5/00—(6/94).
 East Anglia—Rs. 7/19—7/19—6/94—6/94—(13/44).
 English Electric—Rs. 13/44—13/44—13/44—13/44—(13/44).
 General Tyres—Rs. 7/25—7/69—7/25—7/69—(7/62).

Goodyear India—Rs. 21/25—22/69—21/25—22/69—(30/25).
 Gwalior Rayon—Rs. 36/50—36/50—36/50—36/50—(41/00).
 Hindustan Aluminium—Rs. 12/19—12/87—12/00—12/84—(12/37).
 Hindustan Development—Rs. 3/75—4/00—3/75—4/00—(4/06).
 Hindustan Twyford—Rs. 13/12—13/12—13/12—13/12—(14/37).
 Hindustan Pilkington Glass—Rs. 13/00—13/75—13/00—13/75—(6/69).
 Indian Forge & Drop Stamping—Rs. 6/69—6/69—6/69—6/69—(11/84).
 Isaac Holdens—Rs. 11/87—12/25—11/84—12/25—(14/00).
 Imperial Tobacco—Rs. 9/50—9/50—9/44—9/50—(10/25).
 India Carbon—Rs. 13/50—13/50—13/50—13/50—(19/25).
 Indian Tack & Nail—Rs. 9/62—9/81—9/62—9/81—(9/62).
 Indian Wood Products—Rs. 27/25—27/25—27/25—27/25—(28/75).
 Indian Oxygen—Rs. 24/81—25/96—24/81—25/96—(72/50).

Jardine Henderson—Rs. 72/50—74/25—72/50—74/25—(86/50).
 J. K. Synthetics—Rs. 11/75—12/12—11/75—12/12—(10/00).
 Kesoram Industries (2nd Pref.)—Rs. 96/00—96/50—96/00—96/50—(26/25).
 Martin Burn—Rs. 26/25—26/44—26/25—26/44—(25/81).
 Do. (Pref.)—Rs. 80/00—80/50—80/00—80/50—(84/00).
 Metal Box—Rs. 31/25—31/25—31/25—31/25—(49/87).
 McLeod & Co.—Rs. 230/00—230/00—230/00—230/00—(210/0).
 Metal Distributors—Rs. 9/00 S.T.—9/19—9/00—9/19—(19/00).
 National Rolling—Rs. 19/00—19/00—19/00—19/00—(18/87).
 National Rubber Mfg.—Rs. 11/19—11/25—11/12—11/12—(11/56).
 Do. (Renunciation)—Rs. 0/12—0/12—0/12—0/12—(11/69).
 National Tobacco—Rs. 10/94—11/00—10/87—10/94—(11/69).
 National Insulated Cable—Rs. 22/50—23/06—22/50—23/06—(24/00).
 Phillips Carbon—Rs. 12/19—12/25—12/06—12/25—(15/94).
 Philips India—Rs. 28/25—28/25—27/87—27/87—(28/00).
 Rallis India (Pref.)—Rs. 59/50—59/50—57/25—57/25—(7/50).
 Sarsilk—Rs. 7/50—7/50—7/50—7/50—(9/06).
 Shalimar Wire—Rs. 9/50—9/50—9/50—9/50—(15/69).
 Shaw Wallace—Rs. 15/69—15/69—15/69—15/69—(30/00).
 Union Carbide—Rs. 30/00—31/25—29/87—30/50—(38/75).
 Universal Cables—Rs. 10/37—10/94—10/31—10/94—(9/06).
 Universal Electrics—Rs. 7/23—7/23—7/23—7/23—(14/50).
 Usha Martin—Rs. 14/50—14/50—14/50—14/50—(3/19).
 Walford Transport—Rs. 3/19—3/19—3/06—3/19—(3/56).

SUGARS

Belsund—Rs. 7/62—7/75—7/62—7/75—(7/81).
 Champaran—Rs. 10/87—10/87—10/87—10/87—(12/06).
 Carew & Co.—Rs. 12/12—12/19—12/06—12/06—(12/50).
 Darbhanga—Rs. 7/87—7/87—7/87—7/87—(8/06).
 New India—Rs. 29/37—29/37—29/37—29/37—(9/12).
 Purtabpur—Rs. 9/12—9/12—9/12—9/12—(7/75).
 Shree Krishna Gyanoday—Rs. 7/75—7/75—7/62—7/62—(7/06).

SHIPPING

India Steamship—Rs. 6/31—6/41—6/19—6/41—(6/00).

OIL

Indo-Burma Petroleum—Rs. 20/56—20/75—20/37—20/56—(21/87).

TEAS

Bloomfield—Rs. 3/25—3/25—3/09—3/09—(3/12).
 Brooke Bond—Rs. 10/12—10/19—9/87—10/19—(11/81).
 Batell—Rs. 16/25—16/25—16/25—16/25—(20/50).
 Belgachi—Rs. 21/00—21/00—21/00—21/00—(22/50).
 Bishnauth—Rs. 13/06—13/25—13/00—13/25—(18/25).
 Bormah Jan—Rs. 10/62—10/62—10/62—10/62—(14/25).
 Hasimara—Rs. 12/12—12/44—12/00—12/31—(12/81).
 Hantapara—Rs. 101/00—102/00—100/00—100/00—(106/00).
 Kornafull—Rs. 9/75—9/75—9/75—9/75—(13/06).
 Margaret's Hope—Rs. 11/75—11/81—11/75—11/81—(11/62).
 Patrakola—Rs. 148/00—153/00—148/00—153/00—(120/00).
 Tukvar—Rs. 3/44—3/50—3/44—3/50—(7/31).

DEBENTURE

5½% Burmah-Shell—Rs. 93/75—93/75—93/75—93/75—(93/75).

London

RECOVERY SUSTAINED BY TRADE FIGURES

GILT-EDGED BETTER AT CLOSE

London, 24th June.

THE stock market made further progress on renewed buying prior to the week-end, but an easier trend developed subsequently, and although showing fresh gains on the week, prices were below their best levels. The further improvement followed persistent but small investment buying in a thin market, encouraged by the much better overseas trade figures for May, and the subsequent modest decline in prices was mainly a natural reaction after a fortnight of rising prices. In addition, political uncertainties, both at home and abroad, because the flow of good company news during recent weeks is gradually slackening. Gilt-edged drifted lower, while the rest of the market improved, but took a turn for the better after the week-end, and the earlier falls were recovered. Industrials turned easier after the week-end, but not all the earlier gains were lost. Good features included Leyland, Plessey Metal Box, Rolls Royce, Wiggins Teape and Marks and Spencer. The politically sensitive steel, insurance and property shares improved prior to the week-end, but prices eased off later. Firmness in tin shares reflecting the rise in the metal prices was the best feature of mines. Gold shares by contrast lost ground or nervousness concerning the political situation in South Africa. Oils rubbers and teas fluctuated within narrow limits. Dollar stocks generally improved following Wall Street

Money

THE CALCUTTA MONEY MARKET

CALL RATE DECLINES FURTHER

Wednesday, 24th June.

THERE has been a moderate decrease in the general level of advances in the Calcutta money market during the past week. This is due to a slight decline in the credit given to jute and sugar mills and to the foodgrains and seeds trade. The requirements of the cotton mills and the iron, steel and engineering industries remain unchanged. In the interbank market, conditions have been easier and the call rate has been around 2 percent after rising to 3½ percent.

The exchange market has been moderately active, with a fair supply of gunny bills. Tea bills have been in poor supply. The demand for remittances has been fair. In London, sterling has lost against most of the important currencies except the Belgian franc.

SILVER WAS QUIET IN CALCUTTA during the past week. The price declined from the previous week's level of Rs. 250 to Rs. 248.25, quoted today. The London and New York prices stood at 11½d and 129.3 cents.

In spite of a fall in silver, gold was steady. The price of 14-carat rose from Rs. 71.25 to Rs. 71.75.

DURING THE WEEK ENDED 19TH JUNE, Government of India Treasury bills for Rs. 55,87,75,000 were sold in favour of the Reserve Bank.

TENDERS FOR Rs. 2 CRORES OF 91-DAY Government of India Treasury bills were opened on 23rd June. The total amount offered was Rs. 4,27,00,000. Tenders at Rs. 99.255 percent and above were accepted in full, and those at Rs. 99.250 percent were allotted 43 percent approximately. The total amount accepted was Rs. 2 crores, the average rate of acceptance being Rs. 2.995 percent a year. Tenders for Rs. 2 crores of 91-day Government of India Treasury bills will be received at Bangalore, Calcutta, Kanpur, Madras, Nagpur and New Delhi up to the close of business on 27th June, 1964, and at Bombay up to 11 a.m. on 29th June.

IT IS STATED THAT 91-DAY INTERMEDIATE Treasury bills will be sold from 24th June to 27th June at Rs. 99.266 percent. Sales can be stopped at any time without notice if the Government thinks it necessary. These bills sold from 17th June to 20th June amounted to Rs. 13.32 crores only.

DECLINES OF Rs. 36.70 CRORES TO Rs. 2,517.28 crores in active notes and of Rs. 32.85 crores to Rs. 2,543.67 crores in the total note issue were notable features of the return of the Reserve Bank of India for the week ended 19th June, 1964. The currency contraction was adjusted by reducing foreign securities by Rs. 5 crores to Rs. 93.46 crores and rupee securities by Rs. 30.02 crores to Rs. 2,232.20 crores. Balances held abroad in the Banking Department dropped by Rs. 1.06 crores to Rs. 7.39 crores, while investments at Rs. 284.02 crores showed a rise of Rs. 25.12 crores. Deposits of the Government of India rose by Rs. 14.30 crores to Rs. 65.40 crores but those of State Governments declined

RESERVE BANK

Liabilities—	ISSUE DEPARTMENT (In 000's of Rupees)	Week Ended		
		19-6-64	12-6-64	21-6-63
Notes in Banking Dept. ...	...	26,39.13	22,53.29	32,92.72
Notes in Circulation ...	...	25,17.27.50	25,53.98.28	22,75.19.13
Total Notes issued ...	...	25,43.66.63	25,76.51.57	23,08.11.85
Assets—	...	...	...	...
A. Gold Coin and Bullion ...	...	1,17.76.10	1,17.76.10	1,17.76.10
Foreign Securities ...	...	93.45.69	98.45.59	1,05.58.43
Total of A ...	...	2,11.21.79	2,16.21.79	2,23.34.53
B. Rupee Coin ...	...	1,00.24.85	98.07.91	1,13.83.72
Rupee Securities ...	...	22.62.19.99	22.62.21.87	19.70.93.60
Total ...	...	25,43.66.63	25,76.51.57	23,08.11.85

BANKING DEPARTMENT

Liabilities—		Week Ended		
		19-6-64	12-6-64	21-6-63
Capital Paid-up	...	5,00.00	5,00.00	5,00.00
Reserve Fund	...	80,00.00	80,00.00	80,00.00
National Agricultural Credit (Long Term Operations) Fund	...	73,00.00	73,00.00	61,00.00
National Agricultural Credit (Stabilisation) Fund	...	8,00.00	8,00.00	7,00.00
Deposits—				
(a) 1. Central Govt.	...	65.39.77	51.10.03	51.10.78
2. State Govts.	...	14.84.43	17.39.14	12.28.29
(b) Banks—	...	...	...	...
(i) Scheduled Banks	...	89.20.87	81.71.52	89.16.48
(ii) State Co-operative Banks	...	2.43.48	2.64.47	2.57.28
(iii) Other Banks	...	1.65	1.52	9.62
(c) Others	...	1,60.61.24	1,62.18.73	1,72.32.26
Bills Payable	...	39.37.70	40.39.33	39.97.19
Other Liabilities	...	75.62.85	75.23.09	82.53.60
Total	...	6,13.51.99	5,97.82.13	6,03.05.70
Assets—				
Notes	...	26,39.13	22,53.29	32,92.72
Rupee Coin	...	4.16	2.68	2.35
Small Coin	...	3.21	2.70	2.14
National Agricultural Credit (Long Term Operations) Fund				
(a) Loans and Advances to—	...	...	...	...
(i) State Govts.	...	28.30.57	28.30.56	27.17.02
(ii) State Co-operative Banks	...	8.65.02	8.35.18	9.15.99
(iii) Central Land Mortgage Banks	...	...	...	...
(b) Investment in Central Land Mortgage Bank Debentures	...	4,08.83	4,02.83	2,84.88
National Agricultural Credit (Stabilisation) Fund				
Loans and Advances to State Co-operative Banks	...	...	...	...
Bills Purchased and Discounted—				
(a) Internal	...	...	...	...
(b) External	...	...	...	...
(c) Govt Treasury Bills	...	44,20.64	48,96.39	56,57.71
Balance Held abroad	...	7,38.77	8,44.66	7,03.66
Loans and Advances to Govt.	...	49,60.04	45,19.86	40,22.17
Loans and Advances to—	...	...	...	...
(i) Scheduled Banks	...	4,02.78	18,15.63	1,30.12
(ii) State Co-operative Banks	...	1,21,50.90	1,20,17.12	1,14,25.48
(iii) Others	...	2,44.20	1,93.70	3,01.62
Investments	...	2,84,02.00	2,58,89.79	2,69,32.25
Other Assets	...	32,72.65	32,76.74	38,67.64
Total	...	6,13.51.99	5,97.82.13	6,03.05.70

limiting factors for the use of fertiliser, namely, inadequate moisture.

EXTERNAL DEBT

The Growing Burden

India's anxiety to increase her exports and to depend more and more on foreign private capital investments rather than on economic aid from abroad has its genesis in the growing burden of her external debt. The liability of principal repayment and payment of interest on the loans secured by the Government of India up to December last, during the current financial year and the next 11 years totals \$3,639.2 million as the following figures show:

Year	Principal (\$ million)	Interest
1964-65	126.5	121.4
1965-66	184.2	133.6
1966-67	220.3	134.4
1967-68	230.2	125.0
1968-69	243.4	115.8
1969-70	237.6	104.7
1970-71	230.7	94.3
1971-72	221.3	83.4
1972-73	210.0	74.1
1973-74	209.8	64.5
1974-75	192.4	55.8
1975-76	179.2	46.6
	2,485.6	1,153.6

EUROPEAN INVESTMENT

New Survey Report

The Adviser to the Indian Investment Centre, Mr. Joseph P. Bourdrez, who recently made an appraisal of the prospects of investments in India from various European countries, says in a report that the European companies would be interested in making investments in India more from the point of view of "integrated growth" of the company concerned rather than from the financial point of view. The majority of the suitable companies in Europe, he adds, will be very selective in deciding where new overseas investments should be made. Banks and public funds from Europe may become more readily available for investment in developing nations as a result of Government credits and because of official agreements for the protection of capital. But the initiative generally will have to come from individual managements.

Mr. Bourdrez has found in the European nations a general feeling of basic goodwill towards India's efforts to develop her industrial potential. But there is widespread ignorance and also "misinformation" on India's policies, conditions and potentialities. With a view to correcting these wrong impressions, the Indian Investment Centre is expected to open its first branch on the Continent in Düsseldorf, West Germany, by the autumn of this year. Another branch may later be set up in Paris.

TAX HOLIDAY

Scheme Being Examined

The Central Government may examine the case for making the tax holiday incentive available for five years from the date of profitable operation of an industrial unit, instead of the first five operating years as hitherto. An indication to this effect is stated to have been given

STATE TRADING IN FOODGRAINS OPPOSED

(FROM OUR NEW DELHI CORRESPONDENT)

ALTHOUGH the new Central Food and Agriculture Minister, Mr. C. Subramaniam, has been reluctant to say so, it is reported that he does not favour State trading in foodgrains at the present juncture. The main reason for this stand appears to be that the administrative machinery required for any large-scale State trading in foodgrains cannot be created overnight. Mr. Subramaniam thinks that the checking of a further rise in food prices is the most important task before him. He has been consulting his colleagues in the Government about this matter since he assumed charge of the Food and Agriculture portfolio and has sought the advice of the State Chief Ministers during the three-day conference starting from 24th June.

The problems relating to the rise in foodgrain prices were also discussed a few days ago by the Prices Sub-Committee of the Congress Parliamentary Party and the Prices Committee of the Central Government. Both these bodies have also expressed the view that State trading in foodgrains may not be a feasible proposition at this stage. The Prices Committee has recommended the statutory fixing of maximum wholesale prices for the principal foodgrains and a stricter enforcement of the Wholesale Trade Licensing Order. It has further suggested the strengthening of the enforcement machinery in the States with the Central Government's financial assistance and the notification of maximum retail prices for the information of the general public on the basis of the statutorily fixed maximum wholesale prices.

Strict Measures Urged

The Prices Sub-Committee of the Congress Parliamentary Party has, however, asked for more strict measures against hoarders and profiteers in foodgrains and, if necessary, the seizure of stocks under the Defence of India Rules. It has also expressed the view that to induce farmers to market their surplus foodgrains, they should be provided with adequate price incentives and other allurement in the form of supply of essential commodities, such as cement, steel, kerosene, cloth and sugar, at fair prices and in adequate quantities. The Sub-Committee feels that unaccounted money is operating in the foodgrains trade, so the Government should devise measures to eradicate this evil. It has also urged the Government to explore the possibilities of importing more rice in the near future. Among the Sub-Committee's other suggestions to meet the problem created by rising prices are: (1) provision of simple channels for agriculturists to save and invest; (2) devising of monetary and fiscal measures to mop up the surplus purchasing power; and (3) the reduction of unproductive expenditure. At their conference, the State Chief Ministers will be expected to consider all these steps, along with the crucial question of whether or not to embark on State trading in foodgrains and a review of the working of the various food zones in the country, which have created wide disparities in prices by accentuating the upturn in prices in the deficit

areas and depressing them in the surplus producing States.

The State Chief Ministers will also be required to advise on how the agricultural development programmes can be accelerated during the 1964-65 and 1965-66 agricultural years and also on the advance action to be taken under the fourth plan. The Central Finance and Food and Agriculture Ministers and the Planning Commission held discussions on this matter last week with a view to drawing up a crash programme for agriculture, particularly for the development of animal husbandry, poultry, vegetable marketing and fisheries. They also reviewed the progress of the "intensive agricultural district programme" and the "intensive cultivation programme" for noting the difficulties hindering their effective implementation. Remedial measures are proposed to be taken immediately to remove these difficulties.

Meanwhile, foodgrains are being rushed from the Central stocks and the surplus producing States to the vulnerable areas. Sizable supplies of wheat and rice were authorised to be sent last week from the Central reserve and Madhya Pradesh to Maharashtra and Gujarat.

CHEMICAL FERTILISERS

Fourth Plan Requirements

An 11-point programme has been suggested by the experts of the Planning Commission for popularising the use of chemical fertilisers during the fourth plan period. The experts are of the opinion that India has to rely more and more on fertiliser nutrients as the major input for additional farm production. They have estimated the optimum requirements of fertilisers for all crops on the basis of the fourth plan tentative production targets of 120 million tonnes of foodgrains, 13.5 million tonnes of sugarcane, 10 million tonnes of oilseeds, 8.5 million bales of cotton, 8 million bales of jute, 2 million bales of mesta, 35,000 tonnes of pepper, 3,850 tonnes of cardamom, 26,000 tonnes of ginger, 135,000 tonnes of cashewnuts, 480,000 tonnes of tobacco, 60,000 tonnes of lac, 110,350 tonnes of arecanuts, etcetera, and at the present level of technology—at 3.66 million tonnes of nitrogen, 2.33 million tonnes of P₂O₅ and 810,000 K₂O. The targets suggested for application of chemical fertilisers during the five-year period are 2 million tonnes of nitrogen, 1 million tonnes of P₂O₅ and 350,000 tonnes of K₂O.

The 11-point programme suggested by the experts is as follows: (i) Supplies are likely to be a major bottleneck. It is essential that immediate arrangements are made for setting up the requisite number of manufacturing units, and also for getting supplies from abroad on a long-term basis to fill the gap.

(ii) The prices at which fertilisers are sold to farmers, which are more than twice as high as those in the U.K. and the U.S.A. and the highest in the world, excluding Spain, should be substantially reduced either through a direct subsidy or otherwise. Subsidy is already available on the sale of phosphatic fertilisers to the extent of 25 percent which is

shared on a 50:50 basis between the Centre and the State Governments. It is, however, found that many State Governments do not avail themselves of this opportunity because they have to share the cost of subsidy. This point may be taken into account while fixing the pattern of financial assistance for the fourth plan.

(iii) A subsidy of 20 percent for nitrogenous fertilisers has been recommended by the Planning Commission's Working Group on Agriculture. It will be necessary to reduce the price of fertilisers to the farmer by 20 percent, partly by reducing the cost of production of fertilisers, partly through tax relief and partly through direct subsidy.

(iv) It is essential to improve the internal distribution arrangements. The increase in the number of distribution points to about 20 percent and the easy availability of credit in U.P. and Punjab resulted in an immediate increase in the fertiliser consumption. It is necessary to provide about 20 more distribution points a block with the necessary arrangements for storage.

(v) Distribution of fertilisers may be entrusted to private parties where adequate co-operative organisations do not exist. Likewise, where the arrangement is through private agencies, it may also be entrusted to co-operatives.

(vi) Bulk purchases above a specified quantity, say, one tonne, for sales from district headquarters may be charged at wholesale rates.

(vii) The margin of retailers may be increased so as to provide an inducement for increasing the sales of fertilisers. In some States, the margin is as low as Rs. 660 a tonne and the number of intermediaries as many as four. The former should at least be doubled while the number of intermediaries should be balanced—one at the district level and one at the village level.

(viii) Cheap, prompt and easy credit facilities should be provided. A certain percentage of co-operative loan should be earmarked for the supply of fertilisers in kind.

(ix) Fertiliser godowns should be constructed at vantage points and suitable financial assistance given for the purpose. The Warehousing Corporation should also be used for this purpose, and the difference between a reasonable rate of storage for fertilisers and the rate charged by the Corporation should be met by a subsidy. Small godowns should also be constructed at the village level. The total number of such godowns will be about 100,000. New constructions would not be necessary at many places. Some of the places might be covered by rural godowns owned by co-operative societies. Elsewhere, arrangement should be made for the construction of subsidised godowns by co-operatives or panchayats.

(x) The existing concessions about the offseason rebate, movement of fertilisers by road and transport subsidies in remote and inaccessible areas should be continued.

(xi) Above all, a policy of assured intensive irrigation should be followed so as to remove one of the basic



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to the U.S. business men who visited India in April last.

This important change in the corporate taxation will specially benefit the industries having long gestation periods. Such industries were given a valuable concession in the last Budget also, whereby they were allowed a rebate on super tax in addition to the 25-percent development rebate.

The Government of India is also examining the incidence of import duties on capital goods. The U.S. business men favoured the scaling down of levies on machinery imports by India, especially on machinery not being manufactured in the country, in the interest of accelerating industrial development and keeping down the cost of setting up units in new lines of manufacture such as petro-chemicals.

COAL BRIQUETTING

New Units Sanctioned

The Central Government, it is understood, has recently sanctioned the setting up of two low-grade coal briquetting plants—one in the Bengal-Bihar coal belt and the other in the Madhya Pradesh coalfields. Both the plants are expected to be commissioned during the third plan period. Besides producing smokeless fuel for domestic use, the two briquetting plants will yield many valuable by-products which can be processed into various chemicals. India's first briquetting plant, it may be mentioned, is already being constructed in Neyveli. But it will convert lignite into briquettes.

COPPER SMELTER

New Unit Planned

A Bombay firm, it is learnt, has shown interest in setting up the second imported concentrates-based copper smelter in the country. The first copper smelter of India, that of the Indian Copper Corporation, was allowed to expand its capacity some time ago, for producing copper from imported concentrates in addition to from indigenous ore.

The capacity of the Bombay firm's smelter is envisaged around 18,000 tonnes a year. It also proposes to produce about 24,000 tonnes of sulphuric acid annually.

In view of the rapidly increasing demand for copper, the Planning

Commission's Working Group for Non-ferrous Metals made a fervent appeal in its report for vigorously investigating the possibility of setting up one or two copper smelters based on imported concentrates. It also suggested that long-term arrangements be made with foreign firms for importing copper concentrates. The processing of these concentrates can save a good deal of valuable foreign exchange.

RAILWAYS

Plan for Electrification

The Railway Board, it is understood, has decided to speed up the electrification programme on the Mughalsarai-Allahabad section of the Northern Railway to cope with the rapid rise in freight traffic generated by the successive five year plans. In 1962-63, the throughput on this section, both in the up and down directions, ranged around 30,000 tonnes a route kilometre a day.

MANGANESE ORE

Decision on Exports

The manganese ore export trade will be thrown open to the private sector from next year. This was announced by Mr. Govind Narain, chairman of the State-owned Minerals and Metals Trading Corporation, here last Friday. The Corporation hopes to fulfil its present barter commitments in this commodity by the end of the current year. No barter deals for the export of manganese ore will be entered into hereafter.

Any person who can export manganese ore on his own will be allowed to do so. The services of the M.M.T.C. will, however, be available to those who find it difficult to revert to their export trade. In their interest, the M.M.T.C. will enter into long-term agreements with foreign buyers. This will ensure for such mine-owners a steady offtake as well as a fair price.

The decision to stop manganese ore exports on a barter basis, it is explained, has been taken in view of the desire on the part of foreign buyers to have direct trade links with Indian mine-owners and exporters of manganese ore, on a long-term basis.

The outlook for manganese ore exports from India is now said to be brightening up. It may be possible

to export nearly 1 million tonnes this year.

BARAUNI REFINERY

Unit to Go on Stream

The first 1-million-tonne unit of the Barauni refinery is expected to go on stream in the next few days. Trial runs, it is stated, have already started and crude oil is being stored for regular operations.

MIDDLE CLASS

Findings of Survey

Some interesting facts about income-distribution, employment and service conditions, and expenditure of middle class population in India have been included in a survey conducted for the first time on a national scale in 1958-59. The survey was started with the aim of facilitating the construction of middle class cost of living indices and to ascertain conditions and levels of living of middle class families.

The survey covered about 36,000 families in 45 selected cities and towns. It was carried out on the advice of the Technical Advisory Committee on the Cost of Living Index Numbers and was a co-operative effort of the Central Statistical Organisation, the Indian Statistical Institute and the National Sample Survey. Reports dealing with other aspects like sources of income, expenditure patterns, savings and investments, indebtedness, education, health and housing conditions are now being prepared.

Defining a middle class family as one depending mainly on income derived from paid non-manual employment in non-agricultural sector, the report states that there are about 2.5 million families in urban areas and they constitute about one-seventh of the total number of families. The 45 cities covered under the survey account for about one-third of the total.

The average size of a family is mostly between four and five. It increases with income and is about twice as high in the top income-groups as in the bottom groups. The size is somewhat larger in the southern and western regions than the eastern and northern. The larger cities generally have smaller families than the smaller cities.

As for income distribution, the report says that in most of the cities

CAPITAL, 25th June, 1964.

and towns, 99 percent of the families have incomes of less than Rs. 1,000 a month, about 94 percent of less than Rs. 500 a month, about 5 to 6 percent of less than Rs. 75 a month. The largest concentration appears to be in the range of Rs. 150 to Rs. 200. In major cities, namely, Bombay, Calcutta, Delhi and Madras, about 41 percent have incomes exceeding Rs. 1,000 a month and about 16 percent to 17 percent more than Rs. 500 a month. In the majority of centres, the average incomes of middle class families range from Rs. 200 to Rs. 250 a month. In bigger cities and expensive places, such as hill stations, incomes are larger and exceed Rs. 350 a month in Bombay, Calcutta and Delhi.

The lower middle class (defined as the lower 50 percent) families have in a majority of centres an average income ranging from Rs. 100 to Rs. 125. In major cities, they get between Rs. 175 and Rs. 200. Calcutta and Madras show greater disparities in incomes than Bombay and Delhi and among minor cities, Hyderabad and Bangalore than Poona, Nagpur, Ahmedabad, Kanpur and Lucknow.

Average Monthly Expenditure

The average monthly expenditure varies from Rs. 148 in Jammu to Rs. 388 in Delhi, the level in major cities exceeding that in minor cities and towns.

The reported level of expenditure is generally in excess of that of income, except at the higher levels (say, above Rs. 750 a month); it is to be noted, however, that in family budget studies based on the interview method, expenditure is usually exaggerated while income is somewhat understated.

Expenditure of the top 25 percent of middle class families is three to four times that of the bottom 25 percent, the top 10 percent spending four to six times and the top 5 percent five to eight times as much. Inter-centre differences in the level of expenditure are much higher in the case of upper income groups than lower income groups.

An average middle class family spends 44 percent of its income on food, beverages, tobacco and intoxicants, 4 percent on fuel and lighting, 12 percent on clothing, bedding, footwear and headwear, 14 percent on housing, household requisites and services and 26 percent on miscellaneous items. In major cities, middle class families spend relatively more on housing, household requisites, services and miscellaneous items and less on food, beverages, etcetera, and fuel and light.

In the eastern region, the expenditure is relatively less on fuel and light and more on housing, household requisites, etcetera, while in the western it is more on clothing and miscellaneous items and less on food, beverages, etcetera.

The most important food from the point of view of expenditure is cereals, the next being milk and milk-products. Meat, fish and eggs show large regional variations and occupy an important place in the diet of middle class families in Assam, West Bengal and Orissa and also in a few other places such as Bombay, Bangalore and Srinagar.

Among the miscellaneous items of expenditure, transport and communications account for the largest share in 19 of the 45 centres and education in six. Transport and education are both expensive in Bombay and Delhi; transport is expensive in Madras and education in Calcutta.

As for employment and service conditions, the survey shows that the average number of employees a family varies from 1.01 to 1.32. In

CAPITAL, 25th June, 1964.

other words, about one in every four is employed.

Principal Economic Activity

The principal economic activity in which middle class employees are engaged is public services, the next important being teaching. In terms of occupation, clerical workers predominate, followed by teachers. The average length of service ranges from 8 to 16 years, most of it confined to one establishment. Middle class employees apparently stay stable in their chosen careers once they settle down. They work at an average six to seven hours a day. Teachers usually work fewer hours and salesmen longer.

In a large proportion of cases, middle class employees get no rest interval during working hours. Among those who do, the majority of them about half an hour.

The majority of employees are entitled to casual leave or earned leave or both. Most of them do not get any sick leave in addition. A substantial proportion in some of the centres do not seem to be entitled to casual or earned leave. Conditions of service in commercial establishments appear to be less satisfactory on the whole than those in public bodies.

About 3 percent of the employees have had to undergo unemployment at one time or another during the preceding year. A majority of them were, however, fresh entrants to the labour force. The reasons for unemployment in other cases were mainly retrenchment, dismissal or termination of contract. The average duration of unemployment works out to 21 weeks an unemployed person.

A comparison of the average incomes and expenditures of the middle class families with those of working class families in the same cities shows that the average income and expenditure of the former is about two to three times that of the latter. The income and expenditure of the lower middle class which are roughly about half the overall level may, therefore, be regarded as slightly higher up, if at all, in comparison to the working class.

Compared with the working class, the middle class population shows a distinctive expenditure pattern even at the same level of income. The bottom 25 percent of the middle class whose incomes are comparable to those of the working class spend about 50 percent of their resources on food, 30 percent on fuel, housing and clothing and 20 percent on miscellaneous items such as education. The working class families spend more on food and correspondingly less on other items. On the other hand, the lower middle class families seem still to conform to traditional expenditure pattern to traditional values attached to better housing, clothing, education, medical and personal care—a feature distinguishing them from the working class population.

U.S.A.

Loan for Methanol Plant

An agreement has been concluded between the Government of India and the United States providing for a loan from the latter amounting to \$7.8 million (Rs. 3.7 crores) for the construction of India's first methanol plant in Trombay. The project will make India self-sufficient in methanol, a key chemical used in the manufacture of plastics, drugs, resins, synthetic fibres and dyestuffs. The loan is to be channelled through the U.S. Agency for International Development.

The methanol plant will be constructed by the Fertiliser Corporation of India Ltd, adjacent to its

Trombay fertiliser plant and will commence production in late 1965, using synthetic gases produced during the course of fertiliser manufacture.

Earlier, loans from the United States totalling Rs. 27.7 crores are meeting both the foreign exchange and the rupee costs of the fertiliser plant itself, which will produce 420,000 tons of chemical fertilisers a year, making it India's largest producer of fertilisers. It is estimated that the application of this amount of fertiliser will increase annual food production by more than 1 million tons.

A portion of the new loan will be used for the installation of ancillary facilities, including a sulphuric acid plant and an argon gas recovery plant in connection with fertiliser production.

The Fertiliser Corporation of India Ltd has entered into a contract with the Girdler Corporation, Louisville, Kentucky, U.S.A., for design, fabrication and erection of the methanol plant, which will have an annual production capacity of 33,000 tons.

At the present time, India's total requirements for this chemical are met through imports. The plant's production will result in a foreign exchange saving equivalent to Rs. 4 crores a year, and will make available an essential raw material for the manufacture of a wide range of both industrial and consumer goods.

Argon gas, which is used primarily for arc welding, will be obtained as a by-product in the synthesis of ammonia, a principal ingredient of nitrogenous fertilisers. The argon gas recovery plant will have an annual production capacity of 116,820 cubic metres.

AIR CORPORATIONS

Progress Achieved

Fuller details now available show that both Air-India and the Indian Airlines Corporation continued to make steady progress during the half-year ended 31st December, 1963. They carried more passengers and cargo than during the corresponding period of 1962. The other highlights of the progress of civil aviation in India during this period were:

- (1) completion of the work connected with the development of Madras (St. Thomas Mount) airport so as to make it suitable for use by heavy inter-continental jet aircraft;
- (2) introduction of Boeings on Air-India's service on the Bombay-Madras-Singapore-Djakarta route;
- (3) introduction of Viscount aircraft on the Indian Airlines Corporation's services to Kabul; and
- (4) installation of radar aids at Calcutta and Madras.

In the second half of 1963, Air-India, on its scheduled services, flew 7,862,744 kilometres, carrying 106,363 passengers, 3,537,045 kilograms of cargo and 631,021 kilograms of mail, against 7,442,473 kilometres, 93,156 passengers, 2,832,338 kilograms of cargo and 710,040 kilograms of mail during the corresponding period of 1962. The capacity ton-kilometres operated was 141,790,935, against 130,495,633 in the same period in 1962. The figures of revenue ton-kilometres pertaining to passengers, cargo and mail for July-December, 1963, were 47,728,495, 19,586,521 and 3,959,311, against 40,231,872, 16,224,887 and 4,354,881, respectively, during the corresponding period in the previous year.

The overall revenue load factor during the period under review was 50.3 percent, against 46.6 percent in the corresponding period of 1962.

The Indian Airlines Corporation flew during July-December 1963, on its scheduled services, about 15,461,476

kilometres, carrying 439,360 passengers, 15,002,778 kilograms of cargo and 3,923,942 kilograms of mail, against 15,629,265 kilometres flown with 409,291 passengers, 16,565,254 kilograms of cargo and 3,497,620 kilograms of mail during the corresponding period of the previous year. The capacity ton-kilometres operated during the period were 64,030,532 against 60,017,777 during July-December 1962. The figures of revenue ton-kilometres pertaining to passengers, cargo and mail were 30,722,618, 8,487,380 and 3,949,890, against 28,016,896, 9,149,482 and 3,372,320, respectively, during the corresponding period of 1962.

U.N.O.

Aid from Special Fund

India is among the 42 developing countries and territories which will benefit from a new \$85.2 million aid programme approved at the Hague (Netherlands) on 18th June, by the governing council of the U.N. Special Fund. Two projects were approved for India. The other countries in the Near East and south Asia benefiting from the new programme include Afghanistan, Ceylon, Nepal, Pakistan, Turkey and the United Arab Republic.

The programme's 49 new development projects are in four broad categories: surveys of natural resources, training of specialists needed for economic and social development, agricultural and industrial research, and development planning.

One of the two projects approved for India will bring the Special Fund into a new area of activity, that is, advanced telecommunications. Assistance to India, at her request, will be provided in a programme of research and training in the use of satellite communications. Its purpose is to find the most economic means of improving India's telecommunication links with the rest of the world and to train telecommunication engineers and personnel in the advanced techniques of satellite tracking and relay.

Of the total \$85.2 million aid programme approved, the Special Fund will contribute \$39.9 million. Countries benefiting from the programme will contribute the remaining \$45.3 million.

The Fund depends on voluntary contributions of U.N. members. The United States has pledged to contribute \$4 for every \$6 contributed by other Governments, thus matching two-thirds of all contributions to the Fund. Last year, the U.S. contribution was nearly \$30 million.

The new Special Fund allocations bring to 421 the number of projects the U.N. has approved for assistance during the past five years at a total cost of almost \$919 million.

POLAND

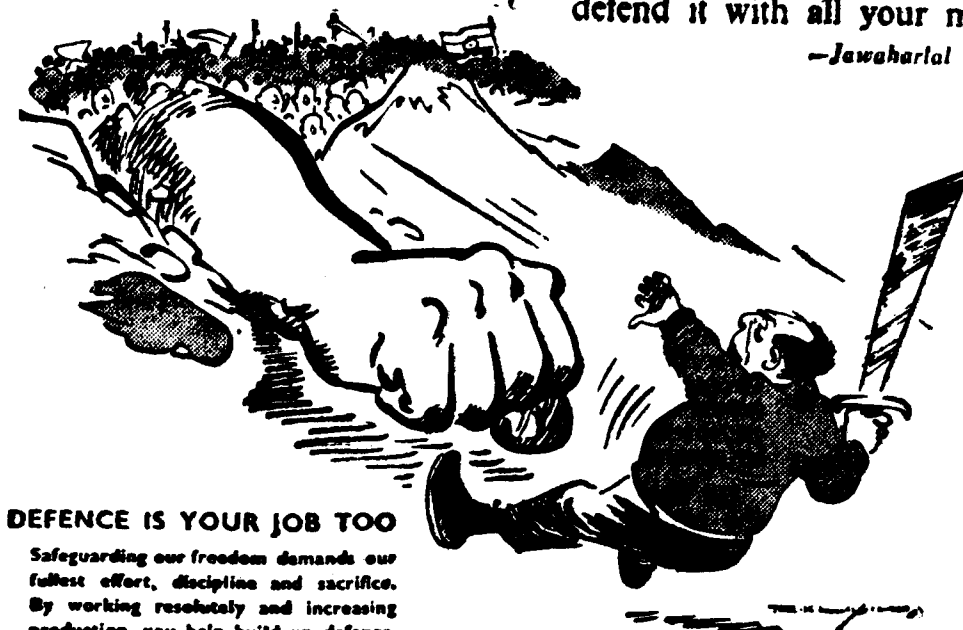
New Trade Pact Signed

A message from Warsaw suggests that India has signed a new pact with Poland to govern trade between the two countries during 1965 and 1966.

As a result of the agreement, the volume of Indo-Polish trade is expected to increase to Rs. 38 crores, both ways, by 1966. There will be a considerable diversification of goods to be exported by India, including engineering goods, cotton textiles, and various items of manufactured goods. There will also be an expansion of various items of manufactured goods to Poland, particularly iron ore, manganese ore, mica, jute goods and tobacco. Poland is also interested in importing de-oiled linseed cakes from India. Poland will export to India steel, machine tools, textile machinery, and various chemicals.

Freedom is in peril,
defend it with all your might

—Jawaharlal Nehru



DEFENCE IS YOUR JOB TOO

Safeguarding our freedom demands our
fittest effort, discipline and sacrifice.
By working resolutely and increasing
production, you help build up defence.

YOUR DISCIPLINE IS INDIA'S STRENGTH

FAIR OUTLOOK FOR U.K. ECONOMY

(FROM OUR LONDON CORRESPONDENT)

THE U.K. Chancellor of the Exchequer, Mr. Maudling, claimed the other day that the Government's economic policy was working out precisely as expected. He said there was no sign of any runaway boom in consumer demand. On the contrary, there was some evidence to suggest, both from employment statistics and from information coming in from business men, that the pace of expansion was slackening a little. Mr. Maudling agreed that it was essential not to be complacent. "But I do not think that just because things are going well at present, we must assume that it cannot continue," he added. "There is as much danger in being afraid of success as there is in being over-confident."

The Chancellor's buoyant mood was aimed at an influential audience, the Institute of Municipal Treasurers and Accountants meeting in Bournemouth. These are the officials who are largely responsible for advising local authorities throughout England and Wales on financial policy. Although he did not mention it, Mr. Maudling was speaking in the context of the latest enquiry by the

Federation of British Industries, based on replies from 651 firms. The F. B. I. concluded that there was no indication that the increase in business activity would come to an end during the next four months. In other words, the business barometer seems to read "set fair" from now till the General Election.

"There is no doubt now at all about the expansion," Mr. Maudling asserted. "Business has been advancing right across the board, from consumer goods to steel and shipbuilding. At the same time, prices have remained encouragingly stable in the light of the increase in import prices." Claiming that it had been "a bold decision" to confine to £100 million the extra revenue raised by the Budget, the Chancellor gave two reasons for it: (a) over-caution could have brought a serious setback to expansion; (b) if further action is needed at any time to restrain the economy it can be taken. This was obviously a reference to the "regulator" by which purchase tax and other Customs and Excise duties can be varied at short notice.

The early stages of any vigorous expansion, he said, were bound to place a strain on the balance of payments. Industrialists were stocking up with raw materials for example, and these had to be paid for before they were turned into manufactured goods and exported. Mr. Maudling went on: "I have said on many occasions that I would regard it as perfectly sensible and proper to call upon our international sources of credit, such as the I.M.F., for assistance in such circumstances. The condition of doing so, however, is to make sure that our domestic economy remains sound. If this is so, and if we can contain costs and prices, then, with rising world trade, our exports should be capable of expanding to the level needed to pay for our long-term import requirements."

But there were aspects of the present situation which differed from previous periods of expansion. The reserves position was strong, and we could call upon greater and more varied help in support of sterling. The overseas sterling area was also in a much stronger position. At home, there was the great expansion of industrial capacity, with industry more conscious of the need to restrain costs and prices. There also was not the same opportunity as there has been in the past for an uncontrolled expansion of bank lending or consumer credit. He continued: "But although there are these reasons for confidence, we must watch the present situation constantly and with great care. There has certainly been a growing pressure on resources which has reflected itself, for example, in the shortage of skilled workers in many trades over large areas of the country."

Stable Prices

Prices, he said, had remained remarkably stable in the light of the increase in the price of imports, but pressure could begin to build up if care was not exercised. But this growing pressure on resources was the counterpart of the vigorous expansion of production and employment in the last 12 months. We must be

on our guard to ensure that the pressure did not get too strong. On the evidence available, the Chancellor did not see signs that the expansion had reached an unhealthy point. This, he said, was not the mood of industry, or of the stock markets. There was still a substantial amount of spare industrial capacity over a wide range of industry. Consumer credit was expanding fast, but it showed no sign of getting out of control. While retail business was doing well, there was yet no sign of any runaway boom. He added: "Finally, while the employment figures show a substantial increase in the demand for labour, we have not yet returned to the acute shortages which we saw, for example, in 1960-61. I think there is some evidence to suggest, both from the employment statistics and from the evidence coming in from business men, that the pace of expansion is slackening a little". It was nevertheless essential that we should not be complacent at this testing time, and that we should watch the rapidly changing situation with the greatest care. But just because things were going well, it was a wrong assumption to think they could not continue in that way. There was as much danger in being afraid of success as there was in being over-confident.

The great majority of British manufacturers are optimistic about business prospects both at home and in the export trade. This is the upshot of the latest enquiry made by the Federation of British Industries. Replies from 651 firms were analysed and compared with the views expressed on the last enquiry, in February. Business confidence was shown to have grown still further. The Federation reports that the growth of the total trade of manufacturing industries continues to expand more steadily. Half the firms still say that the shortage of orders or sales is likely to be a main factor limiting output in the next four months. A third expect to be limited by shortages of skilled labour, and one-sixth by general labour scarcity. There seem to be no significant shortages of raw materials or components, although conditions vary in different industries. Summing up, the F.B.I. says: "There is no indication that the increase in business activity will come to an end during the next four months".

Export Enquiry

Particularly striking are the results of the separate export enquiry. Ninety percent of the sample continue to be either as optimistic about export prospects as they were four months ago, or more so. A steadily increasing number of firms report rising export orders and export deliveries. These views are in welcome contrast to the poor export figures reported by the Board of Trade in recent months, and they seem to support the Whitehall view that the "underlying trend" of exports is still upward.

In view of this, the good trade figures for May came as a great relief to the financial markets. They bear out the opinion of the Board of Trade, the Bank of England, and the Chancellor himself that the underlying trend of British exports remains upward in spite of the setbacks in

CAPITAL, 25th June, 1964.

January and April. On this assumption, Mr. Maudling hinted last week that he may not have to intervene again this year to restrict demand. As long as exports go on expanding at a reasonable rate and the rise in imports does not get out of control, a deficit can be tolerated during this stage of the business cycle.

It would have been strange if export shipments had shown no improvements after the persistent reports from industry of increasing orders from abroad. In fact, the seasonally adjusted figures show exports in the period March to May, 2 percent higher than in December-February. In the first five months of this year, they were 4 percent more than the average for the year 1963. Imports in the March-May period were 1 percent more than in the previous three months—indicating a slow-down in the building up of stocks here. In the first five months of the year, they were 13 percent more than the average for 1963. If these trends continue for a while, as they seem likely to do, there is no reason to fear a critical deficit this year.

Trade Expansion

The simple difference between the import and export figures for May, seasonally adjusted, was £67 million, against £107 million in April. The Board of Trade, which describes the calculation as "misleading," estimates instead the "deficit of visible trade" in balance of payments terms. This fell from £53 million in April to £20 million in May. While these figures give no grounds for jubilation, they are compatible with allowing the expansion of the economy to continue for the present. The expansion itself seems to be responding to the built-in stabilisers which tend to come into operation when activity nears the limits of resources. The index of industrial production for April is estimated by the Central Statistical Office at 126 (seasonally adjusted). At this level, the index has shown no change since January. The Treasury says that the latest figures "seem to support the view that the pace of expansion may have been moderating." In the period February-April 1964, the index was 1 percent higher than in the previous three months.

That happens to be equivalent to an annual increase of 4 percent, which would be barely sufficient to produce the overall economic growth of 4 percent at which the Chancellor is aiming. Progress is, of course, different between one sector of industry and another. For manufacturing industries only—excluding mining, construction and utilities—the April index is at the same level as the revived March figure, and 1 point below the levels of January and February. This decline is attributed to a fall in the food, drink and tobacco group. In other manufacturing industries, there appears to have been no significant change in the level of production lately except for motor-vehicles, which registered a further rise in April.

Commenting on the May trade figures, Mr. Edward Du Cann, Minister of Trade, Board of Trade, said that the performance of British exporters in 1963 and in 1964 had been "superb". It had always been expected that during a period of economic expansion, imports would rise with the need for more materials in industry. What mattered was not the figures for any particular month but the trends. These were that the growth of imports had slowed down, and exports went on increasing. It was essential that exports should expand still further. Britain was doing very well, Mr. Du Cann said, but could and must do better.

CAPITAL, 25th June, 1964.

Jute

NEW SELF-FINANCING SCHEME FOR IMPORTING MACHINERY

WITH a view to stimulating the exports of jute goods, various measures have been adopted by the Government of India. Special emphasis has been laid on the modernisation of mills in order to cut production costs and turn out better material. A new self-financing scheme has been launched. Under it, mills are allowed to pay for the cost of imported machinery and equipment, within a stipulated period, out of their own foreign exchange earnings. The allocation of foreign exchange has also been liberalised. The value of the licences granted for importing foreign machinery and equipment totalled Rs. 5.4 crores during the ten-month period ended January 1964. This amount represents about a three-fold increase, compared with the corresponding figure for 1961-62.

In the field of exports, long-term bilateral trade agreements with Russia and the east European countries contain a specific provision for selling Indian jute goods. A number of trade delegations have been sponsored to the east and west European countries, Africa and the U.S.A. for exploring export possibilities. Besides, market research and product development work are being carried on by the I.J.M.A. and the I.C.J.C. Overseas visitors to the New York World Fair have evinced keen interest in the Indian Jute Pavilion. Some of them have already sent out enquiries to the Government of India and the industry. The enquiries are for some new products as well.

Spurt in Gunny Offtake

An I.J.M.A. statement shows an increase in gunny offtake from the mills reporting to the Association from 98,800 tonnes in April to 104,500 tonnes in May. Exports rose by 4,400 tonnes to 75,600 tonnes and internal consumption by 1,300 tonnes to 28,900 tonnes. The offtake of hessian increased by 3,200 tonnes to 43,800 tonnes, of sacking by 1,500 tonnes to 42,400 tonnes, of carpet-backing cloth by 400 tonnes to 6,200 tonnes and of other goods by 600 tonnes to 12,100 tonnes. Exports of hessian rose from 35,600 tonnes to 40,100 tonnes, of carpet-backing cloth from 5,800 tonnes to 6,200 tonnes and of miscellaneous goods from 8,200 tonnes to 9,000 tonnes; exports of sacking, however, dropped from 21,600 tonnes to 20,300 tonnes. The increase in the internal consumption of heavy goods from 19,300 tonnes to 22,100 tonnes was partly offset by a fall in hessian offtake from 5,000 tonnes to 3,700 tonnes and in other goods from 3,300 tonnes to 3,100 tonnes.

In May 1963, the total offtake was 99,900 tonnes—40,900 tonnes of hessian, 42,000 tonnes of sacking, 6,100 tonnes of carpet-backing cloth and 10,900 tonnes of other goods. Exports absorbed 75,300 tonnes—37,700 tonnes of hessian, 23,200 tonnes of sacking, 6,100 tonnes of carpet-backing cloth and 8,300 tonnes of other goods. Internal consumption totalled 24,600 tonnes—3,200 tonnes of hessian, 18,800 tonnes of heavy goods and 2,600 tonnes of miscellaneous goods.

U.S. Imports of Hessian

Imports of hessian into the U.S.A. during the four-month period ended April 1964 declined to 332 million yards from 397 million yards for the comparable period of 1963. India's exports declined by 65 million yards to 280 million yards and Japan's by one million yards to 1.2 million yards. Pakistan's share rose fractionally

from 33.3 million yards to 33.7 million yards. In weight, the total imports declined from 120,420 tonnes to 107,051 tonnes. For the first four months of 1964, India's share of the total was 85 percent (91,009 tonnes), against 86.9 percent (104,695 tonnes) during the corresponding period in 1963.

Hessian Bookings

Out of a total of 57.55 million yards of hessian booked by the U.S.A. during April, India's share was 90.8 percent (52.25 million yards) and Pakistan's 8.6 percent (4.94 million yards). Of these, 23.68 million yards were for April delivery (23.23 million yards from India and 420,000 yards from Pakistan), 21.54 million yards for delivery in May-June (19.57 million yards from India and 1.82 million yards from Pakistan), and 12.33 million yards for further forward positions (9.46 million yards from India and 2.7 million yards from Pakistan). Forward purchases at the end of April totalled 97.86 million yards—76.76 million yards from India and 20.56 million yards from Pakistan. Of these, 60.24 million yards were for May-June delivery—50.01 million yards from India and 9.85 million yards from Pakistan. July and further forward contracts totalled 37.63 million yards—26.75 million yards from India and 10.71 million yards from Pakistan.

THE JUTE MARKETS

Manufactured Goods: Opening on a subdued note, the Calcutta gunny market flared up on Thursday on reports of an Indian Government tender for 7,800 bales of B Twills for

June delivery. Heavy goods and odd constructions became buoyant, especially for short and near positions. Hessian was barely steady in sympathy with the general trend. Overseas business in hessian was of a day-to-day nature, despite a hardening trend in ready and afloat burlap prices in New York. The rising price trend induced brisk short- and shipper-covering helping prices further after wide fluctuations. Conditions in the Calcutta port were not quite satisfactory. No doubt, waiting at Sandheads had been shortened, there was not much of a draft restriction and the berth position was easier. But the shortage of lighters still continued to cause worry. Enough cargo space was available. Most of it had to be filled up with tea. The end-June loader for River Plate destinations was believed to have done well. At the higher levels, most mills emerged as keen sellers and did fair business. On Monday, there was a short-lived modest rally following active covering induced by the threatened jute workers' strike in East Pakistan. From Tuesday reports of an increase in gunny despatches—particularly exports—during May helped sentiment further. But the top gains were partially trimmed towards the close when more mills wanted to sell. The hedge market continued to move in line with the general trend. Bears hastened to cover their open positions at higher prices and bulls booked profits at the bulges. But fluctuations were kept within limits so as not to attract the floor price restrictions imposed earlier this month by the East India Jute and Hessian Exchange Association. On Monday, interest revived

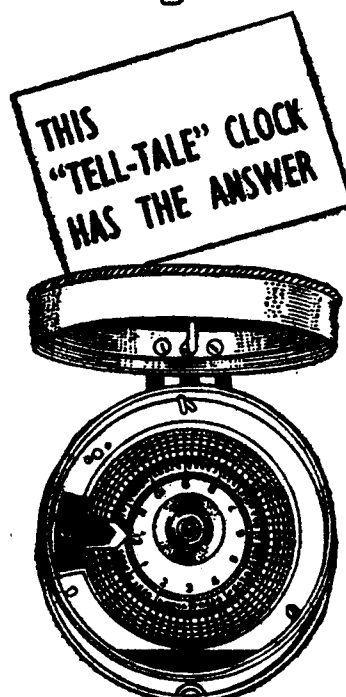
following brisk buying by some operators on reports of damage to the crops due to heavy rains in the lower Assam valley. The turnover was fair in heavy goods and moderate in hessian. The former closed with a comfortable gain and the latter with a minor gain, on balance. The closing undertone was firm in sacking and steady in hessian.

Wednesday's quotations were as follows:

	June	July	July-Sept.	Oct.-Dec.
40in. 7joz.	33.75	33.75	33.75	33.85
40in. 8oz.	36.40	—	—	—
40in. 10oz.	44.40	44.70	44.90	45.25
B Twills	114.85	114.90	114.60	114.60
Corn sacks	116.75	117.00	117.00	117.00
Heavy Cees	116.50	115.50	114.85	114.80
(Plain)	135.25	136.25	137.00	138.00
A Twills	128.50	128.50	128.50	128.50

Raw Jute: The raw jute market opened on an easy note because of selling pressure from weak holders of lower-grade jute and mesta during the past week. Lack of mill interest and good crop reports made them nervous. They were inclined to discount the rates below the derivative levels. But mills and mill agents continued to stay out of the markets practically during the major part of the week. Some lucky deals were concluded for nominal lots of the new crop at levels higher than the official floor. With the approach of the due date, conditions were reversed. Since Monday mills and their agents started lifting the balance of their purchase quota of 190,000 bales, mainly in better grades of mesta at higher prices. Another factor stimulating the upward trend was the report of some damage to crops in the low-lying early-sown areas of the lower Assam valley due to widespread and heavy rains. Unlike the previous seasons, mills had not shown much interest in the new crop so far. Sellers, too, were not inclined to fill up their order books with transactions at a discount. Presumably, this was due to the stocks of fibre already held by mills on their own and on buffer stocks ac-

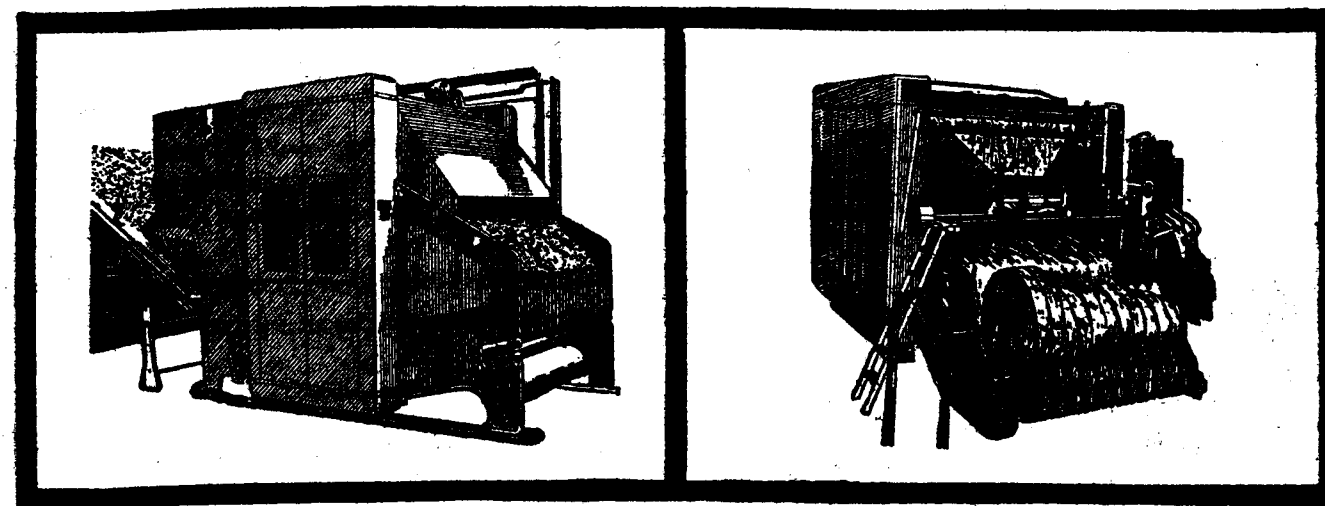
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cost!

counts. Besides, there was the hope that the entire 1964-65 crop would be released to the market in a regulated manner by the Jute Commissioner through the issue of monthly quotas. In the hedge market, Upper Assam White Bottoms for September enjoyed modest bear support throughout the week, although bulls booked profit at the bulges. Fluctuations were wide and turnover was fair. The undertone was firm was at the close.

Wednesday's quotations were as follows:

	Landed at Mills (Basis Bottoms)		1964-65 Crop	
	Rs. A Qtl.	Rs. A Md.	Rs. A Qtl.	Rs. A Md.
Assam-Agartala	81.72	30.50	84.39	31.50
Jute	80.38	30.00	83.05	31.00
Northern Jute				
Western Desal	75.02	28.00	77.70	29.00
Jute				
Selected	88.41	33.00	88.41	33.00
Daissee				
Assam-Agartala	84.39	31.50	85.74	32.00
Tossa				
Mesta:				
Assam-				
Northern	68.32	25.50	73.68	27.50
Local Daissee	69.06	26.00	73.68	27.50
Bihar Dist.	66.98	25.00	68.32	25.50

THE U. K. JUTE MARKETS

DETAILS OF PAKISTANI DUTY CUT AWAITED

(FROM OUR DUNDEE CORRESPONDENT)

SINCE the announcement that the duty of raw jute exported from Pakistan has been reduced by 50 percent, the position in Dundee has become obscure. There is still doubt when this reduction comes into force, and at the same time no statement has been made by the Jute Board about minimum export prices or E.P.C. values. It is understandable that a certain amount of delay is bound to take place, but business in raw jute is more or less at a standstill. As a result of this, many sellers have withdrawn from the market for the time being and others are offering at E.P.C. levels and state that the basis is the new export duty of Rs. 10 a bale. Dundee spinners are remaining out of the market until more news is received about the position.

Offers being made last week were at a higher level than before the Pakistani Budget, but this was mainly as a safeguard for sellers. Mill Lightnings were named at £10 10s, Mill Hearts at £9 8s and Grade Hearts at £83, c.i.f., U.K., for June-July shipment. Grade Tossa-2/3 was named at £122 and Grade Tossa-4 at £105 10s. Outport Tossa-2/3 was at £93 15s and Outport Tossa-4 at £83 15s, June-July. Offers of new crop were at £97 for Mill Hearts and at £84 for Grade Hearts, August-September. Dacca Tossa-6 was named at £108 10s, Outport Tossa-2/3 at £96 10s and Outport Tossa-4 at £86 10s, September-October. The general feeling was that prices would return to their former level in due course. Cuttings were at £59 for S.N.C. and at £52 for N.C. No offers of mesta were being made at present. The Siam jute market was quiet and offers of the new crop were being quite freely made here. Prices are at £76 for super A, at £71 for grade A, at £66 10s for grade B and at £61 10s for grade C, delivered mill, Dundee, for October-November shipment.

Little change took place in the Calcutta goods market during the past few days. Quotations are at 67s 4d for 40in. 10oz. and at 50s 7d for 74oz. a 100 yards f.o.b. Calcutta for June shipment, at 67s 10d and 50s 9d July-September and at 68s 6d and 51s October-December. B Twills were at 173s 1d, 173s 7d and 173s 9d for the respective shipment periods.

Commodity Markets

ANOTHER LARGE COFFEE CROP FOR INDIA

(FROM OUR SOUTH INDIAN CORRESPONDENT)

THE size of the last season's coffee crop is swelling beyond all previous expectations. Receipts from this crop into the Coffee Board's pool had reached 66,500 tonnes by the end of May, according to the latest available report from the Board. This was 12,248 tonnes more than the receipts from the previous crop in the same period a year ago. The highest harvest on record was in 1960-61 when the total yield came to 67,587 tonnes. There was only a gap of 1,087 tonnes between this record and the receipts into the pool of the 1963-64 crop to the end of May 1964. The inflow had not stopped fully. When the whole lot is received, there is a possibility of the actual size of the 1963-64 crop becoming larger than the 1960-61 crop. Even if it fails to break the previous record, the difference between the 1963-64 crop and the record harvest of 1960-61 will be insignificant.

The Coffee Board has sold for export 15,318 tonnes up to 3rd June, 1964, from the 1963-64 crop, and another 2,507 tonnes were earmarked for sale on 24th June. The internal release during the first five months of this calendar year was to the tune of 13,389 tonnes, or, on an average, 2,678 tonnes a month. On this basis, it does not appear that the Board will make available for internal consumption this year anything more than 35,000 tonnes, leaving a balance of a similar quantity for export. As against a production of 55,825 tonnes, India could export about 30,000 tonnes last year. India is one of the producers whose request for an increase in the original export quota allotted under the International Coffee Agreement has been partially conceded. She can now export 5 percent more than the original quota of 21,600 tonnes to the member countries of the agreement. The revised quota places the total world export during the 1963-64 coffee year which will end on 30th September, 1964, at 47,172,004 bags of 60 kilograms each.

The fourth plan target for natural rubber production will be 75,000 tonnes, if the recommendations of the

rubber product sub-committee of the working group set up for the plantation industry were accepted by the Central Government and the Planning Commission. The Committee has just finalised its report. The third plan target was 45,000 tonnes. This is expected to be surpassed by about 5,000 tonnes in 1965-66 because of the splendid performance of the new plants which are being brought under tapping.

India's export earnings from spices during the first 11 months of the last financial year registered a gain of Rs. 1.38 crores at Rs. 13.4 crores, when compared with that of the previous corresponding period. This was in spite of a fall of Rs. 81 lakhs in the earning from pepper which is her major export item among spices. These figures just made available by the Spices Export Promotion Council in Ernakulam disclose that export earnings from cardamom, chillies, curry powder and paste, turmeric, celery and some other seeds registered gains during this period when compared with that of the same period a year ago. On the other hand, there was a fall both in quantity and value to the tune of 2,189 tonnes and Rs. 81 lakhs in the case of pepper. The decline was mainly due to the lower offtake by the U.S.A. The value of export to that country suffered a loss of Rs. 1.24 crores. Exports to Russia, on the other hand, registered a smart gain of Rs. 63 lakhs. In ginger, there was a decline quantitatively by about 1,356 tonnes, but the earnings were higher to the tune of Rs. 11 lakhs.

CARDAMOM

Damage to Crop

Cardamom cultivation in south India, particularly in an area of Kerala, has been damaged extensively due to drought which was prolonged and severe this year. Consequently, this season's crop is expected to be smaller and its arrival also is likely to be delayed. Last season's crop

CAPITAL, 25th June, 1964.

itself was smaller at around 3,000 tons, against 3,390 tons of the 1962-63 season.

Cardamom, which had to suffer a price slump a couple of years ago, has been able to regain most of its lost ground. Green medium variety is now quoted at Rs. 17.50 to Rs. 19.50 a kilogram, against Rs. 13.50 to Rs. 16.50 a kilogram at the turn of the year and Rs. 16.50 to Rs. 18 a kilogram at this time last year. Certain control measures introduced by the Government of India with a view to ensuring a reasonable return to the grower and a fall in supply, are said to be the reasons for the recovery in prices that has started from last year.

In the meanwhile, there are reports that some of the important buyers abroad are annoyed over the increase in the price of the Indian cardamom. Saudi Arabia which took about one-third of India's export last year, is said to be considering measures to check the "speculative spurt" in the price of cardamom. If controls are introduced, then India's export trade with that country might be adversely affected, in the opinion of exporters in Bombay.

TEA

Export and Taxes

The chairman of the Nilgiri Planters Association, Mr. J. W. Lawrence, has pleaded, while addressing the latest annual general meeting of his association, on 18th June, that all teas exported should be given exemption from sales tax levy. He said that in the highly competitive world market this exemption would undoubtedly give a boost to this country's tea exports. The teas sold through the Cochin auctions are now liable to pay a sales tax to the Kerala Government. He said that the tea area in his district had increased by 20 percent to 60 percent in the past ten years. From about 13,000 hectares, 11 million kilograms of tea were produced last year, which would work out to 83 kilograms a hectare. This was a high yield for any district of this elevation. Nevertheless, the overall position of planters in the Nilgiris as producers and their return as investors had suffered a reverse. "Despite the increase in production and the better prices realised in sales, we have not improved our ability to earn more save more and invest more in India's industrial growth", Mr. Lawrence added.

CAPITAL, 25th June, 1964.

COMPANY AND PUBLIC NOTICES

(Situation Vacant)

RESERVE BANK OF INDIA

APPLICATIONS are invited for the following posts in the Reserve Bank of India:—

(A) POSTS AND SCALES OF PAY:

(i) Deputy Chief Officers, Department of Banking Operations: Rs. 1275-75-1575.

(ii) Banking Officers:—

Rs. 430-430-55-815
EB 55-925-60-1045.

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

In addition to pay, the selected candidates in both the categories mentioned above will be eligible to draw local pay (at centres where it is admissible) and house allowance at rates prescribed from time to time. Dearness Allowance is also admissible to Category (ii) at rates prescribed from time to time.

(B) QUALIFICATIONS:

(i) Deputy Chief Officers: Applicants should have a minimum of 15 years' commercial banking experience out of which not less than five years should be in a responsible position. Preference will be given to applicants with high academic qualifications who have made a special study of Economics, Banking, Commerce or Accountancy.

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

Candidates who have applied for these posts in response to previous advertisements issued during the last three years need not apply again.

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

(C) AGE LIMITS AS ON 1ST JULY 1964:

(i) Deputy Chief Officers: Candidates should not be over 45 years of age.

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

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

3. Applicants for the above posts must remit with their applications a fee of Rs. 7.50 for each post by cheque or Bank draft on a Scheduled Bank payable at Bombay or by Postal

Order. The application fee is in no case refundable. In the case of candidates belonging to Scheduled Castes/Tribes, the fee will be reduced to one-fourth.

4. Applications in the candidate's own handwriting in the prescribed forms obtainable from the Reserve Bank's offices at Bombay, Calcutta, Kanpur, New Delhi, Nagpur, Madras, Bangalore, Hyderabad, Trivandrum, Lucknow, Patna and Jaipur accompanied by copies (originals should not be sent) of certificates regarding age and educational qualifications, statements of marks secured in the Graduate and post-graduate degree examinations and two testimonials should be forwarded to the Secretary, Central Recruitment Board, Reserve Bank of India, Central Office, Post Box No. 406, Bombay No. 1 so as to reach him on or before the 25th July 1964.

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

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

7. Candidates must be prepared to serve in any office of the Bank in India, and to undertake tours when required.

8. Selected candidates will have to appear for interview/s before the Selection Board at any of the Bank's Offices.

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

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

11. Canvassing in any form will be regarded as disqualification.

SHAW WALLACE & COMPANY, LIMITED

Dividend on Preference Shares

THE Directors have sanctioned an Interim Dividend on the Company's Preference Shares for the year ending 31st December 1964 at the rate of 2.4975 per share (i.e. Rs. 3/- per share increased in accordance with the provisions of the Preference Shares (Regulation of Dividends) Act, 1960, less Income Tax at the Company's rate of 25%). This dividend will be paid to Members whose names appear in the Company's Preference Share Register on 15th July, 1964 or their mandatees, subject to deduction of tax under Section 194 of the Income Tax Act.

The Preference Share Transfer Register of the Company will be closed from 4th to 15th July, 1964, both days inclusive.

By Order of the Board,

D. A. HOUGHTON,
Calcutta Director & Secretary.

Registered Office:

4, Bankshall Street,
Calcutta 1.
24th June, 1964.

KRISHNABEHARI TEA CO., LTD.

AT a meeting of the Board of Directors held on 3rd June, 1964, the following dividend was recommended for declaration at the Annual General Meeting to be held on 29th June, 1964 at 3 P.M. to be paid for the year ended 31st December, 1963, subject to deduction of taxes:—

On Equity Shares at the rate of 6% per annum.

By Order of the Board,

BIHARI LALL LAHOTY,
Managing Director.

161/1, Mahatma Gandhi Road,

Calcutta-7,

4th June, 1964.

THE INDIAN IRON & STEEL CO. LTD.

NOTICE

THE Ordinary Share Register and Transfer Books of the Company will be closed from Saturday, the 1st August, 1964 to Saturday the 22nd August, 1964, both days inclusive, for the purpose of payment in due course of dividend on Ordinary Shares in the Company for the year ended 31st March, 1964. The dividend when declared will be paid to those Shareholders whose names appear on the Company's Register of Members for Ordinary Shares on the 22nd August, 1964 or to their mandatees.

By Order of the Board,

MARTIN BURN LIMITED,
F. G. LIVERSEDEGE,
Managing Director.
Managing Agents.

Registered Office:

12, Mission Row,

Calcutta-1.

23rd June, 1964.

HIDES AND SKINS QUIET

The market continued quiet. Stocks of skins were higher but those of hides were less than in the previous week.

Bazaar Sales

(Between 16th June and 22nd June, 1964)

Cowhides: Wet salted (Ord.) 22,000 pcs. on the basis of Rs. 7 to Rs. 9.25; Wet salted (Slaughtered) 37,500 pcs. on the basis of Rs. 6.50 to Rs. 13 and Rs. 16 to Rs. 24; Wet salted (Ord.) 3,000 pcs. on the basis of 68 paise a lb.

Goatskins: Wet salted (Patna, Daissee, Kustia) 85,600 pcs. on the basis of Rs. 250 to Rs. 270, Rs. 310 to Rs. 325 and Rs. 360 to Rs. 370; Wet salted (he-killed) on the basis of Rs. 4.25 and (she-killed) on the basis of Rs. 4 a piece; Assam 16,000 pcs. on the basis of Rs. 180 to Rs. 190; Purneah-Forbesganj (heavy) 4,400 pcs. on the basis of Rs. 490 to Rs. 500.

Bazaar Stocks

(22nd June, 1964)

Cowhides: Wet salted 1,12,800 pcs.
Goatskins: Wet salted (Patna, Daissee, Kustia, Killed) 43,000 pcs.; Assam-Dinajpur 2,21,000 pcs.; Muzaferpore-Patna-Pakur - Purneah-Kisenganj 417,000 pcs.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	I.S.T. Hours
Dhelaikhat Tea Co. Ltd.	25-6-64	9-30 a.m.
Bridge & Roof Co. (India) Ltd.	25-6-64	3-30 p.m.
British India Electric Constn. Co. Ltd.	25-6-64	3-45 p.m.
Triton Insurance Co. Ltd.	25-6-64	4 p.m.
Borrea Coal Co. Ltd.	26-6-64	10-30 a.m.
Ondal Coal Co. Ltd.	26-6-64	11-15 a.m.
Sendra Coal Co. Ltd.	26-6-64	11-25 a.m.
British Paints (India) Ltd.	26-6-64	11-30 a.m.
Standard Coal Co. Ltd.	26-6-64	12 noon
Shree Gopal Paper Mills Ltd.	26-6-64	3 p.m.
Industrial Investment Trust Ltd.	26-6-64	4 p.m.
Capital Ltd.	27-6-64	10-25 a.m.
W. H. Targett & Co. Ltd.	27-6-64	10-30 a.m.
Swadeshi Cotton Mills Co. Ltd.	27-6-64	2-30 p.m.
Karanpura Development Co. Ltd.	29-6-64	10-40 a.m.
New Samanbagh Tea Co. Ltd.	29-6-64	10-40 a.m.
Tezpora Tea Co. Ltd.	29-6-64	10-50 a.m.
Duncan Bros. & Co. Ltd.	29-6-64	11 a.m.
Kumardhubi Fireclay & Silica Works Ltd.	29-6-64	11 a.m.
Grob Tea Co. Ltd.	29-6-64	11-40 a.m.
Orissa Cement Co. General Industrial Society Ltd.	29-6-64	2-45 p.m.
Calcutta Jute Manufacturing Co. Ltd.	26-6-64	3 p.m.
Shaw Wallace & Co. Ltd.	29-6-64	3 p.m.
Balmer Lawrie & Co. Ltd.	29-6-64	3-30 p.m.
Naga Hills Tea Co. Ltd.	29-6-64	3-30 p.m.
New India Investment Corp. Ltd.	29-6-64	4-15 p.m.
Bengal Paper Mill Co. Ltd.	29-6-64	4-30 p.m.
Escorts Ltd.	30-6-64	10 a.m.
Bharat Nidhi Ltd.	17-7-64	3-30 p.m.
Indian Copper Corporation Ltd.	12-8-64	11-30 a.m.

DIVIDENDS DECLARED OR PROPOSED

ED.—India Paper Pulp Co. Ltd.—Re. 1 per share (f), less tax; New Great Insurance Co. of India Ltd.—Rs. 3 per share, subject to tax; Katras Jheriah Coal Co. Ltd.—Rs. 2.25 per share (o) (f), subject to tax; Krishnabehari Tea Co. Ltd.—6 p.c. (o), subject to tax.

FOR MACHINE TOOLS AND SPECIAL SWEDISH STEELS



CONTACT
FRANCIS KLEIN & CO.,
PRIVATE LTD.

HEAD OFFICE
1, INDIA EXCHANGE PLACE
CALCUTTA-1
SHOWROOMS
13A, GOVT. PLACE EAST
CALCUTTA-1

MIDDLE CLASS COST OF LIVING INDEX NUMBER FOR CALCUTTA

(Base: August 1939)

4 points and 10 points. The indices for Fuel & Lighting and Clothing remain unchanged at 308 and 609 points, respectively.

Combining all the factors, the Middle Class Cost of Living Index for Calcutta shows that the cost of living increased by 5 points during May 1964.

Middle Class Cost of Living Index Number for Calcutta. Prices in August 1939=100

Groups	Weights	GROUP INDICES												
		May 1963	June 1963	July 1963	Aug 1963	Sept. 1963	Oct. 1963	Nov. 1963	Dec. 1963	Jan. 1964	Feb. 1964	Mar. 1964	April 1964	May 1964
Food	53.6	578	586	591	598	606	608	598	591	584	576	583	595	599
Fuel and lighting	4.4	308	308	308	308	308	308	308	308	308	308	308	308	308
Clothing	12.4	602	602	602	602	609	609	609	609	609	609	609	609	609
Miscellaneous	29.6	317	317	317	317	317	317	321	321	321	321	321	321	331
Combined index	100.0	492	496	499	502	507	509	505	501	497	493	497	503	508

Compiled and constructed by the Statistical Department of "Capital".

"CAPITAL" STOCK AND SHARE LIST

THE INVESTORS GUIDE AND SHAREHOLDERS GAZETTE

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

Exchange Associations and other sources.

Figures given after stroke (/) mean paise.

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Wednesday, 24th June, 1964.

GOVERNMENTS LOANS

Outstanding Amount	Interest per cent	Year of Issue	Repayable	Market quotations	Amount	Interest per cent	Year of Issue	Repayable	Market quotations
Ra.				Ra.	Ra.				Ra.
GOVERNMENT OF INDIA									
2,43,91,06,000	3	1946	1986 or later	63/75	90,24,300	4	1914	1974	98/25
			At the option of the Government of India after a months notice		76,90,100	4	1915	1975	98/25
8,93,33,000	3	1896-97		63/00	68,02,300	3	1921	2nd 1981	82/00
					1,50,00,000	6	1921	2nd 1981	144/00N
14,77,48,000	2½	1946	1976	83/50	£892,600	5	1923	1953-83	£61
1,10,11,78,000	3	1943	1966-68	98/25	£901,000	5	1924	1954-84	£61
					1,24,00,000	4½	1957	1987	99/50
1,15,05,83,000	3	1948	1970-75	90/45	50,00,000	4½	1958	1988	99/00
1,53,67,92,000	3½	1953	1965	100/00	1,50,00,000	4½	1959	1989	99/00
					80,00,000	4	1961	1991	98/75
86,63,53,000	3½	1956	1974	96/75	60,00,000	3½	1935	1965	93/00
56,99,30,000	3½	1957	1967	100/00	50,00,000	3	1946	1976	93/50
1,97,40,92,000	3½	1956	1967	99/80	50,00,000	3	1945	1-2-2005	72/00
70,00,000	3½	1958	1968	98/55	50,00,000	3	1945	1-2-1975	83/75
1,56,64,22,000	3½	1958	1968	99/70	25,00,000	3	1938	1967-65	93/00
1,90,85,42,000	3½	1959	1969	98/00	50,00,000	3	1946	2006	72/00
82,65,41,000	3½	1960	1966	99/95	50,00,000	2½	1947	1977	78/50
1,54,70,22,000	4	1957	1972	98/90	50,00,000	3	1948	1978	83/00
94,51,44,000	4	1958	1973	98/85	50,00,000	3	1951	1981	80/50
81,06,39,000	4	1959	1979	98/20	50,00,000	4½	1953	1983	98/75
98,05,17,000	4	1960	1980	98/20	50,00,000	4	1953	1983	97/50
65,96,55,000	4	1961	1981	98/20	50,00,000	4	1955	1985	97/25
84,12,53,000	4	1963	1983	99/85	50,00,000	4	1956	1986	97/25
28,07,95,000	4½	1962	1982	100/10	50,00,000	4	1959	1989	99/50
52,01,71,000	4½	1963	1983	100/00	1,00,00,000	5	1963	1993	..
1,14,03,37,000	4½	1962	1983	100/00					

BOMBAY

3,40,34,300	4	1952	1964	99/95	1,00,00,000	5	1963	1993	..
6,57,22,800	4½	1957	1968	98/40					
6,58,20,700	4½	1958	1970	98/85					
4,35,25,000	4½	1958	1971	98/70					

MADHYA PRADESH

2,03,28,800	3	1948	1964	98/50					
5,24,81,200	4	1952	1964	99/95					

MADRAS

5,55,57,300	4½	1958	1970	98/80					
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UTTAR PRADESH

1,55,31,200	3	1938	1961-66	93/25	66,88,000	3½	1951	1966	98/50
5,89,13,900	4	1952	1964	99/95	10,00,000	5½	1932	1962	100/75N

WEST BENGAL

7,65,53,900	4½	1958	1970	98/70	33,91,000	3½	1935	1965	96/00
2,00,00,000	4	1952	1964	99/95	60,00,000	3	1936	1966	93/00

MYSORE

7,58,72,200	4	1952	1967	99/40	47,50,000	3	1938	1968	92/50
7,11,46,100	4	1956	1968	99/00					
5,10,49,700	4½	1958	1970	98/75	21,10,000	3½	1942	1972	92/00
7,69,68,400	4	1959	1971	97/50					
7,00,00,000	4	1960	1969	98/50	87,36,000	4	1952	1962	99/75
73,07,21,000	4½	1961	1972	98/80					
7,00,00,000	4½	1962	1974	99/55	2,22,72,000	4	1955	1985	97/25N

MYSORE

2,95,85,200	4	1933	1952-63	100/00	73,36,000	4½	1958	1968	100/50
					57,72,000	4½	1961	1991	..

These notes refer to the Debentures on the next page.

Option to repay at par on 6 months' notice—

(a) Option to extend the redemption period for further 10 years.

(b) at any time after.

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

(d) option to redeem at 2½% Prem. after 14-5-64 and before 15-5-69.

Option to repay on 6 months' notice—

(e) at any time after 30-6-61 at 101%.

(f) at 101% between 1-1-60 & 31-12-64.

(g) at 102½% after 30-6-69 but before 30-6-84.

(h) at any time after 30-6-65 at 101%.

Option to repay on 3 months' notice—

(i) at any time at 3% Premium.

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

(k) at any time at par.

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

PORT TRUST LOANS

Outstanding Amount	Interest per cent	Year of Issue	Repayable	Market quotations	Amount	Interest per cent	Year of Issue	Repayable	Market quotations
Ra.				Ra.	Ra.				Ra.
GOVERNMENT OF INDIA									
2,43,91,06,000	3	1946	1986 or later	63/75	90,24,300	4	1914	1974	98/25
			At the option of the Government of India after a months notice		76,90,100	4	1915	1975	98/25
8,93,33,000	3	1896-97		63/00	68,02,300	3	1921	2nd 1981	82/00
					1,50,00,000	6	1921	2nd 1981	144/00N
14,77,48,000	2½	1946	1976	83/50	£892,600	5	1923	1953-83	£61
1,10,11,78,000	3	1943	1966-68	98/25	£901,000	5	1924	1954-84	£61
					1,24,00,000	4½	1957	1987	99/50
1,15,05,83,000	3	1948	1970-75	90/45	50,00,000	4½	1958	1988	99/00
1,53,67,92,000	3½	1953	1965	100/00	1,50,00,000	4½	1959	1989	99/00
					80,00,000	4	1961	1991	98/75
86,63,53,000	3½	1956	1974	96/75	60,00,000	3½	1935	1965	93/00
56,99,30,000	3½	1957	1967	100/00	50,00,000	3	1946	1976	93/50
1,97,40,92,000	3½	1956	1967	99/80	50,00,000	3	1945	1-2-2005	72/00
70,00,000	3½	1958	1968	98/55	50,00,000	3	1945	1-2-1975	83/75
1,56,64,22,000	3½	1958	1968	99/70	25,00,000	3	1938	1967-65	93/00
1,90,85,42,000	3½	1959	1969	98/00	50,00,000	3	1946	2006	72/00
82,65,41,000	3½	1960	1966	99/95	50,00,000	2½	1947	1977	78/50
1,54,70,22,000	4	1957	1972	98/90	50,00,000	3	1948	1978	83/00
94,51,44,000	4	1958	1973	98/85	50,00,000	3	1951	1981	80/50
81,06,39,000	4	1959	1979	98/20	50,00,000	4½	1953	1983	98/75
98,05,17,000	4	1960	1980	98/20	50,00,000	4	1953	1983	97/50
65,96,55,000	4	1961	1981	98/20	50,00,000	4	1955	1985	97/25
84,12,53,000	4	1963	1983	99/85	50,00,000	4	1956	1986	97/25
28,07,95,000	4½	1962	1982	100/10	50,00,000	4	1959	1989	99/50
52,01,71,000	4½	1963	1983	100/00	1,00,00,000	5	1963	1993	..
1,14,03,37,000	4½	1962	1983	100/00					

BOMBAY

3,40,34,300	4	1952	1964	99/95	1,00,00,000	5	1963	1993	..
6,57,22,800	4½	1957	1968	98/40					
6,58,20,700	4½	1958	1970	98/85					
4,35,25,000	4½	1958	1971	98/70					

MADRAS

5,55,57,300	4½	1958	1970	98/80					
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UTTAR PRADESH

1,55,31,200	3	1938	1961-66	93/25	66,88,000	3½	1951	1966	98/50
5,89,13,900	4	1952	1964	99/95	10,00,000	5½	1932	1962	100/75N

WEST BENGAL

7,65,53,900	4½	1958	1970	98/70	33,91,000	3½	1935	1965	96/00
2,00,00,000	4	1952	1964	99/95	60,00,000	3	1936	1966	93/00

MYSORE

7,58,72,200	4	1952	1967	99/40	47,50,000	3	1938	1968	92/50
7,11,46,100	4	1956	1968	99/00					
5,10,49,700	4½	1958	1970	98/75	21,10,000	3½	1942	1972	92/00
7,69,68,400	4	1959	1971	97/50					
7,00,00,000	4	1960	1969	98/50	87,36,000	4	1952	1962	99/75
73,07,21,000	4½	1961	1972	98/80					
7,00,00,000	4½	1962	1974	99/55	2,22,72,000	4	1955	1985	97/25N

MYSORE

2,95,85,200	4	1933	1952-63	100/00	73,36,000	4½	1958	1968	100/50
					57,72,000	4½	1961	1991	..

(m) redeemable at 103% on 31-12-64 with option to redeem on any interest date at same premium after 30-6-59.

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

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

(p) at par after September 1960.

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

(r) with option to redeem at 101% after 10 years or at 100½% after 12 years.

(s) Rs. 1 lac Debentures to be redeemed annually by drawing from 1-6-56 with option to redeem at 100½% between 1-6-57 to 1-6-60 and at 101% afterwards.

(t) with option to redeem at 101% after 10 years or at 100½% after 13 years.

(u) with option to redeem all or any of the Debts at 101% at any time after 31-3-64 and at 100½% at any time after 31-3-66.

IMPROVEMENT TRUST LOANS

LOANS									
Repay- able	Market quota- tions	Amount	Interest per cent	Year of Issue	Repay- able	Market quota- tions			
Y	Rs.	Rs.	CALCUTTA				Rs.		
1964	96/00	50,00,000	4	1934	1964	98/25			
1965	96/00	35,00,000	3½	1935	1965	96/00			
1967	96/00	30,00,000	3	1936	1966	92/50			
1968	96/00								
1968	96/00	20,00,000	3	1938	1963-68	92/00			
1970	92/00	80,00,000	4	1952	1962	100/00			
1971	92/00	1,02,00,000	4	1956	1968	98/50			
1972	92/00	75,00,000	4½	1958	1968	101/00			
LOANS									
BOMBAY									
1953-83	£63								
1954-84	£63								
1962	£96½	60,00,000	4	1903	1963	98/25			
		50,00,000	4	1904	1964	98/25			
		20,00,000	4	1906	1966	97/50			
1977	A	15,00,000	4	1907	1967	97/50			
1977	A	30,00,000	4	1908	1968	£95½N			
1979	A								
		£566,600	4	1909	1969	£95½N			
		£333,000	4	1910	1970	£100/00			
		25,00,000	4	1912	1972	95/00			
		13,00,000	4	1913	1973	95/00			
		50,00,000	4	1914	1974	95/00			
		25,00,000	4	1916	1976	95/00			
		66,00,000	6	1920	1945-80	119/50			
		25,00,000	4	1927	1961-70	99/7½			
		10,00,000	3½	1936	1966	89/00			

JOINT STOCK COMPANIES PREFERENCE SHARES

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

Year of Issue	NAMES	Amount Issued In 000's	Rate per cent	Paid-up per Share	Market Quotations		Year of Issue	NAMES	Amount Issued In 000's	Rate per cent	Paid-up per Share	Market Quotations	
		Ra.		Ra.	24-6-64.	A year ago			Ra.		Ra.	24-6-64.	A year ago
					Ra.	Ra.						Ra.	Ra.
BANK													
1901	Allahabad Bank (May Nov.)	15.00	6	100	94/50	98/50	1895	Bengal Assam Steamship (Nov.)	3.00	7	60	57/00	47/00
COALS													
1896-97	Borra (June Dec.)	4.00	6 1/2	100	84/00	84/00	1926	Bengal Chemical (Aug.)	6.25	7 1/2	100	11/81	11/31
1901-19	Burrakur (Jan. July)	22.98	7	100	99/00	93/00	1889	Bengal Paper Mill (Mar. Sept.)	2.00	7	60	51/00	46/50
1946	Burrakur (June Dec.)	4.50	6T	10	5/21	6/00	1923	Bengal Paper Mill "A" (Mar. Sept.)	4.00	7	100	98/00	98/00
1895	Equitable (May Nov.)	4.00	6	100	90/00	80/00	1923	Birds Investments (Dec.)	24.00	5 1/2	100	52/50	53/37
1931	Khas Kajora (March Sept.)	1.93	5	10	9/00	6/87	1936	Braithwaite & Co.	40.00	9T	100	106/00	..
1920	New Beerbhoom (Jan. July)	2.00	7	10	10/62	10/25	1918	Britannia Biscuit (Feb. Aug.)	15.00	8	10	11/00	11/00
1898-00	Ondal (June Dec.)	2.00	5 1/2	100	85/00	85/00	1920	British India Corporation (Feb.)	81.00	8	100	110/00	106/25
COTTONS													
1902	Ahmedabad Advance (Apr. Oct.)	10.00	5	100	77/00	70/00	1920	Burn Eng. (1st & 2nd) (Feb. Aug.)	13.00	7	100	111/75	116/00
1884	Bangalore (Jan. July)	6.00	6	100	95/71	106/90	1903-5	Burn Engineering (Feb. Aug.)	15.00	6	100	103/50	103/00
1938	Basant (Oct.)	5.00	6 1/2	10	7/19	7/00	1909-11	Calcutta Electric Supply (Mar. Sept.)	£1,900	5	£1	7/90	8/19
1896	Bengal-Nagpur (Apr. Oct.)	3.00	7	100	48/00	48/00	1937	Calcutta Silk Manufacturing (July Jan.)	2.00	6	100	70/50	70/00
1900	Bowraah "A" (Apr. Oct.)	6.00	8	100	111/00	114/00	1906	Calcutta Tramways (Jan. July)	£250	5T	£1	8/25	8/25
1900	Bowraah "B" (8) (1) (Apr. Oct.)	6.00	7	100	88/00	84/50	1938	Carew & Co. (Jan.)	8.00	6 1/2	100	73/50	72/00
1919	Bradbury "B" (Jan. Dec.)	14.85	7	60	60/50	53/00	1940	Cawnpore Sugar Works (Feb. Aug.)	10.00	8	100	110/00	104/50
1920	Buckingham & Carnatic (Jan. July)	21.30	7 1/2	100	105/59	114/59	1936	Chrestien Mica Industries Ltd.	30.00	5 1/2	100	39/00	40/00
1928	Cambodia (July)	1.00	7	100	76/13	83/63	1937	Dalmia Cement (Bharat) -	35.00	6	10	7/87	8/69
1912	Central India (Apr. Oct.)	50.00	5	500	416/25	401/25	1916	Delhi Flour Mills (Oct.)	90.00	7T	100	101/00	101/00
1912	Delhi Cloth & General (Oct.)	20.00	4 1/2	25	18/63	16/63	1935	Deshergarh Power Supply "A" (Jan.)	16.00	5	100	69/50	73/62
1943	Elgin (May Nov.)	11.00	8	10	6/44	6/50	1940	Dunlop Brothers & Co. Ltd.	45.00	4	100	57/00	58/00
1919	Elphinstone (May Nov.)	25.00	7T	100	78/00	77/00	1936	Dunlop Rubber "First" (Jan. July)	30.00	8	100	103/00	108/50
1919	Kesoram (June Dec.)	20.00	7	100	106/00	107/00	1897	Dunlop Rubber "Second" (Apr.)	40.00	5 1/2	100	65/00	72/75
1925	Khatana Makani (Nov.)	10.00	6	100	90/00	85/00	1908	East India Distilleries (Jan. July)	£200	7	20st	17/83	18/90
1937	Kothari (Nov.)	12.00	6	10	7/85	8/78	1947	General Investment & Trust (Feb. Aug.)	1.00	5	100	56/00	56/00
1900	Muir (Feb. Aug.)	30.00	6	100	120/00	122/00	1946	General Investment & Trust (Feb. Aug.)	1.00	6T	100	48/00	49/00
1913	New Great Eastern (Mar.)	8.00	5 1/2	200	120/00	107/00	1948	Gillanders Arbuthnot (Apr. Oct.)	25.00	5T	100	56/50	55/00
1920	New Victoria (Apr. Oct.)	16.06	6	2	2/06	2/62	1948	Gladstone Lyall & Co. Ltd.	15.00	6T	100	60/00	60/00
1933	Palani Andavar (Mar.)	2.00	7	50	115/45	118/64	1940	Godfrey Phillips India Ltd.	30.00	5 1/2	100	60/00	60/70
1935	Svadeshi (Bombay) (May)	15.00	5	100	86/00	82/00	1940	Gwallior Sugar (Redeemable) (Dec.)	6.75	7	100	62/00	62/00
1927	Svadeshi (Cawnpore) (Mar.)	35.00	6	100	69/25	71/00	1936	Gwallior Sugar (Dec.)	5.00	7	100	62/00	62/00
1931	Vasanta (Apr. Oct.)	3.00	6 1/2	100	79/70	82/04	1936	Humayan Properties Ltd. (Nov.)	12.00	6	10	7/00	6/81
1908	Vishnu (Apr.)	16.00	7	500	390/00	385/00	1927	Indian Aluminium (Mar. Sept.)	40.00	6T	100	62/00	67/50
JUTES													
1927	Agarpara (Jan. July)	10.00	7	100	95/50	90/59	1899	Indo Burma Petroleum (Jan. July)	50.00	7T	100	65/87	76/00
1905	Alexandra (Feb. Aug.)	9.00	7	100	94/25	85/50	1923	India General Navg & Railways	£244	6	£10	83/50	75/00
1895	Alliance (March Sept.)	15.00	6	100	76/00	72/25	1937	Indian Cable Co. (Nov.)	12.88	6	10	31/75	31/75
1917	Anglo-India (May Nov.)	40.00	7	100	99/00	97/00	1918	Indian Standard Wagon (Aug. or Sept.)	19.66	7	100	112/00	116/50
1909	Auckland (July Jan.)	10.00	5 1/2	100	71/00	67/00	1936	Investment and Finance (Feb. Aug.)	2,89.95	5	100	80/75	85/00
1945	Auckland (July Jan.)	15.00	4 1/2	100	58/50	57/00	1935	Investment and Finance (Feb. Aug.)	2.00	5	100	69/00	69/00
1918	Bally (Jan. July)	20.00	7	100	105/00	105/50	1937	James Wright (Jan. July)	1.30	6	60	14/00	14/00
1896	Barnagore (Oct. Dec.)	£200	5T	25	42/00	38/00	1937	Jardine Henderson Ltd.	50.00	5 1/2	100	55/00	54/50
1940	Bengal (June Dec.)	10.00	5 1/2	100	70/00	56/75	1941	Jessop & Co.	10.00	5	100	76/25	75/50
1913	Birla (June Dec.)	23.64	7 1/2	100	79/50	78/50	1915	Kumardhul Engineering (June)	12.00	5	100	72/00	68/00
1894	Budge Budge (Jan. Nov.)	9.00	7	100	85/00	80/50	1915	Martin Burn Ltd.	30.00	5	100	80/50	84/00
1915	Caledonia (Jan. July)	6.00	6 1/2	100	85/00	80/00	1936	McLeod & Co.	10.00	5T	100	43/50	45/00
1915	Caledonian (June Dec.)	10.00	7	100	92/00	93/00	1936	McLeod & Co.	40.00	5	100	59/75	59/75
1919	Cheviot (June Dec.)	10.00	7	100	92/00	93/00	1936	Mettur Chemical & Industrial (Sept.)	20.00	6	10	8/23	9/25
1928	Chitavalah (Mar. Dec.)	5.00	7	100	89/00	82/00	1942	Metal Box Co. of India Ltd.	30.00	6T	100	75/00	77/50
1900	Clive (First) (May Dec.)	8.00	6	100	57/00	52/00	1938	Mysore Chemical Mfg. (Sept.)	2.00	8	10	6/73	7/75
1905	Clive "A" (Second) (May Dec.)	8.00	7	100	63/00	62/00	1942	National Tobacco (June Dec.)	25.00	8	100	69/00	7/85
1903-13	Dalhousie (July Jan.)	11.76	7	100	90/00	87/00	1944	National Tobacco (Jan. Dec.)	20.00	4 1/2	100	57/50	57/50
1897	Delta (June Dec.)	5.00	6	100	74/50	64/75	1917	Poona Electric Supply Co. Ltd. (June Dec.)	4.00	7	100	99/50	101/00
1912	Empire (Jan. July)	10.00	7	100	88/00	89/00	1935	Premier Construction "First" (Apr.)	10.00	6T	100	77/00	73/50
1890-93	Fort Gloster (Jan. July)	14.00	7	100	111/00	97/00	1936	Premier Construction "Second" (Apr.)	15.00	6T	100	77/00	73/50
1948	Fort Gloster (2nd)	7.00	5	100	69/75	65/50	1922	Purtabpore (Sugar) (Oct.)	4.00	10	100	9/56	75/50
1911	Fort William (May Nov.)	10.00	7	100	115/00	80/80	1936	Rammugger Cane & Sugar (Aug.)	4.00	6	100	82/00	10/50
1916	Ganges (June Dec.)	6.00	8	100	108/00	106/00	1933-36	Rohas Industries (April)	20.00	7	100	103/00	82/00
1895-04	Gouropore (June Dec.)	26.50	6	100	89/00	88/50	1935	Rohas Industries "B" (April)	88.00	4 1/2	100	58/00	95/00
1935	Hastings (Aug. Feb.)	25.00	6	100	89/00	86/50	1936	Shaw Wallace & Co. Ltd.	75.00	5T	100	55/00	56/50
1913	Hooghly (July)	11.76	10	80	12/25	11/00	1937	Shree Gopal Paper	7.50	7	100	98/50	58/50
1890	Howrah (Jan. July)	8.75	7	100	92/50	90/50	1938	Shree Krishna Gyanodaya Sugar "A" (Oct.)	6.00	6	100	45/00	103/00
1903-08	Howrah "A" (Jan. July)	17.50	7	100	95/50	91/00	1937	Shree Krishna Gyanodaya Sugar "B" (Oct.)	12.00	5	100	70/00	62/00
1919	Hukumbhand (June Dec.)	40.00	7	100	98/00	95/00	1913	Smith Stanistreet (Chemists) (Nov.)	5.00	10	60	74/50	70/50
1898-04	Kankarabhat (Apr. Oct.)	16.00	6	100	81/00	73/00	1938	South Behar Sugar (Oct.)	5.00	9	100	20/50	62/50
1900	Kedarnath (Jan. July)	10.00	6	100	80/00	72/00	1897	Spencer & Co "A" (Provisions) (Jan. July)	23.20	8 1/2	10	6/70	20/50
1935	Kelvin (Mar. Sept.)	2.00	7	100	90/50	90/00	1936	Spencer & Co "B" (Provisions) (Jan. July)	36.80	8 1/2	10	9/65	6/85
1907	Kharad (May Nov.)	10.00	7	100	96/00	93/00	1925	Star Paper (Apr. Oct.)	10.00	5	100	68/50	9/50
1900-13	Kinnison (July Jan.)	9.00	6	100	74/00	71/00	1939	Surat Electricity (April)	5.00	6 1/2	100	102/50	65/00
1905	Lansdowne (July Jan.)	15.00	7	100	96/50	92/50	1910	Tata Chemicals (Nov.)	60.00	8	100	93/50	87/00
1912	Lawrence "A" (July Jan.)	5.00	7	100	86/00	84/50	1906	Tata Hydro Electric Power (Sept. Mar.)	99.28	7	100	99/50	95/20
1906-07	Lawrence "B" (July Jan.)	5.00	7	100	95/00	91/00	1918	Tata Iron & Steel (First) (Nov.)	75.00	6T	100	126/25	128/00
1905-08	Naihati (July Jan.)	10.00	5 1/2	100	95/00	91/00	1919	Tata Iron & Steel (Second) (May)	69.82	7 1/2	100	106/50	100/00
1945	Naihati (July Jan.)	7.50	7	100	115/00	112/00	1928	Tata Power (May Nov.)	86.97	7 1/2	1,000	1,020/00	1,002/50
1917	National (May Nov.)	10.00	4 1/2	100	90/00	83/00	1936	Titagarh Paper Mills (Mar. Sept.)	11.50	8	100	112/50	117/00
1938	Nellimarla (Apr. Oct.)	5.00	7	100	95/50	87/00	1934	Vellore Electric (Sept. Mar.)	1.23	6	10	5/78	5/78
1915	New Central (Jan. July)	33.00	7	100	71/00	76/00	TEAS						
1935	Northbrook (July Jan.)	15.00	7	100	91/75	91/50	1903	Amluckie (May Nov.)	75.00	7	10	21/96	21/96
1906-12	Rameswara (Jan. July)	7.00	6	10	12/44	12/44</							

JOINT STOCK COMPANIES PREFERENCE SHARES

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

Year of Issue	NAMES	Amount Issued in 000's	Rate per Share	Paid-up per Share	Market Quotations 24-6-64	Year of Issue	NAMES	Amount Issued in 000's	Rate per Share	Paid-up per Share	Market Quotations 24-6-64	Year of Issue
		Rs.		Rs.	Rs.			Rs.		Rs.	Rs.	
BANK												
1901	Allahabad Bank (May Nov.)	15.00	6	100	94/50	1895	Bengal Assam Steamship (Nov.)	3.00	7	60	57/00	1895
COALS												
1896-97	Borra (June Dec.)	4.00	6	100	84/00	1896	Bengal Chemical (Aug.)	6.25	7	10	11/81	1896
1901-19	Burrakur (Jan July)	22.98	7	100	99/00	1889	Bengal Paper Mill (Mar. Sept.)	2.00	7	50	51/00	1889
1948	Burrakur (June Dec.)	4.50	6T	10	5/21	1928	Bengal Paper Mill "A" (Mar. Sept.)	4.00	7	100	98/00	1928
1895	Equitable (May Nov.)	1.00	5	100	90/00	1936	Birds Investments (Dec.)	24.00	5	100	52/50	1936
1931	Khas Kajora (March Sept.)	1.93	5	10	9/00	1962	Braithwaite & Co.	40.00	9T	100	106/00	1962
1920	New Beerhoom (Jan. July)	2.00	7	10	10/62	1918	Britannia Biscuit (Feb. Aug.)	15.00	8	10	11/00	1918
1898-00	Ondal (June Dec.)	2.00	5	100	85/00	1920	British India Corporation (Feb.)	81.00	8	100	110/00	1920
COTTONS												
1902	Ahmedabad Advance (Apr. Oct.)	10.00	5	100	77/00	1905-24	Burn Eng. (1st & 2nd) (Feb. Aug.)	13.00	7	100	111/75	1905-24
1884	Bangalore (Jan. July)	6.00	6	100	95/71	1909-11	Burn Engineering (Feb. Aug.)	15.00	6	100	103/50	1909-11
1938	Basanti (Oct.)	5.00	6	100	95/71	1937	Calcutta Electric Supply (Mar. Sept.)	21.900	5	21	7/90	1937
1896	Bengal-Nagpur (Apr. Oct.)	3.00	7	100	7/19	1938	Calcutta Silk Manufacturing (July Jan.)	2.00	6	100	70/50	1938
1900	Bowraha "A" (Apr. Oct.)	6.00	8	100	48/00	1906	Calcutta Tramways (Jan. July)	22.50	6T	21	8/25	1906
1900	Bowraha "B" (8) (1) (Apr. Oct.)	6.00	8	100	111/00	1940	Carew & Co. (Jan.)	8.00	6	100	73/50	1940
1919	Bradbury "B" (Jan Dec.)	14.85	7	60	60/50	1937	Cawnpore Sugar Works (Feb. Aug.)	10.00	8	100	110/00	1937
1920	Buckingham & Carnatic (Jan. July)	21.30	7	100	105/59	1916	Chrestien Mica Industries Ltd.	30.00	5	100	39/00	1916
1928	Cambodia (July)	1.00	7	100	88/00	1935	Daimia Cement (Bharat)	35.00	6	10	7/87	1935
1912	Central India (Apr. Oct.)	50.00	5	500	416/25	1935	Deshergarh Power Supply "A" (Jan.)	90.00	7T	100	101/00	1935
1912	Delhi Cloth & General (Oct.)	20.00	4	25	16/63	1935	Duncan Brothers & Co. Ltd.	18.00	5	100	69/50	1935
1912	Elgin (May Nov.)	11.00	8	100	113/00	1935	Dunlop Rubber "First" (Jan. July)	45.00	4	100	57/00	1935
1943	Elgin "B"	10.00	5	10	6/44	1935	Dunlop Rubber "Second" (Apr.)	30.00	8	100	103/00	1935
1919	Elphinstone (May Nov.)	25.00	7T	100	77/00	1935	East India Distilleries (Jan. July)	22.00	7	20st	17/83	1935
1919	Kesoram (June Dec.)	20.00	7	100	78/00	1935	General Investment & Trust (Feb. Aug.)	1.00	5	100	56/00	1935
1925	Khatu Mankaji (Nov.)	10.00	6	100	106/00	1935	General Investment & Trust (Feb. Aug.)	1.00	5	100	56/00	1935
1937	Kothari (Nov.)	12.00	6	100	90/00	1935	Gillanders Arbuthnot (Apr. Oct.)	25.00	6T	100	58/50	1935
1900	Muir (Feb. Aug.)	30.00	6	10	7/85	1935	Gladstone Lysal & Co. Ltd.	15.00	6T	100	60/00	1935
1913	New Great Eastern (Mar.)	8.00	5	200	120/00	1935	Godfrey Phillips India Ltd.	30.00	6T	100	60/00	1935
1920	New Victoria (Apr. Oct.)	16.00	6	5	2/06	1935	Gowallor Sugar (Redeemable) (Dec.)	7.75	5	100	62/00	1935
1933	Palani Andavar (Mar.)	2.00	7	50	115/45	1935	Gowallor Sugar (Dec.)	5.00	7	100	62/00	1935
1935	Svadeshi (Bombay) (May)	15.00	5	100	86/00	1935	Humayan Properties Ltd. (Nov.)	12.00	6	10	7/00	1935
1927	Svadeshi (Cawnpore) (Mar.)	35.00	6	100	69/25	1935	Indian Aluminium (Mar. Sept.)	40.00	6T	100	62/00	1935
1931	Vasanta (Apr. Oct.)	3.00	6	100	79/70	1935	Indo Burma Petroleum (Jan. July)	50.00	6T	100	65/87	1935
1908	Vishnu (Apr.)	16.00	7	500	390/00	1935	India General Navg & Railways	2244	6	210	83/50	1935
JUTES												
1927	Agarpara (Jan. July)	10.00	7	100	95/50	1937	Indian Cable Co. (Nov.)	12.88	6	10	31/75	1937
1905	Alexandra (Feb. Aug.)	9.00	7	100	94/25	1937	Indian Standard Wagon (Aug. or Sept.)	19.66	7	100	112/00	1937
1895	Alliance (March Sept.)	15.00	6	100	76/00	1941	Investment and Finance (Feb. Aug.)	2.09.95	5	100	80/75	1941
1917	Anglo-India (May Nov.)	40.00	7	100	76/00	1915	Investment and Finance (Feb. Aug.)	2.00	5	100	80/00	1915
1909	Auckland (July Jan.)	10.00	5	100	99/00	1915	James Wright (Jan. July)	1.30	6	60	14/00	1915
1945	Auckland (July Jan.)	15.00	4	100	71/00	1915	Jardine Henderson Ltd.	50.00	5	100	55/00	1915
1918	Bally (Jan. July)	20.00	7	100	58/50	1915	Jessop & Co.	10.00	5	100	76/25	1915
1896	Barnagore (Oct. Dec.)	22.00	5T	25	105/00	1936	Kumardhul Engineering (June)	12.00	6	100	72/00	1936
1940	Bengal (June Dec.)	10.00	5	100	42/00	1936	Martin Burn Ltd.	30.00	5	100	80/50	1936
1919	Birla (June Dec.)	23.64	7T	100	70/00	1936	McLeod & Co.	10.00	5T	100	43/50	1936
1894	Budge Budge (May Nov.)	9.00	7	100	79/50	1936	McLeod & Co.	40.00	5	100	59/75	1936
1934	Calcutta (Jan. July)	6.00	6	100	95/00	1936	Mettur Chemical & Industrial (Sept.)	20.00	6	10	8/23	1936
1915	Caledonian (June Dec.)	10.00	7	100	92/00	1936	Metal Box Co. of India Ltd.	30.00	6T	100	75/00	1936
1919	Chitavalsah (Mar. Dec.)	10.00	7	100	96/00	1936	Mysore Chemical Mfg (Sept.)	2.00	6	100	6/73	1936
1928	Clive (First) (May Dec.)	8.00	6	100	57/00	1936	National Tobacco (June Dec.)	25.00	5	100	69/00	1936
1905	Clive "A" (Second) (May Dec.)	8.00	7	100	57/00	1936	National Tobacco (Jan. Dec.)	20.00	4	100	57/50	1936
1903-13	Dalhousie (July Jan.)	11.76	7	100	63/00	1936	Poona Electric Supply Co. Ltd. (June Dec.)	4.00	7	100	99/50	1936
1897	Delta (June Dec.)	11.76	7	100	90/00	1936	Premier Construction "First" (Apr.)	10.00	6T	100	74/00	1936
1912	Empire (Jan. July)	10.00	6	100	74/50	1936	Premier Construction "Second" (Apr.)	15.00	6T	100	77/00	1936
1890-93	Fort Gloster (Jan. July)	14.00	7	100	89/00	1936	Purbapore (Sugar) (Oct.)	4.00	10	10	9/56	1936
1948	Fort Gloster (2nd)	7.00	8	100	74/50	1936	Ramnugger Cane & Sugar (Aug.)	4.00	6	100	82/00	1936
1911	Fort William (May Nov.)	10.00	7	100	89/00	1936	Rohas Industries (April)	20.00	7	100	103/00	1936
1916	Ganges (June Dec.)	6.00	8	100	111/00	1936	Rohas Industries "B" (April)	88.00	4	100	58/00	1936
1895-06	Gouropore (June Dec.)	26.50	6	100	69/75	1936	Shaw Wallace & Co. Ltd.	75.00	6T	100	55/00	1936
1935	Hastings (Aug. Feb.)	25.00	6	100	115/00	1936	Shree Gopal Paper	7.50	7	100	98/50	1936
1913	Howrah (July Jan.)	11.76	10	80	106/00	1936	Shree Krishna Gyanodaya Sugar "A" (Oct.)	6.00	6	100	45/00	1936
1890	Howrah (Jan. July)	8.75	7	100	88/50	1936	Shree Krishna Gyanodaya Sugar "B"	12.00	5	100	70/00	1936
1903-06	Howrah "A" (Jan. July)	17.50	7	100	86/25	1936	Smith Stanistreet (Chemists) (Nov.)	5.00	10	50	74/50	1936
1919	Hukumchand (June Dec.)	17.50	7	100	12/25	1936	South Behar Sugar (Oct.)	5.00	9	60	74/50	1936
1898-04	Kamarhatti (Apr. Oct.)	40.00	7	100	92/50	1936	Spencer & Co. "A" (Provisions) (Jan. July)	5.00	9	100	8/70	1936
1900	Kankannarab (Apr. Oct.)	18.00	6	100	90/50	1936	Spencer & Co. "B" (Provisions) (Jan. July)	23.20	6T	10	6/70	1936
1935	Kedarnath (Jan. July)	10.00	6	100	91/00	1936	Star Paper (Apr. Oct.)	36.80	6T	10	9/65	1936
1907	Kelvin (Mar. Sept.)	2.00	7	100	81/00	1936	Surat Electricity (April)	10.00	5	100	63/50	1936
1895-08	Khardab (May Nov.)	10.00	7	100	73/00	1936	Tata Chemicals (Nov.)	5.00	6	100	102/50	1936
1900-13	Kinnison (July Jan.)	9.00	6	100	80/00	1936	Tata Hydro Electric Power (Sept. Mar.)	60.00	5	100	93/50	1936
1905	Landsdowne (July Jan.)	15.00	7	100	90/50	1936	Tata Iron & Steel (First) (Nov.)	89.28	7	100	99/50	1936
1912	Lawrence "A" (July Jan.)	15.00	7	100	96/00	1936	Tata Iron & Steel (Second) (May)	75.00	6T	100	128/25	1936
1906-07	Lawrence "B" (July Jan.)	15.00	7	100	74/00	1936	Tata Power (May Nov.)	6.93.82	7T	100	106/50	1936
1905-06	Naihati (July Jan.)	7.50	7	100	96/50	1936	Titagarh Paper Mills (Mar. Sept.)	86.97	7	1,000	1,020/00	1936
1945	Naihati (July Jan.)	10.00	6	100	92/50	1936	Titagarh Paper Mills "2nd" (Mar. Sept.)	11.50	8	100	112/50	1936
1917	National (May Nov.)	10.00	4	100	71/00	1936	Vellore Electric (Sept. Mar.)	15.00	4	100	64/25	1936
1939	Nellimaria (Apr. Oct.)	5.00	7	100	115/00	1936		1.25	6	10	5/78	1936
1915	New Central (Jan. July)	5.00	6	100	90/00	1936	TEAS					
1908-09	Northbrook (July Jan.)	33.00	7	100	95/50	1936	Amluckie (May Nov.)	75.00	7	10	21/96	1936
1935	Rameshwara (Jan. July)	15.00	7	100	87/00	1936	Banarhat (Jan.)	4.00	6	100	87/00	1936
1906-12	Reliance (Jan. July)	7.00	6	10	71/00	1936	Birpara (Jan.)	1.00	6	100	104/00	1936
1928	Shree Ambica (Mar. Sept.)	20.00	7	100	91/75	1936	Brooke Bond Estate India Ltd.	35.00	6T	100	55/00	1936
1920	Soorah (Feb. Aug.)	11.70	7	100	72/00	1936	Choonabhatti (Jan.)	2.00	6	100	90/50	1936
1901-02	Union (July Jan.)	10.00	7	100	12/44	1936	Dimakus (June Dec.)	70.00	8	10	3/50	1936
1913	Waverley (Mar. Sept.)	7.50	5	60	116/00	1936	Dunsmuir	1.20	10	10	7/00	1936
MISCELLANEOUS												
1937	Alkali & Chemical (Mar. Sept.)	31.00	5	100	86/00	1894	Gleile (Sept.)	2.00	6	100	85/00</	

COAL COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Mg. Agents, Secretaries etc.	NAMES	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	24-6-64	17-6-64	A year ago	
Ra.	Ra.	Ra.	Ra.	Ra.	Ra.				1961	1962	1963	Ra.	Ra.	Ra.	
95,50,000	58,52,284	43,77,890	8,90,484	16,40,057	39,096	12	236	Amalgamated	12 1/2	15	10	22/37	22/37	22/69	
1,20,00,000	4,10,81,913	2,88,23,173	30,83,212	62,75,084	1,03,409	10	2	Bengal P.	21	19	100	230/00	236/00	280/00	
4,49,350	4,37,882	1,30,132	91,796	43,397	4,471	10	2	Bengal Bhatdee	10	10	10	3/43	3/48	3/48	
2,25,000	3,06,216	5,45,835	5,19,015	1,55,638	16,129	12	368	Bengal Nagpur	26	10	10	22/00	22/00	22/00	
15,97,000	23,27,321	4,87,308	63,982	2,62,417	21,275	12	12	Bhalhora	10	10	10	3/87	3/87	5/00	
40,00,000	67,23,620	2,75,000	21,19,681	11,80,816	2,120	9	122	Bharat Collieries P.	10	10	10	3/00	3/00	3/57	
7,15,000	14,96,845	11,02,672	64,329	3,06,406	-4,92,536	6	335	Bhulanbararee	10	10	10	10/00	10/00	11/94	
16,00,000	38,87,275	16,18,636	7,185	1,21,938	-79,196	12	362	Bokaro & Ramgur	10	11/19	11/19	11/19	11/19	11/19	
7,50,000	29,24,890	29,11,605	7,46,652	9,82,707	6,037	12	106	Borrea P.	15	15	15	20/25	20/25	23/87	
80,92,480	2,64,32,234	1,60,36,371	32,82,964	41,00,007	10,459	8	21	Burrakur P.	13	13	13	15/81	15/50	16/50	
49,97,000	50,93,754	6,86,120	6,35,532	16,11,088	3,58,023	3	166	Central India	10	10	10	8/69	8/50	9/87	
8,00,000	18,69,439	12,97,430	98,040	6,357	214	12	100	Central Kurkend P.	10	10	10	3/44	3/44	3/87	
6,00,000	1,55,159	6,05,472	63,765	7,043	12	106	Churulia	10	10	10	4	3/06	3/06	3/06	
16,00,000	25,01,205	Nil	19,429	-6,45,261	-5,39,034	12	444	Dheme Main	Nil	10	10	3/95	3/95	4/31	
2,240,000	2,988,390	2,561,905	213,858	2,288,492	2,62,334	4	128	East India	15	20	21	28/50	28/50	31/87	
29,63,700	1,36,20,784	1,22,22,090	33,81,520	14,35,632	1,57,517	12	10	Equitable P.	10	10	10	21/50	21/50	24/69	
15,00,000	22,69,942	71,000	31,302	7,080	-6,48,987	8	307	Ghusick & Muslia	Nil	Nil	Nil	13/87	13/87	14/25	
6,00,000	4,21,847	Nil	12,025	10,670	-14,705	12	30	Guzdar Kajora	10	10	10	2/47	2/47	2/44	
8,00,000	5,43,022	16,702	-10,172	-3,65,023	12	393	Hurriladih	10	10	10	60	5/44	5/44	8/12	
15,00,000	26,00,237	29,37,098	36,07,570	94,026	1,570	12	21	Karanpura Development	15	3	3	100	7/69	7/69	11/50
20,00,000	37,05,423	12,43,807	4,29,578	10,53,244	9,997	8	21	Karanpura Collieries P.	10	10	10	10	11/75	11/75	16/75
14,90,460	22,28,867	18,07,072	9,73,401	12,76,204	20,670	1	2	Katras Jheriah	40	25	30	10	30/00	30/00	37/75
1,38,400	6,75,000	95,000	11,80,294	49,776	1,918	6-12	337	Khas Kajora P.	10	10	10	10	17/62	17/62	18/70
6,65,750	5,95,833	Nil	9,780	-1,60,535	-16,47,497	8	372	Mundulpur	10	10	10	10	2/69	2/69	2/69
7,48,240	3,39,261	56,489	7,29,802	1,15,573	74,711	12	347	Nazira	Nil	Nil	10	10	6/25	6/25	5/00
81,97,210	88,87,936	46,16,139	4,45,645	17,86,837	15,709	10	2	New Beerbhoom P.	10	12	10	10	15/19	15/56	19/12
9,90,340	9,04,373	5,21,710	75,374	4,12,216	43,622	3	202	New Maubhoom	9	12	10	10	11/25	11/25	16/00
15,00,000	7,03,719	4,31,409	4,30,364	1,44,042	15,045	12	441	North West	20	10	10	10	19/75	19/75	19/75
1,57,500	1,33,788	13,22,645	22,85,007	1,91,515	45,060	12	106	Ondal P.	10	10	10	7 1/2	18/00	18/00	18/00
1,50,000	1,33,788	13,22,645	22,85,007	1,91,515	45,060	12	106	Ondal P.	10	10	10	10	13/50	13/50	12/00
3,34,000	23,69,066	1,52,212	4,78,984	1,79,344	569	12	207	Parases P.	10	10	10	10	14/00	14/00	16/00
15,75,000	32,93,192	24,59,125	4,11,055	5,41,674	54,253	8	236	Pench Valley	10	10	10	10	17/44	17/44	18/00
2,50,000	5,62,405	1,500	11,530	2,003	18,581	6-12	5	Pure Sitalpur	10	10	10	10	8/00	8/00	8/00
35,38,900	80,26,723	40,85,000	1,26,141	11,54,576	35,781	8	370	Rane-gunge	17	17	10	10	13/37	13/75	16/00
18,50,000	29,32,135	20,80,190	18,89,318	13,18,197	41,523	12	236	Rewa	20	10	10	10	28/50	28/50	28/50
87,50,000	74,38,430	38,61,070	1,69,086	12,37,914	26,993	12	48	Searsole	10	10	10	10	7/81	8/00	10/00
9,50,000	4,47,534	74,281	10,748	-10,279	-4,27,396	1	353	Seebore P.	Nil	Nil	10	2 1/2	1/25	1/25	1/22
3,80,000	13,16,067	14,49,316	7,39,416	4,60,584	16,284	12	2	Sendra	42 6/7	35 5/7	28 4/7	7	34/75	34/75	45/00
8,00,000	4,209	13,04,576	78,390	1,440	12	106	South Karanpura	10	10	10	10	5/00	5/00	5/75	
17,50,000	32,03,711	11,77,056	36,734	1,89,147	3,001	8	21	Standard	10	10	10	10	6/37	6/37	8/06
8,00,000	1,30,001	15,48,968	26,78,285	1,84,925	88,906	12	106	Union	10	10	10	10	10/50	10/44	13/12
2,50,000	4,36,300	3,23,000	36,860	1,37,973	1,77,952	12	10	Western Bengal	10	10	10	10	10/25	10/25	11/12
40,98,000	63,57,150	6,08,055	2,69,620	11,72,192	1,19,162	8	166	West Jamuria	7 1/2	9	10	10	8/78	8/62	9/06
7,00,000	26,06,335	Nil	47,091	-6,51,403	-6,23,711	12	444		Nil	10	10	10	3/60	3/60	4/18

COTTON MILLS

Paid-up Capital Ordinary	Number on Spindle Looms	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Ms. Agents, Secretaries, etc.	NAMES	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until				
Ra.		Ra.	Ra.	Ra.	Ra.	Ra.				1961	1962	1963	Ra.	Ra.	Ra.	Ra.
15,00,000	14,108	356	14,06,683	3,15,002	12,59,541	26,012	12	49	Basanti P.	10	10	10	12/12	12/50	11/50	
1,11,280	36,000	932	17,17,120	2,20,369	30,842	3,66,177	8	27	Banga Luxmi	10	10	10	30/00	30/00	28/00	
87,00,000	81,476	624	17,77,373	83,872	-6,24,150	-8,86,163	12	223	Bengal Nagpur P.	10	10	10	2/44	2/44	3/00	
50,00,000	1,68,35,360	49,94,800	52,56,090	28,04,759	17,568	12	394	Bharat Commerce P.	15	15	10	20/44	20/44	19/63		
89,95,950	38,764	992	60,94,300	1,21,02,781	63,37,204	39,77,025	1	22	Birla Cotton	20	20	10	27/00	27/00	33/00	
89,60,000	43,136	641	1,13,15,319	45,62,881	2,74,548	14,72,717	12	138	Bowreah P.	20	15	15	23/75	23/75	22/50	
30,00,000	22,000	510	40,26,405	68,61,034	5,45,176	9,97,828	12	25	Cawnpore Textiles	10	10	Nil	6/19	6/00	6/31	
8,36,36,225	1,97,248	3,307	9,79,20,896	8,21,37,642	91,82,065	2,15,43,296	6	238	Delhi Cloth & Genl. P.	13	13	13	45/62	45/00	40/75	
89,00,000	43,049	518	65,71,796	61,81,868	1,65,881	25,16,474	12	138	Dunbar	20	13	17 1/2	27/25	27/25	27/50	
60,00,000	54,000	1,200	1,20,30,927	2,33,36,673	87,18,503	41,89,328	5	389	Elgin P.	17 1/2	17 1/2	17 1/2	18/12	17/87	17/94	
6,25,00,000	2,202	1,35,97,000	56,34,321	85,50,730	19,28,764	1,22,795	12	158	J. K. Cotton (Rayon) P.	10	10	10	10/94	10/56	11/76	
73,77,250	6,272	202	1,35,97,000	51,88,685	4,20,764	43,21,513	12	12	Jaya Shree	10	10	10	14/12	13/56	14/25	
80,00,000	38,000	1,825	47,44,548	62,19,801	92,85,055	18,77,941	12	208	Muir P.	10	10	10	63/00	63/00	90/75	
88,11,583	78,848	1,367	47,49,840	3,98,960	1,09,256	12,73,361	12	287	New Victoria P.	10	10	10	1/31	1/31	1/41	
46,00,200	1,08	1,08	1,08,352	78,144	2,34,188	12,34,741	3	399	Orissa Textiles P.	10	10	10	7/00	7/00	9/00	
19,47,780	23,196	795	15,49,229	80,773	2,37,475	3,38,087	8	4	Rampooria Cotton	10	10	10	13/00	13/00	12/00	
6,00,000	1,14,836	2,077	4,48,79,351	2,63,83,071	2,15,81,189	76,20,241	12	333	Swadeshi (Kanpur) P.	10	10	10	3/00	3/00	3/00	
1,57,50,000	1,57,50,000	1,57,50,000	1,57,50,000	1,57,50,000	1,57,50,000	1,57,50,000	1,57,50,000	1,57,50,000	1,57,50,000	1,57,50,000	1,57,50,000	1,57,50,000	1,57,50,000	1,57,50,000	1,57,50,000	1,57,50,000

TEA COMPANIES

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds	Area Hectares	Outturn and Average Price per Kg. realised for crop	Estimate	Net Profits including taxation	Accounts closed	Ms. Agents, Secretaries etc.	NAMES	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until					
Ra.	Ra.	Ra.	Hectares	Kgs.	Ra.	Kgs.	Ra.	Ra.		1961	1962	24-6-64	17-6-64	A year ago			
Ra.	Ra.	Ra.	Hectares	Kgs.	Ra.	Kgs.	Ra.	Ra.		1961	1962	Ra.	Ra.	Ra.			
ASSAM																	
4,45,700	16,40,103	16,37,403	606 1/2	4,24,104	4.81	413,012	5.67	4,71,700	2,90,039	12	165	Amiuckie P.	Nil	10	16/00		
7,00,000	12,87,204	8,65,604	3,11,077	6.58	301,064	6.71	3,50,091	12	88	Anandabag P.	30	32 1/2	33/25	33/25	33/25		
5,50,000	16,63,877	15,34,741	3,53,284	5.32	320,928	5.99	3,62,900	1,91,082	12	165	Baghmari	Nil	15	7 1/2	13/62		
1,80,000	18,61,913	10,56,655	160	3,13,600	6.01	286,800	6.60	2,90,000	3,98,558	12	349	Barduar Tea	35	25	20		
4,65,000	12,12,739	12,28,191	619 1/2	4,12,342	6.56	405,929	6.66	5,57,424	12	88	Basmatia	35	25	20			
33,00,000	38,97,401	18,10,167	1,394	4,08,269	6.80	1,517,589	6.71	15,78,600	15,42,968	12	345	Beteln	30	30	10		
8,00,000	11,68,235	5,03,003	194	2,23,909	5.90	209,073	7.12	2,43,125	2,62,960	12	279	Bishnauth	13	13	20		
7,50,000	13,90,224	11,90,375	239	3,03,665	6.50	300,721	5.85	3,08,400	3,94,885	12	202	Bokakhat	Nil	12	13		
4,50,000	7,86,000	2,36,500	239	2,65,021	5.25	258,733	6.32	2,90,300	1,15,476	12	165	Bornah Jan P.	15	15	10		
35,00,000	68,93,654	15,66,180	1,426,351	6.27	13,51,189	6.75	9,51,721	6	127	Brooke Bond P.	15	20	7 1/2	10/19	10/05		
1,20,000	9,24,434	9,31,522	1,73,277	5.19	200,496	5.90	1,99,600	2,85,668	12	165	Dejoo Valley	15	20	30	45/50	45/50	
8,40,000	13,39,224	9,51,460	535	4,83,624	6.64	597,724	6.12	3,33,773	7,20,815	12	128	Dessai & Farbuttia	12	10	100	181/00	181/00
17,53,440	20,46,600	8,35,000	558	2,94,761	6.64	554,700	5.16	6,20,000	2,14,165	12	214	Dhulakhath	20	15	10	11/12	11/12
4,50,000	17,18,470	16,36,695	542	4,32,799	6.33	301,917	6.68	3,30,200	5,86,433	12	365	Dunsew P.	40	40	30	32/00	32/00
4,73,400	10,37,000	8,52,500	256	3,01,353	5.81	297,513	6.44	3,08,000	2,71,648	12	165	Dibrugarh	25	20	25	25/19	25/19
7,00,820	14,68,200	15,53,500	274	4,64,799	5.77	403,594	6.70	4,36,000	5,29,546	12	279	Dimaas P.	25	25	30	26/12	26/12
10,00,000	20,32,480	11,26,500	481	5,25,798	6.30	5,27,000	6.80	5,27,000	2,06,168	12	279	Dufflaghur	Nil	Nil	10	12/00	12/00
6,03,760	14,00,556	6,32,810	243	3,58,797	5.11	319,832	5.11	4,00,000	49,047	12	354	East India	25	20	15	27/56	27/56
6,78,000	12,41,500	7,48,500	228	2,54,919	5.81	259,394	7.44	2,62,000	4,74,030	12	279	Gillapukri	Nil	5	20	14/69	14/69
23,29,085	54,85,603	36,46,798	1,042	10,79,309	4.98	1,039,276	6.17	11,32,167	3,83,294	12	202	Grob	6	6	6	5/94	5/94
5,00,000	11,67,377	7,55,258	542	3,58,885	5.71	515,500	6.62	3,00,000	1,67,965	12	354	Hoograjuli	20	20	17	27/62	27/62
8,70,000	26,52,302	15,02,799	542	4,83,000	5.71	515,500	6.62	3,00,000	4,51,521	12	2	Hoolungoorie	10	7 1/2	20	185/00	185/00
9,00,000	18,88,785	11,65,055	958	5,39,472	5.99	533,423	6.50	6,31,655	12	88	Jutlibari	30	30	20	27/87	27/87	
2,40,000	19,59,626	1,45,000	494	5,52,301	5.10	488,246	4.97	5,20,000	1,21,490	12	236	Kinasey Golaghat P.	35	35	100	125/00	125/00
1,80,000	11,19,728	307,818	140	1,73,581	4.60	166,356	6.02	180,000	1,13,899	12	63	Kotamullai P.	Nil	Nil	Nil	9/87	9/87
5,00,000	14,12,161	9,50,234	268	2,79,777	4.96	210,642	5.30	2,85,000	63,354	12	41	Krisnabehari	15	8	10	11/50	10/50
8,50,000	11,99,968	1,30,508	275	2,28,707	6.03	374,221	7.12	3,81,045	6,21,941	12	236	Kyank Tea	Nil	Nil	Nil	8/06	8/06
10,00,000	16,16,636	14,78,000	262	5,15,200	1.92	122,745	5.77	6,71,300	7,11,074	12	63	Mead Tea & Seed	10	7 1/2	7 1/2	12/00	12/00
4,80,000	1,50,000	3,24,738	13,65,825	83,921	5.14	651,147	5.76	6,71,300	7,11,074	12	202	Moheema	Nil	Nil	..	11/50	11/50
1,50,000	3,24,738	13,65,825	83,921	5.14	651,147	5.76	6,71,300	7,11,074	12	138	Mothola	30	30	35	507/00	507/00	
1,75,000	14,68,025	9,31,447	160	1,82,900	6.01	171,400	8.41	2,00,000	4,99,564	12	2	Murphulani (Assam)	5	15	25	26/50	26/50
2,00,000	12,90,728	7,77,459	220	3,19,104	4.51	326,748	5.10	3,40,000	1,24,658	12	143	Naga Hills	10	10	10	21/25	21/25
4,00,000	7,84,102	3,97,500	299	2,90,978	5.98	296,696	7.64	2,90,000	5,86,793	12	63	Namburned	12	12	..	12/87	12/87
5,35,000	14,50,587	7,57,922	170	2,16,600	5.31	230,700	6.39	2,22,500	3,62,519	12	63	Near Cinnatolliah	Nil	Nil	Nil	455/00	455/00
13,50,000	25,76,607	4,53,937	..	6,32,808	5.56	604,795	7.36	2,21,000	7,35,627	12	279	Rajkhar	40	13 1/2	17 1/2	18/56	18/56
2,49,000	6,35,900	6,85,000	308	2,42,697	5.56	207,643	6.61	3,81,000	5,06,871	12	354	Sapon	22 1/2	20	10	19/50	19/50
5,98,000	17,88,091	12,54,544	228	3,31,286	4.99	390,802	6.81	4,18,888	12	165	Seajuli	22 1/2	15	30	25/12	25/12	
8,00,000	12,80,761	7,41,936	345	3,48,111	1.92	2,301,040	2.62	2,28,000	8,36,276	12	165	Tellojan	25	25	25	21/44	21/44
19,82,800	30,75,956	23,51,848	1,926 1/2	29,72,809	3.96	3,15,004	5.76	6,71,300	7,11,074	12	95	Tengpan	30	30	22 1/2	36/50	36/50
7,50,000	35,17,473	30,30,165	..	5,90,423	5.14	651,147	5.76	6,71,300	7,11,074	12	165	Tezporo	Nil	12 1/2	..	14/69	14/69
5,20,000	35,17,473	30,30,165	..	5,90,423	5.14	651,147	5.76	6,71,300	7,11,074	12	165	Tyoon	10	15	25	5/31	5/31
1,75,000	14,68,025	9,31,447	160	1,82,900	6.01	171,400	8.41	2,00,000	4,99,564	12	2	Murphulani (Assam)	5	15	25	26/50	26/50
2,00,000	12,90,728	7,77,459	220	3,19,104	4.51	326,748	5.10	3,40,000	1,24,658	12	143	Naga Hills	10	10	10	21/25	21/25
5,35,000	7,84,102	3,97,500	299	2,90,978	5.98	296,696	7.64	2,90,000	5,86,793	12	63	Namburned	12	12	..	12/87	12/87
5,00,000	14,50,587	7,57,922	170	2,16,600	5.31	230,700	6.39	2,22,500	3,62,519	12	63	Near Cinnatolliah	Nil	Nil	Nil	455/00	455/00
13,50,000	25,76,607	4,53,937	..	6,32,808	5.56	604,795	7.36	2,21,000	7,35,627	12	279	Rajkhar	40	13 1/2	17 1/2	18/56	18/56
2,49,000	6,35,900	6,85,000	308	2,42,697	5.56	207,643	6.61	3,81,000	5,06,871	12	354	Sapon	22 1/2	20	10	19/50	19/50
5,98,000	17,88,091	12,54,544	228	3,31,286	4.99	390,802	6.81	4,18,888	12	165	Seajuli	22 1/2	15	30	25/12	25/12	
8,00,000	12,80,761	7,41,936	345	3,48,111	1.92	2,301,040	2.62	2,28,000	8,36,276	12	165	Tellojan	25	25	25	21/44	21/44
19,82,800	30,75,956	23,51,848	1,926 1/2	29,72,809	3.96	3,15,004	5.76	6,71,300	7,11,074	12	95	Tengpan	30	30	22 1/2	36/50	36/50
7,50,000	35,17,473	30,30,165	..	5,90,423	5.14	651,147	5.76	6,71,300	7,11,074	12	165	Tezporo	Nil	12 1/2	..	14/69	14/69
5,20,000	35,17,473	30,30,165	..	5,90,423	5.14	651,147	5.76	6,71,300	7,11,074	12	165	Tyoon	10	15	25	5/31	5/31
CACHAR																	
3,00,000	..	..	..	1,49,850	4.07	139,861	4.08	1,66,500	..	12	101	Arcuttipore	Nil	5	6	7/00	7/00
4,00,000	..	..	..	1,58,348	4.45	158,348	4.77	3,52,060	..	12	35	Baitakhal	2 1/2	2 1/2	..	7/87	7/87
11,00,000	20,18,349	9,26,687	..	5,45,645	4.26	454,449	4.77	3,52,060	..	12	128	Central Cachar	5	5	6	73/00	73/00
7,00,000	..	..	..	1,22,864	4.63	..	..	..	..	12	383	Eastern Cachar	Nil	Nil	..	4/62	4/62
4,50,000	3,51,773	2,80,000	..	1,34,400	3.31	..	..	..	..	12	334	Kallinugger Khoree	6	3	..	84/00	84/00
12,60,000	19,84,808	13,56,132	943	7,23,716	3.84	680,232	3.97	7,25,747	-3,11,563	12	202	Hattikhira	Nil	8	Nil	7/75	7/75
3,60,000	..	..	..	1,53,008	3.88	..	..	..	..	12	63	Kuncunpore	Nil	Nil	..	6/00	6/00
5,63,690	6,32,693	1,36,689	228	1,66,156	3.81	151,283	4.28	1,63,293	23,090	12	202	Loobar	Nil	Nil	..	4/69	4/69
12,60,000	22,28,419	11,42,054	2,221 1/2	5,70,970	4.08	518,387	4.33	5,80,000	6,13,497	12	202	North Western	30	20	100	160/00	160/00
2,59,050	5,88,340	1,916	231	2,71,967	3.85	213,805	4.21	2,72,155	-49,484	12	202	Pathamara	Nil	Nil	..	7/81	7/81
2,60,000	6,82,449	2,92,683	310	3,07,903	4.40	198,018	4.62	2,50,440	-1,73,960	12	165	Roopacherra	Nil	10	Nil	9/94	9/94
5,25,000	12,22,431	12,03,600	..	2,47,927	3.56	..	..	..	..	12	63	Rungamattae	Nil	5	5	49/25	49/25
4,00,000	..	..	..	2,47,927	3.56	..	..	..	..	12	63	Sonal River	Nil	Nil	..	8/06	8/06
DARJEELING																	
3,00,000	..	..	..	82,803	8.66	77,080	8.74	84,000	51,557	12	101	Bloomfield	Nil	..	..	3/08	3/19
2,79,900	3,72,700	1,55,000	165	3,05,978	6.22	313,229	6.63	3,08,443	..	12	279	Chamrong	Nil	10	10	8/87	8/87
7,35,900	..	..	..	72,236	6.12	..	..	..</									

MISCELLANEOUS COMPANIES-Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Deferred Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	No. A/c. Securities etc.	NAMES	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			
									1961	1962	1963		Ra	Ra	Ra	A year ago Ra.
Ra	Ra	Ra	Ra	Ra	Ra											
62,00,000				1,10,87,234	5,671	9	121	Alkali & Chemical Corps of (I)	15	15	15	10	27/00	26/19	31/12	
2,48,00,000A	8,04,72,738	2,26,33,273	3,46,012	—89,949	—9,86,991	12	442	Bathgate & Co. Ltd. P.	Nil	..	..	5	0/84	0/84	0/84	
20,00,000	17,39,281	15,681	11,245					Bengal Chemical & Pharm P.	10	..	..	100	100/00	100/00	99/00	
18,00,000				18,06,053	1,30,717	3	245	Calcutta Chemical P.	18	18	..	10	18/66	18/66	17/87	
11,08,900A	76,41,344	68,84,665	21,11,440		6,978	6	377	Frank Ross P.	..	..	..	6	3/19	3/19	3/25	
22,24,700B				19,49,050	2,560	2	120	Smith Stanistreet P.	25	25	22 1/2	5	13/31	13/31	12/25	
15,00,000	36,34,102	22,82,803	19,49,050	72,146	19,167	6	161									
4,95,000	99,022	Nil	41,554	13,17,366												
20,00,000	13,61,137	17,67,251	7,35,789													
								ELECTRIC LIGHTING. POWERS								
19,99,600	1,15,72,761	51,20,883	27,74,218	4,56,810	62,889	3	32	Agra Electric Supply	11	11	..	100	124/00	124/00	120/00	
8,00,000	29,33,899	15,51,802	8,00,000	2,00,651	25,623	3	32	Bareilly Electric Supply	11	11	..	10	12/12	12/12	14/37	
17,00,000	1,03,03,450	12,58,411	19,58,483	4,34,454	47,298	8	202	Benares Electric Supply	11	11	..	10	11/94	11/94	12/37	
4,91,300	15,65,473	807,902	2,70,659	1,36,558	41,730	3	202	Bhagalpur Electric Supply	10	10	..	8	6/34	6/34	5/00	
24,262,646	221,040,341	210,815,240	2,173,696	1,59,619	1,59,619	3	96	Cabotia Electric Supply	7 1/2	8 1/2	..	21	14/81	14/44	14/25	
8,00,000	22,18,400	17,17,14	32,6	15,1,465	48,905	3	2	Cuttack Electric Supply	10	10	..	10	10/44	10/44	11/87	
62,20,000	68,77,439	35,90,169	34,91,713	14,12,931				Dahargarh Power Supply P.	10	10	10	100	86/00	86/00	88/00	
								Jhansi Electric Supply	..	..	..	10	5/90	5/90	5/90	
5,34,640	17,29,086	96,513	95,409	65,283	3,590	3	168	Jubbulpore Electricity Supply	10	10	..	10	12/12	12/12	11/00	
22,49,550	66,50,848	29,21,749	6,35,563	2,69,908	33,302	3	32	Mirzapur Electric Supply	..	..	..	9	7/50	7/50	12/00	
4,95,000	6,70,324	2,34,149	1,09,770	46,495	39,015	3	258	Muzaffarpore Electric Supply	12 1/2	12 1/2	..	10	11/19	11/19	11/50	
5,82,390	20,54,815	6,87,284	3,48,986	2,22,282	22,259	3	202	Muttra Electric Supply	..	..	..	10	11/06	11/06	11/12	
4,99,700	13,67,574	1,14,377	1,15,991	63,864	18,988	3	329	Palna Electric Supply	10	10	..	10	10/12	10/12	10/56	
35,07,380	98,50,374	68,67,678	3,95,468	12,96,460	1,27,547	3	202									
								Shahjahanpur Electric P.	6 1/2	6 1/2	..	10	6/75	6/75	7/00	

ENGINEERING & METAL

ENGINEERING & METAL																
8,00,000	17,68,727	7,28,351	3,76,395	8,30,823	4,14,416	12	300	Arthur Butler (Muzartterpore) P.	Nil	10	..	10	21/25	21/25	14/94	
98,00,000	41,22,015	56,58,321	3,98,490	44,22,616	2,263	12	31	Bharata Electric Steel	10	12 1/2	15	10	15/44	15/66	14/50	
1,00,00,000	2,22,25,340	1,40,23,274	27,21,380	1,24,47,705	..	..	12	280	Brathwaite & Co (India)	25	14	20	10	33/00	33/00	
12,00,000	62,65,971	50,43,274	1,42,812	21,52,136	..	..	12	24	Brathwaite & Co	30	30	..	10	52 1/2	52/25	
19,88,878	53,56,748	1,09,796	1,66,938	1,80,146	-611,196	12	182	Brathwaite & Co	Nil	Nil	..	10	3/20	3/20	3/68	
1,00,00,000	1,24,97,389	59,25,465	1,14,787	24,17,175	5,115	12	105	Britannia Building & Iron P.	10	10	..	10	10/00	9/75	9/37	
25,00,000	20,95,656	18,18,384	24,752	14,07,637	..	4	82	Britannia Engineering P.	20	15	..	10	29/12	29/12	33 1/2	
84,00,000	3,58,68,339	2,99,02,509	74,40,547	1,42,59,633	1,57,572	8	437	British India Electric Cons.	28 1/2	28 1/2	25	100	270/00	260/00	550/00	
1,00,00,000	63,22,965	22,70,823	23,44,551	52,32,495	6,868	9	434	Burn & P (Engineering)	15	15	12 1/2-15*	10	13/69	15/00	13/00	
80,00,000	1,25,35,558	43,00,000	1,84,809	26,72,247	..	..	12	237	Calcutta Steel	10	10	10	10	11/12	10/67	10/67
6,32,18,740	6,68,37,945	5,12,05,807	2,59,97,968	2,17,43,217	..	12	237	Dalmia Iron	14	14	12	10	24/25	23/25	31/67	
12,54,000	19,72,898	8,45,100	27,549	3,79,800	5,801	12	33	Guest, Keen, Williams	Nil	12 1/2	..	50	58/06	58/00	108/00	
62,44,08,990	62,73,23,096	30,60,05,725	1,72,10,361	9,11,89,201	..	8	33	Hogbly Docking	16	16	16	10	25/02	24/24	22/00	
2,80,000	11,52,812	14,001	1,82,99*	4,15,836	-4,03,294	8	223	Indian Iron & Steel P.	..	..	..	50	6/00	6/00	6/00	
1,54,00,000	58,96,726	1,25,90,911	58,71,600	1,79,18,483	..	8	33	Indian Malleable Casting	..	..	..	1D	2/06	2/06	2/06	
77,97,000	..	..	..	..	..	..	..	Indian Standard Wagon P.	28 1/2	28 1/2	20-20*	10	36/37	33/94	32/50	
96,79,7400	3,43,55,519	3,41,31,025	1,54,09,567	-57,25,817	6,022	3	123	Indian Steel & Wire Products	24	23	18	100	33/50	33/50	40/3	
12,00,070	7,13,344	5,39,415	3,694	17,25,389	..	12	26	Industrial Containers	10	10	..	10	22/50	24/00	21/30	
1,51,87,197	2,85,54,325	1,36,61,958	15,18,005	41,24,522	4,896	8	443	Jay Engineering	17 3/20	10	15	10	17/44	17/62	21/00	
40,00,000	59,72,634	39,64,706	10,46,960	20,45,860	86,647	10	280	J. K. Steel P.	10	10	30	10	16/00	15/19	14/10	
2,04,00,000	4,03,12,353	3,00,16,238	77,10,062	1,47,51,066	64,915	10	290	Jessop & Co. P.	8,58	8,58	10	10	20/75	20/62	23/00	
27,64,800	65,86,747	65,04,900	4,81,457	34,49,008	3,146	11	31	Kumardhubi Engineering P.	11 1/2	15	16 1/2	3	5/44	5/06	8/10	
10,50,000	3,10,043	19,18,004	4,98,040	1,69,624	-16,90,253	8	170	Marshall Sons (India)	Nil	Nil	Nil	2	3/06	3/12	2/5	
99,56,000	61,94,985	13,58,398	3,83,036	2,56,716	-4,63,917	3	192	National Iron and Steel	Nil	Nil	..	10	6/12	5/94	3/8	
4,00,000	9,75,460	20,52,302	2,49,736	5,14,476	13,304	8	28	Saran Engineering	10	12 1/2	10	4	6/94	6/25	8/15	
..	8,75,450	15,36,386	2,31,497	13,63,971	82,642	12	22	Steel Containers	20	20	17 1/2	10	28/12	28/12	28/12	
..	..	..	..	..	..	..	..	Textile Machinery	10	..	..	10	28/20	27/50	23/20	

SUGAR BREWERIES, ETC.

14.00.000	17.74.143	10.85.375	21 121	-1.66.279	-1.53.368	6 371	Bairampur Sugar	8	4	NH	2)	1/87	1/87	2/
22.23.557	23.73.655	11.43.842	8.71.871	-30.816	2.237	9 234	Belsand Sugar	10	63	3)	7)	7/75	7/28	7/
25.00.000	27.23.746	22.06.068	17.86.175	5.98.482	9.429	6 116	Bhural Sugar P.	15	15	15	10	15/00	15/00	15/
32.00.000	34.71.728	55.23.084	4.75.535	58.20.300	133	6 89	Carew (Sugar) P.	NH	NH	NH	10	12/06	13/19	13/
32.00.000	36.91.728	55.23.084	4.75.535	58.20.300	-42.63.672	10 25	Cawnpore Sugar P.	NH	NH	NH	10	6/31	6/31	6/
30.00.000	38.13.767	56.75.563	6.92.990	-18.68.824	-8.50.785	1 25	Champanan Sugar P.	NH	NH	NH	10	10/70	10/70	10/
32.00.000	39.70.913	47.91.361	1.87.196	-49.013	1.97.076	8 389	Durbhanga	NH	6	..	10	7/87	7/12	8/
33.01.380	25.58.250	31.90.540	1.79.545	4.77.197										
11.00.000	6.45.722	8.75.000	10.90.564	95 437	62.205	6 140	New Sangan Sugar and Gur	..	..	..	10	3/50	3/50	3/
9.00.000	14.97.931	23.02.870	2.05.743	2.86 458	4.006	10 400	Purtabpur Sugar P.	..	..	..	10	9/12	8/00	11/
18.50.820	41.61 410	57.86.996	6.074	26.41.178	3.047	8 1	Ramnugger Cane & Sugar P.	36	30	15	10	29/31	29/31	28/
63.00.000	57.78.829	44.91.845	20.03.707	19.20.072	10.410	10 63	Raza Guland	10	10	10	10	10/12	10/12	9/
6.00.000	4.67.258	1.72.778	3.71.646	4.24 482	-2.20.553	3 22	Ryan Sugar P.	..	..	..	10	9/25	3/25	5/
6.00.000	22.10.161	18.54.067	2.08.163	-2.24.667	94.776	6 535	Samsatipur Central Sugar P.	..	..	..	10	3/78	8/78	7/
28.90.000	32.63.996	25.93.624	21.94.739	10.75.658	7.991	1 149	Shree Krishna Gynodny Sugar P.	..	..	..	10	7/62	7/67	7/
1.94.800	11.94.875	11.95.175	11.16.988	1.90.697	-7.19.847	6 84	Shree Nitram Sugar	NH	NH	NH	10	3/69	3/69	3/
6.90.850	20.47.130	68.748	66.643	-7.18.697			Sitalpore Sugar	NH	NH	NH	10	11/26	11/25	10/
				-11.18.414	-0.17.147	9 543	United Provinces'	8	NH	..	10	60/25	60/25	60/
							Unnet Ganges Sugar P.	73)	73)	..	95			

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profit including taxation	Carry forward	Accounts closed	Names	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until				
Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Mg. Agts. Secretaries etc.		1961	1962	1963	Ra.	Ra.	Ra.	A year ago
MISCELLANEOUS														
8,00,000	3,65,800	2,09,907	5,89,590	1,44,140	2,623	10	A Firpo (Restaurateur)	10½	5	..	10	5/90	5/90	5/90
93,75,000	5,89,85,976	2,48,84,621	3,09,108	30,58,004	11,965	3	Aluminium Corporation P.	12	12	5	10	11/50	11/75	12/50
20,00,000	42,19,493	17,50,000	53,08,486	4,79,403	25,172	12	Anderson Wright P.	Nil	6	6	10	11/50	11/50	11/50
30,00,000	16,96,720	44,23,928	21,81,674	26,48,673	2,17,061	8	Anzels Bros	28½	28	28	10	23/56	23/44	21/75
30,00,000	23,93,699	43,10,024	16,21,703	25,26,521	18,162	12	Assam Match	20	20	20	10	26/37	26/37	28/75
13,99,998	20,06,639	20,17,850	4,814	1,70,203	94,397	9	Assam Saw Mills & Timber	Nil	3	..	3	2/69	2/69	2/87
1,18,00,000	54,61,855	98,34,917	67,73,791	53,69,644	7,978	8	Associated Battery	15	15	15	10	23/37	22/12	23/50
20,00,000	1,41,96,365	57,08,103	7,65,347	2,25,357	4,66,650	3	Associated Hotels of India P.	10	10	10	10	10/31	10/31	10/31
80,01,400	50,84,811	1,26,93,254	1,02,37,288	47,75,572	..	12	Balmer Lawrie & Co.	25	25	22½	100	251/00	250/00	239/00
12,00,000	5,51,865	12,52,902	5,77,227	10,64,446	..	3	Bararee Coke	Nil	15	15	10	18/62	19/58	21/94
44,00,000	9,27,823	68,58,981	2,87,091	50,926	9	160	Birds Investments P.	10	10	..	10	9/00	9/00	10/56
68,95,530	1,16,23,032	83,79,866	8,27,110	86,51,567	6,999	3	Britannia Biscuit P.	30	25	21	10	37/75	38/00	42/12
3,25,00,000	92,71,518	2,59,58,217	1,52,24,566	2,20,29,077	23,545	12	British India Corporation P.	7	9	15	5	9/69	9/31	7/62
50,00,000	22,64,569	49,02,950	5,98,751	38,24,033	2,226	12	British Paints	15	10	15	10	21/37	20/50	18/75
5,00,000	6,83,781	1,65,739	1,54,429	2,63,717	5,201	3	Calcutta Silk Manufacturing P.	Nil	..	..	10	6/94	6/94	6/94
1,38,80,000	..	14,77,612	1,78,11,400	14,89,102	2,75,442	12	Clive Row Investment	7½	7½	8	10	8/37	8/37	8/25
1,08,00,000	27,30,517	1,26,67,000	2,75,14,550	11,41,029	22,124	12	Duncan Brothers & Co P.	14	14	12	100	137/00	137/00	147/00
4,50,00,000	6,45,91,744	6,23,00,650	26,09,266	3,27,69,401	..	12	Dunlop Rubber Co (India) P.	20	15	17½	10	34/37	33/56	31/00
27,56,355	1,31,99,222	1,76,30,095	24,30,790	1,00,50,937	12,604	3	Dyer Meakin (Breweries)	30	..	..	5	25/50	25/50	26/00
76,89,000	65,11,801	1,78,16,453	13,76,534	1,51,252	12	21	Eastern Investments P.	14	12	10	100	107/00	107/00	117/00
60,83,400	95,80,000	34,47,000	14,32,081	29,35,962	21,399	10	Electric Construction P.	10	10	10	10	12/75	12/75	12/32
30,00,000	28,94,553	27,23,508	19,90,832	15,65,118	2,10,371	3	French Motor Car	20	..	..	20	31/75	31/75	35/12
14,00,000	19,96,247	19,89,048	71,342	14,62,346	6,552	12	Ganges Rope	20	20	20	100	236/00	236/00	236/00
2,25,000	76,065	5,16,267	51,428	4,826	2	21	General Investment & Trust P.	5	5	8	75	43/00	43/00	43/00
65,00,000	31,77,135	58,42,190	1,57,85,100	30,47,005	15,471	3	Gillanders Arbuthnot & Co P.	11	11	11	10	15/12	15/12	13/50
40,00,000	17,69,681	7,21,344	36,90,302	5,43,666	8,524	12	Gladstone Lyall & Co P.	..	..	..	10	28/12	28/12	33/25
40,00,000	34,79,636	31,88,500	1,29,460	46,26,030	38,310	12	Godfrey Phillips (India) P.	40	30	..	10	28/12	28/12	33/25
30,00,000	43,74,366	17,66,560	1,60,432	1,09,512	794	8	Great Eastern Hotel	6	..	..	250	236/00	236/00	225/00
5,99,15,000	12,12,97,991	1,57,327	36,27,386	4,65,783	1,90,67,933	12	Hindustan Aluminium P.	Nil	Nil	Nil	10	12/84	12/09	12/37
8,07,66,250	1,43,03,252	3,24,89,610	4,52,97,214	3,50,00,432	3,043	3	Hindustan Motors P	12	12½	11½	10	18/44	17/75	15/78
1,80,00,000	2,50,71,989	44,59,689	19,50,134	11,58,982	12,90,310	10	Hindustan Pilkington	12	12	11	10	13/75	13/75	15/78
39,88,550	86,39,248	Nil	1,22,648	12,14,232	11,50,824	3	Hindustan Twifords P.	Nil	Nil	Nil	10	13/12	13/12	14/37
38,30,900	23,35,537	16,00,000	24,48,098	4,91,908	8,500	12	Horse Miller & Co.	6	..	..	10	5/50	5/50	5/44
13,16,00,000	8,00,23,900	10,67,60,544	1,25,08,131	4,46,29,511	3,29,429	3	Imperial Tobacco	9	9	8	10	9/50	9/19	10/28
6,00,44,460	13,31,09,732	5,02,72,274	1,30,56,534	3,74,31,246	4,12,610	12	Indian Aluminium P.	15	17½	17½	10	31/31	29/75	32/76
2,48,65,450	1,88,02,999	8,35,26,875	90,27,681	1,56,84,867	41,521	3	Indian Cable	22½	22½	22½	10	35/00	33/94	30/25
3,64,00,000	5,90,31,205	2,05,01,886	32,59,129	1,40,40,263	35,587	9	Indian Oxygen	15	12	12	10	23/87	23/87	24/87
8,27,970	8,82,919	12,42,783	10,99,551	12,01,372	53,791	3	Indian Rubber Manufacturers P.	30	36	..	10	22/00	22/00	19/87
20,00,000	3,08,827	29,55,665	1,44,979	17,93,931	3,056	9	Indian Wood Products	30	30	25	10	27/25	27/50	28/75
79,78,310	81,32,468	22,85,500	6,19,214	21,27,050	17,347	12	Isaac Holdens	Nil	Nil	5	10	12/25	11/69	14/00
5,00,000	..	3,15,956	11,39,628	1,17,622	12,910	2	Investments and Finance P.	7½	7½	7½	100	30/00	30/00	35/00
1,25,00,000	1,51,51,941	36,00,000	1,25,80,918	26,30,706	30,393	6	J K Synthetics	3	Nil	10	10	12/96	11/12	10/00
5,87,500	2,28,843	Nil	3,88,284	1,19,242	1,18,804	12	James Wright P.	..	..	..	50	4/75	2/75	3/75
2,00,00,000	61,16,247	87,10,720	5,34,83,359	41,88,190	..	3	Jardine Henderson P.	..	..	..	100	00/43	00/43	00/43
87,46,630	1,62,75,000	73,74,126	6,46,513	37,33,223	18,455	12	Jay Shree Industries P.	12½	6	7	100	73/50	74/25	86/50
1,99,94,325	8,77,31,151	4,34,03,080	55,33,798	1,07,12,489	26,969	3	Kesoram Industries P.	12	12	13	10	14/31	14/31	14/43
6,34,000	3,17,363	4,02,954	3,21,617	14,078	4,849	3	Macfarlane & Co.	..	..	..	50	4/87	4/87	7/86
1,50,00,000	1,08,42,842	1,10,08,357	3,08,97,102	45,30,173	40,503	12	Macneill & Barry P.	8	7½	8½	100	1/94	1/94	2/88
1,47,12,250	69,29,198	1,38,23,546	2,13,42,011	91,60,378	1,289	9	Martin Burn Ltd. P.	27½	25	25	10	95/00	95/00	93/50
47,12,000	18,46,595	90,33,368	2,73,18,501	25,28,932	2,44,687	12	McLeod & Co. P.	15	18	..	100	230/00	213/00	210/00
1,61,00,000	4,76,53,533	2,38,95,151	41,04,252	1,23,59,794	38,785	3	Meta Box Co. of India P.	25	19	..	10	31/25	31/37	49/75
1,35,00,000	90,71,426	1,24,32,234	6,55,304	62,89,944	19,484	9	National Insulated Cable P.	25	25	18	10	23/06	21/84	24/75
30,00,000	23,68,847	36,90,300	12,33,457	30,79,310	10,564	6	National Pipes & Tubes P.	20	20	20	10	25/81	25/81	25/81
40,00,000	34,43,104	43,03,095	14,39,946	30,01,359	10,564	6	National Rolling & Steel Ropes	15	15	15	10	19/00	19/00	19/00
80,00,000	68,13,665	21,55,713	14,06,275	22,44,262	58,629	12	National Rubber P	6½	8	10	10	11/12	11/19	11/19
79,97,000	74,92,596	1,29,48,132	33,63,433	26,23,104	3,26,438	12	National Tobacco P.	7	8	8	10	10/94	11/12	11/12
23,31,800	1,014	13,02,591	9,90,508	6,26,960	40,375	12	New India Investment Corp.	..	..	..	75	54/00	64/00	69/00

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Accounts	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	MISCELLANEOUS	NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until,		
									1961	1962	1963		24-6-64	17-6-64	A year ago
Ra.	Ra.	Ra.	Ra.	Ra.	Ra.							Ra.	Ra.	Ra.	Ra.
MISCELLANEOUS (Contd.).															
60.00.000	6.27.241	59.20.402	91.23.845	14.28.049	24.342	12	321	Octavius Steel P.	7 1/2	7 1/2	..	100	27 1/4	27 00	28 00
2.20.00.000	2.57.91.597	1.13.85.086	37.59.800	1.65.57.208	43.297	12	364	Philips India	12	13	15	10	22 62	22 62	22 62
2.86.200	53.496	6.12.800	1.02.081	4.43.784	48.408	3	140	Publicity Society	75	75	50	4	116 00	116 00	116 00
2.25.00.000	1.04.34.519	67.80.570	1.53.00.153	73.34.623	5.962	8	332	Rallis India P.	8 1/2	8 1/2	10	100	11 72	11 37	10 69
5.00.00.000	7.93.37.818	3.87.81.885	1.16.91.228	4.60.253	4.305	6	334	Rohas Industries P.	10	8	9	10	11 72	11 37	10 69
94.27.380	5.56.68.535	..	14.04.497	4.60.253	37.513	9	22	Siralk P.	..	..	..	10	7 50	7 69	9 06
1.35.00.000	2.41.71.538	86.99.991	20.94.175	11.62.162	4.301	9	376	Sen Raieigh Industries P.	8	8	Nil	10	13 50	13 50	14 00
75.00.000	96.97.751	69.54.952	1.85.84.497	58.21.689	3.55.748	12	78	Shaw Wallace P.	15	7	12	10	15 69	15 62	15 37
3.00.000	4.33.174	23.194	90.501	17.483	1.789	12	111	Spencers Hotel	24	..	..	2	1 25	1 25	0 94
2.80.00.000	5.43.90.903	3.80.54.275	42.48.951	2.68.66.630	1.93.008	12	901	Union Carbide	18	12 1/2	15	10	30 50	29 25	38 75
1.10.200PO	1.04.778	29.75.610	9.48.447	11.31.642	5.406	12	195	Walford Transport	20	20	..	100	2 87	2 87	2 44
8.40.800C	..	..	..	..	..	..	..	..	30	30	..	10	3 19	3 19	3 56
INSURANCE COMPANIES															
13.50.000	7.94.162	12.60.000	1.56.64.497	10.02.726	25.429	12	174	Concord of India	20	20	20	8	10 00	10 00	10 25
24.00.000	1.43.182	95.30.456	1.36.94.067	17.38.669	20.229	12	248	Hercules	26 1/2	26 1/2	..	10	23 50	23 50	24 19
32.00.000	37.24.852	1.56.73.014	2.30.92.019	30.35.763	134	12	88	Ruby General	13 1/2	15 1/2	..	8	12 12	12 12	9 31
8.00.000	..	21.62.072	27.92.606	61.993	12.241	12	..	Standard General	..	..	..	10	7 75	7 75	6 00
5.75.000	7.133	77.12.554	1.08.52.158	10.08.758	..	12	39	Triton	80	50	..	25	134 00	134 00	132 00
FLOUR MILLS															
12.00.000	4.12.000	31.52.123	9.74.078	13.78.503	..	12	24	Bengal	25	..	30	10	32 50	32 50	28 25
6.00.000	6.51.040	2.47.038	2.17.808	1.05.473	1.26.880	10	97	Delhi P.	..	..	..	10	14 00	14 00	14 00
48.90.137	47.18.493	77.72.310	58.85.968	33.61.767	4.67.358	9	178	Ganesh P.	Nil	Nil	5	12 1/2	12 00	12 00	15 75
9.00.000	4.40.285	4.52.302	17.475	4.58.269	1.45.883	12	236	Hooghly	Nil	Nil	..	10	19 75	19 75	19 75
5.00.000	2.81.896	8.41.748	1.08.638	3.16.243	8.262	11	236	United	10	7 1/2	10	10	27 81	27 81	27 81
OIL COMPANIES															
22.900.001	22.366.123	21.875.442	21.080.797	21.537.436	2168.520	12	249	Attock Oil	13 1/2	13 1/3	..	21	sh.33 1/4	sh.33/-	sh.34/10 1/2
294.062.159	228.669.445	226.020.826	2118.296.989	224.063.315	21.241.331	12	63	Burmab Oil P.	..	11 1/2	12 1/2	21	sh.52/10 1/2	sh.52/9	sh.55/4 1/2
1.00.00.000	63.60.473	1.10.69.746	3.07.60.407	52.60.638	1.79.343	12	249	Indo Burmah Petroleum P.	25	22 1/2	17 1/2	10	20 56	20 56	21 87
6.00.000	3.08.556	9.90.737	3.38.968	5.47.280	23.403	10	2	Tide Water Oil	35	35	35	10	33 19	33 19	25 25
PAPER MILLS															
58.50.000	1.09.71.994	63.56.637	10.43.959	47.17.412	50.816	12	436	Bengal P.	27 1/2	20	..	10	27 81	27 37	29 12
88.20.000	1.16.27.906	90.40.934	1.10.010	40.65.122	28.615	3	2	India Paper Pulp	13	12	15	10	20 87	20 94	16 75
1.90.87.250	6.87.00.000	37.39.370	1.08.97.843	1.40.08.528	93.487	8	82	Orient Paper P.	22 1/2	22 1/2	20	10	36 30	35 20	33 70
1.25.51.920	3.30.51.371	3.08.30.792	1.23.87.315	1.29.79.069	43.420	12	140	Shree Gopal Paper P.	17 6/7	17 6/7	18	10	26 00	25 19	23 81
2.73.19.050	4.28.28.108	94.29.176	63.90.889	2.93.680	1.08.791	6	22	Sirpur P.	8 1/2	8 1/2	5	10	11 81	11 25	11 69
1.50.00.000	4.04.77.968	8.52.085	2.98.345	34.96.055	10.37.344	9	86	Star Paper P.	Nil	Nil	Nil	10	9 06	9 06	9 31
10.00.00.000	..	..	..	..	..	..	..	..	13	13	13	2 1/2 PO	3 31	3 31	3 78
4.37.50.000A	4.87.90.174	3.15.32.285	20.74.443	-20.620	15.112	8	106	Titaghar P.	20	10	10	10AO	14 12	13 87	15 37
66.00.000AO	..	..	..	..	..	..	..	..	20	10	10	10BO	14 12	13 87	15 37
66.04.800BO	..	..	..	..	..	..	..	..	7 1/2	..	..	100	151 00	151 00	125 00
1.50.00.000C	6.95.97.051	95.00.000	1.73.752	58.44.196	17.196	6	573	West Coast P.	..	..	..	100	151 00	151 00	125 00
PRESSING COMPANY															
4.30.000	1.81.531	1.45.000	6.34.786	66.294	24.928	7	926	Camperdown	11	..	..	100	100 00	100 00	104 00
REAL PROPERTY STORAGE															
10.00.00.000	..	..	..	..	..	..	..	..	..	..	..	A500	995 00	995 00	1.086 00
1.25.00.00B	..	..	..	..	..	..	..	..	..	..	..	B22	125 00	125 00	135 00
2.00.00.00C	14.69.599	8.58.120	3.54.870	1.24.262	3.212	4-10	73	Bengal Bonded Warehouse	8	8	9	C10C	186 00	186 00	123 00
2.50.00.00D	..	..	..	..	..	..	..	..	..	..	..	D12A	45 00	45 00	14 15
7.42.150	11.68.346	4.23.135	33.823	81.259	3.142	8	8	Calcutta Safe Deposit	..	..	..	100	7 37	7 37	7 87
1.00.00.780C	19.85.068	9.01.590	13.43.273	3.61.779	1.33.593	9	432	Humayan Properties P.	..	..	..	100	11 00	11 00	11 00
1.00.00.00D	8.080	Nil	13.10.942	-74.850	-19.01.272	4	8	Midnapore Zemindary P.	Nil	Nil-Nil*	Nil	100	8 10	8 10	8 15
79.90.000	..	..	..	..	..	..	..	..	..	..	..	85	18 06	18 00	10 00
TRAMWAYS & STEAMER															
20.00.000	40.37.049	33.73.558	9.90.121	5.76.314	54.558	10	2	Bengal Assam Steamship P.	7 1/2	10	10	100	128 00	128 00	131 00
6.20.000	4.66.763	7.61.818	9.53.643	79.944	17.786	10	89	Calcutta Landing & Shipping	7 1/2	22	6	10	21 00	21 50	34 00
12.60.000	47.23.173	14.01.984	1.02.898	63.719	-11.281	12	96	Calcutta Steam Navigation	Nil	Nil	Nil	10	7 69	7 69	9 50
2700.000	22.889.537	21.565.916	2310.682	2153.252	22.006	12	96	Calcutta Tramways P.	5	5	5	21	10 37	10 19	11 06
6.04.880	4.97.987	4.54.106	33.440	1.35.008	-587	8	139	Fraser & Co	..	..	..	10	8 94	8 94	18 00
2850.580	21.970.808	2432.856	2419.913	-280.988	-284.854	8	431	India Jerners Nav. & Railway P.	..	..	..	10	42 00	42 00	38 96
4.47.50.000	15.60.63.417	1.57.29.564	1.17.13.241	-30.02.498	..	8	391	India Steamship P.	Nil	Nil	Nil	10	6 41	6 28	6 60
14.08.220	13.34.804	74.870	7.951	-62.391	-4.09.480	12	..	Port Shipping	Nil	..	..	10	14 25	14 25	12 44

BOMBAY COTTON MILLS

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

Paid-up Capital Ordinary	Number of	Net Block Account	Reserve & other Funds	Cash & Securities	Net Profits including taxation	Carry forward	Accounts closed	Mg. Agta. Secretaries etc.	NAMES	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until
Ra.	Spindles Looms	Ra.	Ra.	Ra.	Ra.	Ra.				1961 1962 1963	Ra.	23-6-64 16-6-64 A year ago Ra.
40,00,000	48,652	1,016	1,28,56,156	48,70,828	20,69,878	10,39,744	26,620	269	Ahmedabad Advance P.	12	100	149/00 140/00 130/00
50,00,000	48,254	896	20,17,010	9,99,960	10,78,394	1,49,501	2,24,486	229	Apollo	Nil	2	1/76 1/76 1/90
40,00,000	41,135	980	43,32,511	11,42,781	4,76,501	1,42,728		350	Beharilal Ramcharan	Nil	100	133/00 133/00 68/00
2,50,98,000	2,03,942	4,911	5,87,37,535	3,82,76,018	47,87,842	62,56,637	67,586	12	Bombay Dyeing, etc.	14	25	57/50 56/00 57/00
10,00,000	35,052	848	32,07,778	34,59,612	5,45,173	10,89,180	1,37,996	3	Bradbury P.	25	50	162/50 145/00 150/00
1,27,75,700	1,18,296	2,760	4,98,32,541	1,26,61,466	25,80,074	80,66,350	9,53,042	6	Century	30	100	595/00 581/50 502/00
46,87,500	1,15,188	2,062	2,99,18,629	10,75,722	15,14,712	3,59,289	-40,19,762	6	Central India P.	Nil	100	90/00 90/00 98/00
26,00,000	24,916	719	37,34,829	32,52,434	1,01,653	1,46,029	1,28,751	8	Coorla	11	100	164/50 160/00 140/00
28,00,000	43,512	...	33,97,504	29,03,230	5,19,246	23,98,267	2,06,873	12	Dawn	30	50	164/50 160/00 132/50
34,00,000	49,164	920	74,35,701	43,13,002	1,86,928	-9,41,132	-9,38,834	12	Edward Textiles	9	200	270/00 260/00 306/00
29,98,050	47,700	886	1,32,62,451	48,56,520	2,59,089	4,04,302	5,844	12	Elphinstone P.	22	18	98/00 98/00 94/00
50,00,000	63,212	784	85,32,658	71,62,852	16,838	4,09,432	37,155	12	Finlay	23	100	290/00 285/00 300/00
39,04,700	77,966	...	19,75,309	43,25,176	23,64,706	12,85,523	85,195	12	Gokak	18	100	186/00 179/00 153/00
12,00,000	40,856	1,116	64,14,593	68,13,239	10,75,932	4,27,954	6,195	3	Hindooistan	50	250	950/00 950/00 810/00
2,00,00,000	2,48,870	6,498	4,41,45,022	3,84,70,022	31,82,629	1,32,22,197	5,89,816	12	India United	14	100	20/72 21/24 22/24
50,00,000	47,824	1,202	75,60,490	61,57,161	4,26,274	...	...	3	Indian	25	100	210/00 212/00 190/00
50,00,000	50,074	1,426	74,72,293	26,00,000	26,71,578	4,58,532	8,880	12	Indore Malwa United	10	100	210/00 212/00 190/00
59,85,000	65,260	1,514	1,07,21,545	82,79,165	25,00,707	76,87,297	38,751	6	Khatau Makanji P.	16	100	181/25 175/00 211/25
1,00,00,000	1,20,504	1,846	1,76,50,904	1,36,17,072	20,69,193	65,91,664	9,095	12	Kohinoor	18	100	318/50 316/00 296/00
69,60,000	49,883	1,369	1,26,36,356	62,49,272	7,11,717	-21,14,041	-10,60,896	12	Lakshmi Vishnu P.	8	100	86/00 87/50 92/00
51,75,000	71,652	1,620	2,44,04,458	78,75,201	1,68,667	33,39,748	...	6	Morarjee Goculdas P.	24	100	260/00 256/00 357/00
39,68,250	50,480	500	55,13,433	39,56,794	22,08,037	2,05,250	Nil	2	Mysore Spg & Mfg. P.	14	50	39/00 38/00 45/00
24,00,000	45,944	432	23,52,760	1,45,700	10,79,000	15,67,753	8,456	12	New City of Bombay	Nil	100	188/75 188/75 126/25
30,00,000	46,884	1,029	22,27,098	25,72,444	27,32,568	12,48,697	153	12	New Great Eastern P.	12	100	165/00 165/00 230/00
48,00,000	54,244	728	53,94,222	35,02,899	1,54,21,523	21,027	27,380	12	Phoenix	20	100	245/00 233/00 198/00
10,00,000	9,520	277	13,17,604	2,78,222	9,963	3,22,456	-1,07,771	12	Sassoon & Alliance	Nil	10	10/24 11/00 11/78
75,40,000	96,488	2,127	2,21,73,468	1,58,87,542	13,77,729	28,73,996	3,192	12	Sassoon Spinning	20	10	35/60 35/60 49/00
60,48,000	49,840	1,258	1,34,95,513	34,48,460	1,44,640	22,79,548	24,574	8	Simplex	20	100	238/00 231/00 227/00
1,00,00,000	77,436	1,640	1,62,20,494	88,36,202	95,49,874	35,49,582	51,723	13	Shree Niwas P.	19	100	253/00 252/00 226/00
1,00,00,000	65,040	2,000	1,96,83,714	1,42,81,829	24,73,107	35,08,617	8,176	12	Swadesh P.	21 3/5	100	262/00 256/00 272/50
26,00,000	40,328	549	56,94,838	71,73,374	7,774	4,20,551	26,062	12	Swan	22	20	57/70 57/50 52/00
65,57,875	63,248	1,800	2,12,86,475	1,12,83,538	11,32,192	20,80,953	1,422	12	Tata	25	250	850/00 850/00 785/00
12,00,000	45,508	1,308	62,07,441	12,11,933	31,81,227	52,10,985	8,027	3	Western India	25	250	850/00 850/00 785/00

* 1962

BOMBAY MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Cash & Securities	Net Profits including Taxation	Carry Forward	Accounts closed	Names	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until
Ra.	Ra.	Ra.	Ra.	Ra.	Ra.			1961 1962 1963	Ra.	23-6-64 16-6-64 A year ago
19,06,68,750	28,49,18,158	12,76,85,323	5,86,09,994	5,14,17,638	68,243	7	Associated Cement	12 12 12	100	152/50 150/75 138/00
ELECTRICITY & POWER										
8,74,71,100	11,61,05,785	1,36,05,785	30,82,878	78,42,903	638	3	Ahmedabad Electricity	6	100	100/25 98/50 93/20
1,02,77,781	1,23,89,917	32,52,570	52,28,395	36,154	3	146	Andhra Valley Power P.	5	100	1,075/00 1,072/50 1,015/00
1,75,00,000	3,95,16,563	1,21,07,263	17,22,888	39,87,421	3,370	3	Bombay Suburban Elec.	8 1/2	100	104/50 104/75 103/00
3,39,99,975	7,17,76,350	1,39,56,841	51,65,971	60,68,808	27,536	3	Tata Hydro Elec. Power P.	5	100	113/00 113/00 106/00
8,15,36,000	17,59,03,832	3,61,11,341	87,28,753	1,22,80,113	29,988	3	Tata Power P.	5	100	1,150/00 1,132/50 1,053/75
ENGINEERING & METAL										
33,42,200	17,06,292	44,16,374	1,54,08,311	5,79,686	1,35,820	12	Alcock Ashdown	22 1/2	100	287/00 280/00 270/00
14,75,050	7,99,713	4,61,618	2,25,568	24,763	-33,604	3	Jost's Engineering	10	100	47/00 47/00 58/00
1,65,00,000	1,36,83,136	1,15,74,779	1,09,19,945	48,29,564	11,978	8	Larsen & Toubro P.	18 14 14	10	20/44 21/84 20/88
11,00,000	1,03,70,228	3,45,914	...	...	1,016	9	Mckenzie	12 14	100	135/00 135/00 150/00
2,50,00,000	6,834	1,00,53,052	1,79,52,042	3,35,178	59,102	12	Premier Construction P.	33 1/3	100	179/50 175/00 130/00
1,51,25,000	17,30,38,018	5,09,28,017	13,84,385	3,61,61,616	14,962	3	Tata Eng. & Locomotive P.	14 1/2	100	278/50 268/50 248/00
7,99,97,699	1,03,32,39,005	42,98,94,270	10,44,14,243	10,55,68,012	32,096	8	Tata Iron & Steel P.	10 3/6 11	100	151/00 145/25 133/25
INSURANCE COMPANIES										
20,00,000	...	23,84,913	95,96,033	4,24,629	1,18,606	12	British India General	...	10	14/00 12/48 11/50
18,74,940	25,01,134	2,88,61,155	2,61,49,442	38,951	4,65,316	12	Jupiter General P.	...	15	7/00 7/00 9/20
1,42,42,125	23,46,782	8,80,68,899	9,41,74,741	92,81,250	44,28,397	12	New India	...	15	51/50 49/50 62/30
15,99,270	...	29,41,880	59,86,789	6,05,803	3,81,242	12	Vulcan	...	20	16/24 15/84 17/24
MISCELLANEOUS										
70,49,650	41,70,604	1,23,53,608	1,09,82,038	67,94,850	3,00,263	9	Belapur Sugar	50	50	215/00 206/00 173/00
1,53,50,000	3,34,19,072	2,76,00,447	1,67,73,491	1,13,92,935	2,25,985	5	Bombay Burmah Trading	33	25	57/80 57/00 58/20
8,24,36,000	6,05,91,322	4,82,83,719	47,53,662	4,30,51,407	...	12	Industan Lever	26	10	44/00 43/75 34/50
99,99,250	3,754	30,08,796	1,44,31,515	8,97,490	30,418	12	Industrial Invt. Trust	6 1/2	100	77/00 77/00 89/50
11,99,900	13,82,957	7,34,142	14,05,223	9,82,32	16,942	1	Kemp (Chemists)	12 1/2	100	260/00 260/00 305/00
1,41,12,100	7,40,36,031	2,03,71,160	27,33,067	1,81,151,608	4,41,151	12	National Rayon	...	200	373/00 358/00 299/00
1,27,88,680	25,25,06,055	1,58,24,447	11,18,99,983	48,78,907	2,62,604	1	Scindia Steam Navign.	...	20	14/80 14/60 10/00
21,00,000	47,55,927	61,15,000	3,17,297	3,40,349	-23,63,858	1	Shivrajpur Synd.	Nil	Nil	17/00 16/00 16/00
3,02,33,815	6,32,84,424	1,44,04,272	23,87,449	89,89,449	3,923	6	Tata Chemicals P.	6 1/2	10	18/24 17/56 56/00
1,05,05,475	2,21,88,319	1,25,42,386	47,75,466	90,73,815	1,187	8	Tata Oil P.	23	23	58/00 58/70 222/00
2,55,00,000	1,37,35,974	3,64,27,137	85,33,891	1,78,87,313	Nil	8	Volta	14 1/4	100	251/00 244/00 241/00
1,75,00,000	2,71,29,042	2,32,60,865	1,47,82,808	1,39,56,381	82,645	12	Western India Match	16	100	240/00 237/50

SOUTH INDIA PLANTATION COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Area	Outturn and Average Price per lb/ib realised for crop	Net Profits	Accounts closed	Names	Dividends per cent	Paid-up per share	Latest Market Quotations as available until
Ra.	Ra.	Ra.	Lbs.	Ra.	Ra.			1960 1961 1962	Ra.	23-6-64 16-6-64 A year ago Ra.
4,75,000	16,06,067	1,50,000	1,992	7,996cwt	9.68	1,19,757	Amalgamated P.	10	10	10/01 10/01 10/30
4,50,000	12,97,795	5,72,253	878	1,12,000	1.48	70,011	Anandam P.	15	10	14/50 14/50 15/24
4,25,000	6,09,131	1,50,000	402	1,28,902	1.47cwt	3,501	Athimattam	Nil	2	1/20 1/20 0/78
10,98,990	13,96,078	4,63,641	1,630	225,168t	4.34	4,11,290	Balanor P.	15	10	12/12 12/12 12/00
4,00,000	3,94,072	2,05,000	319	1,07,785t	5.2	1,11,970	Balmades P.	7 1/2	5	1/80 1/80 1/65
17,32,230	13,36,710	3,36,253	977	1,59,381	1.65cwt	53,110	Be Be P.	Nil	5	2/27 2/22 2/15
84,00,000	1,23,45,152	25,11,425	1,329	8,53,764t	4.81	12,37,848	Blue Mountain	12 1/2	10	2/40 2/35 2/30
14,00,100	27,96,388	14,46,380	4,586	8,36,263t	8.15	6,16,055	Chemra Peak	20	20	4/60 4/60 3/93
88,91,278	48,15,737	19,60,914	8,056	11,05,303t	..	8,80,694	Cochin Malabar P.	17 1/2	20	6/30 6/30 6/00
42,50,000	39,81,709	30,56,661	2,710	19,48,320	..	8,71,249	Coffee Lands P.	6	..	17/65 17/65 13/50
71,55,000	1,15,74,484	63,44,278	7,001	60,81,120	..	25,80,562	Consolidated Coffee P.	20	..	22/10 21/85 18/65
8,66,730	21,85,500	13,90,424	441	4,52,382	2.25	56,592	Coonor P.	17 1/2	15	17/57 17/57 18/50
4,80,000	10,36,448	4,76,798	432	3,53,888	1.52	1,19,880	Coorg P.	20	..	4/85 4/85 4/85
4,00,000	11,82,508	2,17,761	1,026	1,87,785	1.47	46,942	Cottanad Plantation P.	10	..	9/50 9/50 9/31
4,00,000	8,89,831	4,60,155	348	3,25,310t	2.66	1,25,313	Devashola (Nilgiri)	10	..	24/08 24/08 24/92
4,74,650	9,14,944	3,31,040	450	1,38,386t	4.26	1,36,712	Devon P.	15	12	6/15 11/96 12/66
7,50,000	3,38,952	1,26,500	197	1,12,936t	2.66	28,121	Emerald Valley	..	..	5/15 6/15 6/35
4,50,000	3,64,462	80,000	278	62,880	..	40,424	Gokul	10	..	2/03 2/03 1/90
88,00,000	42,82,150	17,77,500	1,465	17,21,550	2.04	2,13,414	Haileyburia P.	15	..	13/72 13/80 12/50
11,85,700	28,02,058	10,77,700	1,528	9,59,804	1.87	8,80,461	Kailas	22 1/2	..	5/85 5/90 5/35
6,00,000	11,83,359	8,96,159	468	2,92,300t	4.04	4,14,877	Kallasa Tea Produce	20	25	4/20 4/20 3/63
77,17,078	77,90,278	9,40,446	741	4,46,873	6.17	8,88,691	Kil Kotagiri P.	25	25	4/40 4/40 5/60
8,00,000	9,11,359	1,21,604	881	805,787	2.31	98,485	Lucky Valley	10	10	11/70 11/70 10/30
13,50,000	17,31,286	4,65,241	1,691	6,70,174	1.48	2,08,136	Malankara	15	..	16/37 16/37 15/14
60,50,000	74,75,217	14,32,242	4,013	740,800t	4.47	1,28,961	Midland Rub. & Prod. P.	12 1/2	12 1/2	11/00 11/00 10/55
14,06,250	32,53,804	1,45,346	1,587	9,98,598	2.90	1,60,000	Nilgiri P.	8	..	9/10 9/10 8/80
28,10,000	24,28,291	11,02,621	1,867	7,29,108t	2.92	1,62,832	Nonsuch	20	20	22/25 22/25 21/50
4,90,000	7,07,991	1,71,464	810	1,28,350t	..	1,41,776	Omoor	15	..	2/37 2/37 2/48
14,95,980	34,69,670	22,82,932	1,498	4,37,973	4.84	6,37,924	Oncooterlony	15	12	3/60 3/45 3/70
14,85,968	27,02,359	17,29,963	878	4,13,064t	2.74	7,70,117	Parkside Neillgherry	27 1/2	25 1/2	25/73 25/73 23/47
17,00,000	27,36,576	12,82,318	1,568	10,83,565t	4.20	1,12,838	Peermade P.	22 1/2	25	21/25 21/25 20/77
15,00,000	1,89,311	4,39,530	1,167	1,83,268	1.80	1,65,244	Perinular	20	..	3/43 3/43 3/05
97,94,880	78,72,019	26,86,711	2,074	23,46,900	3.88	13,16,964	Pettikaramalai	13 1/2	20	21/50 21/50 17/55
18,50,000	48,44,469	13,58,959	952	845,000t	3.16	8,05,161	Rajagiri Rub. & Prod. P.	25	20	10/42 10/75 9/80
2,00,000	3,14,567	1,53,968	711	3,320cwt	1.32	1,18,791	Rajendra P.	25	..	2/68 2/68 2/62
1,35,000	1,90,373	15,000	216	..	..	43,141	Swinton	12 1/2	..	..
10,00,000	20,71,084	2,48,373	1,454	4,30,695	1.51	63,263	Teekoy P.	Nil	..	6/80 6/80 6/45
9,15,300	13,14,493	10,80,000	2,227	2,45,549t	3.76	1,37,943	Thirumbedi	7	12	1/85 1/85 1/75
6,00,000	6,51,402	46,742	1,307	2,23,794	8.21	90,950	Travancore Rubber	10	..	11/18 11/37 10/50
41,00,000	72,63,801	12,63,584	2,535	12,19,484t	..	10,61,172	Travancore Rub. & Tea P.	9	10	9/50 9/35 9/10
30,00,000	23,48,701	1,36,000	4,028	4,38,402	1.00	4,02,762	Tropica Plantation	10	..	21/25 21/25 19/75
53,75,000	24,78,11	16,00,000	1,267	9,63,293	2.16	1,00,000	Twyford	8	..	9/10 9/10 8/75
81,83,230	50,03,223	17,04,089	3,638	8,26,976t	5.11	12,65,658	Unico Nilgiri	21	..	23/40 23/22 20/34
8,00,010	9,26,839	2,82,041	982	4,94,400	1.80	2,20,098	Vaikundam	10	..	35/10 35/10 29/48
47,25,000	78,06,431	23,73,765t	2,214	13,41,277t	3.77	15,22,472	Waterfall Estates P.	10	10	2/27 2/27 2/25
7,85,000	12,64,809	6,35,454	971	1,65,429	1.78	58,228	Woodland P.	10	..	6/80 6/80 7/65

SOUTH INDIA SUGAR MILLS

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net profits	Carry forward	Accounts closed	Mg. Apts. Secretaries, etc.	NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
									1960	1961	1962		23-6-64	18-6-64	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.							Rs.	Ra	Ra	Ra
30,00,000	62,64,264	26,55,000	5,52,400	10,92,779	22,959	9	417	Andhra P.	..	..	..	10	13/55	13/55	17/34
40,00,000	80,62,883	12,61,424	1,58,472	13,46,266	1,40,987	6	218	Cauvery P.	..	..	..	100	97/50	96/50	109/00
39,94,000	80,95,449	50,28,500	10,91,223	29,00,521	9,587	6	218	Deccan Sugar	25 1/2	12	18-18*	5	11/20	11/20	9/75
1,127,700	23,463,073	22,075,782	2,414,795	6,648,473	221,999	9	319	E.I.D.-Parry	21 3/7	21 3/7	28 3/7	10	34/00	34/00	36/87
63,97,650	39,62,680	15,44,848	64,64,375	12,35,437	69,501	6	419	Indian Sugar P.	14	10	8-8*	10	9/10	8/87	9/69
12,45,572	1,22,66,623	18,99,861	1,51,052	5,99,416	2,000	6	419	Jeypore P.	8	..	..	10	16/50	16/50	15/25
10,52,200	2,87,27,773	1,23,75,000	31,53,982	20,76,426	1,12,390	6	420	K. C. P.	Nil	Nil	Nil-Nil*	10	24/00	24/00	23/00
79,98,000	1,40,86,784	Nil	3,14,482	1,22,390	1,26,762	6	141	Kothari	30	30	30-30*	10	6/60	6/60	6/95
21,79,280	69,98,950	1,19,98,416	46,28,924	4,88,902	1,46,735	4	218	Mysore	10	..	25-Nil*	10	28/33	28/33	47/25
30,00,000	35,93,381	11,41,000	10,12,037	4,88,902	1,46,735	4	218	Travancore P.	10	..	25-Nil*	10	7/20	7/20	7/31
25,00,000	45,92,397	91,28,520	73,43,307	34,22,332	..	3	320	United Breweries	60	60	..	10	33/00	33/00	95/00

* 1963

SOUTH INDIA MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	Net profits	Carry forward	Accounts closed	Mg. Apts. Secretaries, etc.	NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
									1960	1961	1962		23-6-64	18-6-64	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.							Rs.	Ra	Ra	Ra
1,00,00,000	86,99,116	39,83,750	10,36,803	19,80,945	1,52,818	3	421	Aluminium Industries	13	..	..	10	19/87	19/40	16/80
71,03,270	81,97,887	9,97,508	8,37,425	14,43,157	2,172	12	16	Andhra Cement P.	10	10	10-9*	10	10/25	10/25	10/31
3,02,67,658	1,59,93,383	25,63,610	1,84,694	30,01,343	20,076	12	422	Ashok Leyland	12 1/2	..	..	5	6/50	6/60	7/35
1,00,00,000	17,47,081	49,33,435	2,75,867	19,86,813	4,39,222	12	423	Binny	..	..	..	100	271/60	271/60	327/17
7,50,000	5,45,587	56,538	41,650	93,226	-1,46,143	12	270	Brunton & Co.	..	..	..	10	4/00	4/80	5/10
24,99,000	40,82,511	3,52,644	62,051	3,35,186	4,810	12	424	Enfield P.	..	..	..	10	10/87	10/87	9/25
2,24,44,750	3,21,06,642	66,66,496	73,60,475	51,28,679	1,38,608	3	425	India Cement P.	11	9	12	5	5/58	5/55	5/49
23,82,732	16,92,196	2,50,222	93,924	2,16,808	2,977	12	230	Indian Steel Rolling P.	..	..	..	10	9/90	10/00	10/50
1,40,00,000	1,39,97,059	37,48,801	36,09,251	29,82,180	11,631	3	253	Mettur Chemical Industries P.	12 1/2	12 1/2	13 1/2-18 1/2	10	13/80	13/35	12/30
24,81,220	12,69,939	10,47,778	17,48,674	8,49,641	8,514	3	233	Mysore Chem. & Fert.	10	10	..	10	7/87	7/87	7/75
8,00,000	5,20,889	4,52,189	2,16,413	2,33,791	85,187	3	151	Mysore Chemical Mfgs. P.	20	..	..	10	16/70	16/70	17/75
6,56,250	5,13,585	9,38,686	6,374	1,23,899	3,146	3	428	Mysore Lamp P.	20	..	..	10	30/00	30/00	34/10
25,00,000	55,50,342	37,12,500	2,43,664	14,29,395	36,663	3	226	Mysore Paper	15	15	..	10	12/50	12/40	13/80
10,00,000	7,58,329	3,16,884	29,32,342	75,422	622	3	201	Mysore Tobacco	10	..	..	10	12/00	12/00	9/85
10,00,000	6,54,848	8,02,000	2,60,194	4,84,835	1,51,607	3	218	Parry's Conf.	30	..	..	1	2/78	2/75	3/23
40,00,000	82,50,079	1,03,14,883	40,58,627	23,52,432	10,74,117	6	221	Spencer (Provisions)	18	18	18	10	21/65	21/65	21/50
47,00,000	86,53,610	20,65,000	51,902	7,85,966	3,869	12	427	Standard Motors P.	9	..	..	10	10/12	10/12	11/87
11,56,300	5,95,547	14,04,007	16,66,624	4,19,707	41,732	9	7428	T. Stanes P.	32 1/2	..	..	10	30/50	30/50	29/05
39,84,400	42,58,650	13,07,759	26,027	6,92,616	932	4	429	Textool	15	..	..	100	142/00	142/50	149/00
2,50,00,000	4,24,61,684	2,14,79,630	72,21,483	85,33,091	50,510	7	430	Tube Investments	10	10	10-10*	100	201/00	201/00	235/00

† 1963.

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Accounts	Reserve & other Funds	Net Earnings	Carry Forward	Accounts closed	Mg. Apts. Secretaries, etc.	NAMES	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
								1960	1961	1962		24-6-64	17-6-64	A year ago
Rs.	Rs.	Rs.	Rs.	Rs.							Rs.	Ra	Ra	Ra
17,24,000	18,02,732	12,576	-2,52,424	..	3	165	Ahmedpur Katwa	1.90	1.90	1.75	100	24/87	24/87	29/04
21,89,300	34,93,819	6,11,706	3,03,821	2,918	3	32	Arrah Sasaram	5	5	5	100	31/62	31/62	27/04
34,00,000	35,33,840	21,816	-4,66,034	..	3	165	Bankura Damoodar	1.90	1.90	1.75	100	24/87	24/87	27/04
17,80,000	20,25,854	10,772	-3,07,176	..	3	165	Burdwan Cutwa	1.90	1.90	1.75	100	24/87	24/87	29/04
31,00,000	28,10,290	44,298	1,72,713	1,480	3	32	Chaparmukh-Silghat	2.90	2.90	2.80	100	35/00	35/00	35/00
4,75,000	1,48,268	5,33,359	1,35,796	3,691	3	296	Cherra Chhatrak Ropeway	9	12	12	5	4/62	4/62	5/71
2,47,650	2,28,169	59,790	42,389	4,003	3	101	Darjeeling Ropeway	..	..	..	10	8/50	8/50	9/00
40,00,000	49,60,137	14,51,000	19,14,361	35,951	3	335	Dehri Rohtas	17	20	15	10	11/08	11/08	13/7
11,49,709	18,85,943	8,500	59,013	1,489	3	32	Futwah Islampur	1.90	1.90	1.90	100	28/70	28/70	28/70
16,00,000	19,93,938	18,57,712	1,70,466	3,022	3	32	Howrah Amta (P)	6	5	4 1/2	100	34/00	34/00	40/00
6,00,000	13,66,552	5,14,980	62,731	4,225	3	32	Howrah Sheakhala	6	5	4 1/2	100	39/00	39/00	40/00
5,91,100	11,74,348	16,024	73,560	160	3	165	Katakhal Lala Bazar	3.50	3.10	1.90	100	41/00	41/00	41/00
15,00,000	80,91,311	18,08,821	1,11,807	5,893	3	32	Shahdara (Delhi)	6	3	..	100	62/00	62/00	60/00

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

Anderson Wright Ltd.—7, Wellesley Place, Calcutta.	58. Cowasjee Jehangir & Co. Ltd.—Ready Money Mansion, Churchgate Street, Fort, Bombay.	116. K. G. Khanna—Solan Brewery, Simla, Delhi.	178. Moton & Co.—Maung Pauley Street, Rangoon.
Andrew Yule & Co. Ltd.—8, Clive Row, Calcutta.	59. N. K. Jalan—Kamini Chamber, 32, Nicol Road, Ballard Estate, Bombay.	117. Hari Sons—Avlur (Cochin State).	177. H. B. Marshall—1, Humayan Place, Calcutta.
S. N. Beri—6, Middle Road, Hastings, Calcutta.	60. Chandrie & Co., Ltd.—Madras.	118. Hormusjee Sons & Co.—805, Girgaum Road, Dhobi Talao, Bombay-2.	178. Madura & Co. Ltd.—Cochin.
Hazareemull, Heeralal—148, Cotton Street, Calcutta.	61. Bagaria More Co., Ltd.—5, Clive Row, Calcutta.	119. Ramnarayan Sons Ltd.—Bombay.	179. A. D. Shroff—New India Assurance Bldgs., Mahatma Gandhi Road, Fort, Bombay.
Amritlal Ojha & Co. Ltd.—"Security House", Netaji Subhas Road, Calcutta.	62. Dayaram & Sons—9, Old Court House Street, Calcutta.	120. Industrial Financing Co.—63, College Street, Calcutta.	180. Mafatlal Gagalbhai & Sons—Rustam Bldgs., 29, Churchgate Street, Fort, Bombay.
Alcock, N. C.—Hultsdorf Mills, Colombo.	63. Duncan Brothers & Co., Ltd.—31, Netaji Subhas Road, Calcutta.	121. Imperial Chemical Industries (India) Private Ltd.—34, Chowringhee, Calcutta.	181. Murphy, C.—Rampart Row, Fort, Bombay.
Associated Industrial Development Co. (Private) Ltd.—"Nico House", Hare Street, Calcutta-1.	64. Duff Thomas & Co.—2 and 3, Clive Row, Calcutta.	122. Indra Singh & Sons Private Ltd.—7, Wellesley Place, Calcutta.	182. Mehta, Chunilal V. & Co. Ltd.—Queen's Mansions, Prescott Road, Bombay.
Agarwala, S. L.—Indian Insurance Building, Old Cantonment Road, Dehra-Dun.	65. Dass Bros.—29, and 30, Strand Road, Calcutta.	123. Hari Brothers Private Ltd.—Scindia House, New Delhi.	183. Sir V. N. Chandavarkar—Standard Buildings, Hornby Rd., Fort, Bombay.
Aspinwall & Co. (Travancore) Ltd.—Chavadi Parambu North Commercial Canal Road, Alleppey.	66. A. K. Das—15, Netaji Subhas Road, Calcutta.	124. R. Raja Rao—Honnawal Road, Shimoga.	184. Mysore Industrial Development Co.—33, Gandhinagar, Bangalore City.
Aryan Planter Agency—P-12, Chowringhee Square, Calcutta.	67. Day, P. E.—Anderson's House, Bishopsgate, London, E.C.2.	125. Iyer, I. R. Anantharam & Bros. Ltd.—Pushpagiri, Trichur.	185. Mascarenhas, B. M.—Platform Road, Bangalore City.
Allum Bharucha & Co.—214, Hornby Rd., Bombay.	68. Hari Brothers Private Ltd.—Scindia House, New Delhi.	126. J. P. Hannay—2, Metcalfe St., Calcutta.	186. Naidu, G. Kuppaswamy & Co.—Pappannaikuppaswamy, Coimbatore.
Associated Planters Private Ltd.—23, General Patters Road, Madras.	69. Dadabhai Sir M. B.—Kampte Road, Civil Lines, Nagpur.	127. S. S. Bhimwal—7, Chowringhee Road, Calcutta.	187. Best & Co. Ltd.—The Hyderabad Laminated Products Ltd., Secunderabad-3.
Antony, M. K.—Alleppey.	70. N. D. Bangur—14, Netaji Subhas Road, Calcutta.	128. N. Sirur & Co. Private Ltd.—70, Forbes Street, Fort, Bombay.	188. R. Beema Naidu & Co.—Singanallur, Coimbatore.
Harrison And Crossfield Ltd.—Cochin.	71. B. C. Roy—Hindusthan Building, 4, Chittaranjan Avenue, Calcutta.	129. J. K. Industries (Private) Ltd.—T. Council House Street, Calcutta.	189. Naidu, A. G. Guruswamy & Co.—Peelamedu, Coimbatore.
Agarwal & Co.—E. D. Sassoon Building, Dougall Road, Ballard Estate, Bombay.	72. Duffs, J. C. & Co., Ltd.—National Bank Buildings, Netaji Subhas Road, Calcutta.	130. Jhajarbhai Bros. Ltd.—138, Harrison Road, Calcutta.	190. Naidu, P. S. Govindaswami & Sons—Coimbatore.
Andhra Eng Co. Ltd.—22/422, Dana-vayipeta, Rajahmundry.	73. Desai, R. M.—14, Nicol Road, Ballard Estate, Fort, Bombay.	131. Jain, N. K. & Co. Ltd.—"Devashram", Arrah, Shahabad.	191. H. Roychowdhury—18, Convent Road, Entally, Calcutta.
Amte & Co.—Hubli.	74. Davenport & Co. Private Ltd.—6, Church Lane, Calcutta.	132. J. K. Industries (Private) Ltd.—T. Council House Street, Calcutta.	192. B. D. Agarwalla—Stephen House, 4, Dalhousie Square, Calcutta.
B. M. Krishan—Sri Jayachamaraja Wadiyar Road, Bangalore-2.	75. Desai, R. M.—14, Nicol Road, Ballard Estate, Fort, Bombay.	133. James & Co. Ltd.—25, Netaji Subhas Road, Calcutta.	193. Kesarmal Manocha—529/1, Hall Bagh, Amritsar.
Macneill and Barry Ltd.—2, Fairlie Place, Calcutta.	76. Dodwell & Co. Ltd.—Glennie Street, Slave Island, Colombo.	134. Jute Industries Ltd.—4, Lyons Range, Calcutta.	194. G. V. Swalka—"Pollock House", 18B, Brabourne Road, Calcutta.
Ojha Brothers Ltd.—Security House, Netaji Subhas Road, Calcutta.	77. Darragh Small & Co., Ltd.—Alleppey.	135. John, V. C.—Kottayam, Travancore State.	195. R. R. Aiyer—71, Park Street, Calcutta.
Bird & Co. (Private) Ltd.—Chartered Bank Buildings, Calcutta.	78. Dadabhai B. A. & Co.—Ilaco House, Sir Phirozeshah Mehta Road, Bombay.	136. Jones, H. Edwin—Oriental Building, Bombay Elec House, Ahmedabad.	196. Srinivasan, S. D.—7, Council House Street, Calcutta.
Birla Bros. Private Ltd.—8, India Exchange Place, Calcutta.	79. B. N. Elias & Co. Private Ltd.—1 and 2, Old Court House Corner, Calcutta.	137. John, Kurian—Kottayam, Travancore State.	197. Naraindas Lechmandas Ltd.—Rai-purwa, Kanpur.
Babulal & Co. Ltd.—13, Syed Salley Lane, Calcutta.	80. Eastern Corpn. Ltd.—7, Wellesley Place, Calcutta.	138. Kettlewell Bullen & Co. Ltd.—21, Strand Road, Calcutta.	198. Dharmsay M. Khatau—Scindia House, Daugall Road, Ballard Estate, Bombay.
Balmer Lawrie & Co. Ltd.—21, Netaji Subhas Road, Calcutta.	81. Ebeling, A. F.—Rawalpindi.	139. Kilburn & Co. Private Ltd.—4, Fairlie Place, Calcutta.	199. Nowrojee Wadia & Sons (Private) Ltd.—Neville House, Ballard Estate, Calcutta.
British India Corporation Ltd.—Sutherland House, Kanpur.	82. Poddar, P. L.—135, Canning Street, Calcutta.	140. Karamchand Thapper & Bros. Private Ltd.—Thapar House, 25, Brabourne Road, Calcutta-1.	200. Dooduwalla & Sons—5, Mukhtaram Babu Street, Calcutta-7.
R. L. Thompson—Agharam Road, Bangalore-2.	83. Pratapsingh Mathuradas—9, Wallace Street, Fort, Bombay.	141. Kothari & Sons Agency Private Ltd.—Armenian Street, Madras.	201. R. Arunachalam—17, Richmond Road, Bangalore-1.
Bengal Textile Agency Ltd.—11, Clive Row, Calcutta.	84. S. B. Industrial Development Co. Ltd.—12, Old Court House Street, Calcutta.	142. R. Suryanarayan Rao—Channapattana, Mysore State.	202. Octavius Steel & Co. Ltd.—14, Old Court House Street, Calcutta.
Swadeshi Enterprise Ltd.—41, Chowringhee Road, Calcutta.	85. A. Firpo, Jr.—18/2, Chowringhee, Calcutta.	143. S. L. Dhanuka—P-15, Bentinck Street, Calcutta.	203. Matheson Bosanquet & Company Ltd.—Belmont, Coonoor, Nilgiris.
Beardell, W. A. & Co. Private Ltd.—Second Line Beach, Madras.	86. Forbes, Forbes, Campbell Ltd.—Forbes Buildings, Home Street, Fort, Bombay.	144. Khaitsan, D. & Sons—14, Netaji Subhas Road, Calcutta.	204. Oberoi Hotels (India) Private Ltd.—17, Chowringhee, Calcutta.
Bhagyalakshmi & Co.—Delhi Road, Udamalpet Dt., Coimbatore.	87. S. V. S. Iyer—89C, Old Prabhadevi Road, Bombay-28.	145. P. S. Nilkantan—1, Waterloo Street, Calcutta.	205. Oakley Bowden & Co. Ltd.—15, Armenian Street, Madras.
Rameshwar Tanta—1 & 2, Old Court House Street, Calcutta.	88. Gillanders Arbuthnot & Co., Ltd.—Clive Buildings, Netaji Subhas Road, Calcutta.	146. Killick Industries Ltd.—Mome Street, Fort, Bombay.	206. Ogale Glass Works Ltd.—43, Gandhinagar, Bangalore City.
Martin Burn Ltd.—12, Mission Row, Calcutta.	89. Gladstone Lyall & Co. Ltd.—4, Fairlie Place, Calcutta.	147. Kanga, R. D.—Electric House, Post Fort, Bombay.	207. Deepchand Kisehenlal—25, Netaji Subhas Road, Calcutta.
K. M. Wilcox—Sutherland House, Kanpur.	90. H. C. Bowker—"Victoria House", Calcutta.	148. Kurian, John—Alleppey.	208. Indian Textile Syndicate Ltd.—Kanpur.
Sir John Brown—9, Hare St., Calcutta.	91. P. L. Tandon—India House, Fort Street, Bombay.	149. Khatun Makaniji & Co.—8, Ballard Road, Fort, Bombay.	209. E. R. Elliot Lockhart—4, Fairlie Place, Calcutta.
Ramdutt Ramkissandas—9, Brabourne Road, Calcutta.	92. Govan Bros. (Rampur) Private Ltd.—4, Scindia House, New Delhi.	150. Killick, A. S.—2-6, 2nd Line Beach, Madras.	210. Peirce Leslie & Co.—8/223, Beach Road, Calcutta, Kerala.
Bajoria & Co.—27, Brabourne Road, Calcutta.	93. Govan Bros. Ltd.—Malhotra Buildings, Queensway, New Delhi.	151. S. Ramanathan—Chikkabannavar P.O., Bangalore Dt.	211. B. L. Somany—2, Wellesley Place, Calcutta.
Birla, L. N.—8, Royal Exchange Place, Calcutta.	94. R. N. Datta—93-A, Dharamtalla Street, Calcutta.	152. Broken Hill Secretariat Ltd.—31, Dover Street, London E.C.2.	212. P. G. Krishna Iyer—Mount Pleasant, Coonoor, Nilgiris.
Birla, B. M.—"India Exchange", Calcutta-1.	95. Daga & Co., Ltd.—9, Royal Exchange Place, Calcutta.	153. Low, H. V. & Co. Private Ltd.—3, Synagogue Street, Calcutta.	213. Poddar, K. M.—37, Vivekananda Road, Calcutta.
John Valentine Jardine Paterson—4, Clive Row, Calcutta.	96. M. L. Bexon—37B, Free School Street, Calcutta-16.	154. Lomas, J. E. W.—49, St. Swithin's Lane, London E.C.4.	214. James Warren & Co. Ltd.—21, Chowringhee Road, Calcutta.
Bhargava, R. K.—Mohalla Masjid Bagh, Badshahagar.	97. Govan, R. G. & Co.—Scindia House, Connaught Circus, New Delhi.	155. Hind Agents Ltd.—Indu House, 15, Dougall Rd., Ballard Estate, Bombay.	215. Parkins Ltd.—Kottalam.
Biharilal Lahoty—161-1, Harrison Road, Calcutta.	98. Turnbull, R. W.—P-4, Mission Row Extension, Calcutta.	156. Kothari Mehta & Co. Private Ltd.—Armenian Street, Madras.	216. Parkin, C. & Co.—36, Apollo Street, Fort, Bombay.
W. H. Brady & Co., Ltd.—Brady House, 12-14, Veer Nariman Road, Bombay-1.	99. Abinash Chandra Das—Jalpaiguri.	157. Padampat Singhania—Kamala Tower, Kanpur.	217. L. C. Kanol—P-4, Mission Row Extension, Calcutta.
Brilljal Bilasval & Co.—Aga Khan Buildings, Dalal Street, Fort, Bombay.	100. Guha, Nalini Kumar—18/11/4-B, Raja Raj Ballav Street, Calcutta.	158. Pharrat Ram Bhagat & Co.—45, Tangra Road, Calcutta.	218. Parry & Co. Ltd.—Dana House, Parry's Corner, Madras.
Punam Chand Bhatia—19, Circular Garden Beach Road, Calcutta.	101. Purushottam Lal—5, Clive Row, Calcutta.	159. Hind Agents Ltd.—Indu House, 15, Dougall Rd., Ballard Estate, Bombay.	219. India Sugar Agencies Ltd.—Mangalore.
Chakravarti Sons & Co.—22, Canning Street, Calcutta.	102. George, A. V. & Co. Ltd.—Anchorl Bank Bldgs., Kottayam, Travancore.	160. Lovelock & Lewes—4, Lyons Range, Calcutta.	220. Price, R. G. N.—National Bank Bldg., Madras.
G. L. Purushotham Naidu—24, Krishnaswamy Mudaliar Road, Coimbatore.	103. Kundlia, G. Seksaria—139, Meadow Street, Fort, Bombay.	161. Lokis, D. D.—173, Harrison Road, Calcutta.	221. Z. R. Irani—1/153, Mount Road, Madras.
Chetty, R. K. S. & Bros.—Singanallur, Coimbatore-5.	104. Gopikisan Piramal—Dr. Ambedkar Road, Parel, Bombay-12.	162. C. S. Selommon—Dage House, Parry's Corner, Madras.	222. Christian Mica Industries Ltd.—Peelamedu, Bangalore-1.
S. R. Poddar—33, Netaji Subhas Road, Calcutta.	105. John Whittion Eason—Gillander House, Netaji Subhas Road, Calcutta.	163. Mackinnon Mackenzie & Co. Private Ltd.—1-16, Strand Road, Calcutta.	223. R. N. Agarwalla—Lyons Range, Calcutta.
Calcutta Agency Ltd.—24, Netaji Subhas Road, Calcutta.	106. F. W. Heilgers & Co. (Private) Ltd.—Chartered Bank Buildings, Calcutta.	164. I. R. Anantharam Iyer & Bros. Ltd.—Pushpagiri, Trichur.	224. Lodhi Brothers Ltd.—13, Canning Street, Calcutta.
Chand, A. P.—15, Taratola Road, Calcutta.	107. Howrah Trading Co. Ltd.—5, Dalhousie Square East, Calcutta.	165. McLeod & Co. Ltd.—5, Netaji Subhas Road, Calcutta.	225. Roy, B. K.—1 and 2, Old Court House Street, Calcutta.
Shoobridge, F. G.—234-3, Lower Circular Road, Calcutta.	108. A. & F. Harvey Ltd.—Pandyan Building, West Veil Street, Madurai.	166. Hindusthan Investment Corporation Ltd.—16, India Exchange Place, Calcutta.	226. M. D. Saravannappa—Mangalore Road, Bangalore-1.
W. E. Eadie—178, West George Street, Glasgow C.2.	109. Holmes Wilson & Co., Ltd.—"Stephen House", Calcutta.	167. B. Barker—"Barlow House", 59C, Chowringhee Road, Calcutta.	227. W. Morris—41, Chowringhee Road, Calcutta-35.
Cement Agencies (Private) Ltd.—121, Race's Road, Fort, Bombay.	110. R. G. Khanna—Solan Brewery, Simla, Hotel (Control) Private Ltd.—4 & 4/1, Wellesley Place, Calcutta.	168. Moons Lal & Sons—120/1, Civil Lines, Ranchi.	228. Ramnarayan Sons Ltd.—Bank Street, Fort, Bombay.
Consolidated Mica Agencies—17B, Elphinstone Circus, Fort, Bombay.	111. Glass, I. O. H.—Bilbao House, 35, New Broad Street, London, E.C.2.	169. K. P. Goenka—31, Netaji Subhas Road, Calcutta.	229. Rajputan Textile Agency Ltd.—Delhi Road, Chanchepura, Bangalore.
K. S. R. Iyer—Imperial Bank Building, Bank Street, Fort, Bombay.	112. B. P. Khaitsan—14, Netaji Subhas Road, Calcutta.	170. Marshalls (Director) Private Ltd.—27/1, Netaji Subhas Road, Calcutta.	230. Rajani, C.—Oriental Bldg., Ammanur Street, Madras.
Chinoy, F. M. & Co., Ltd.—Radio House, Apollo Bunder, Bombay.	113. Harrison & Crossfield Ltd.—Calcutta.	171. W. E. Maiden—P.O. Lokat, Dist. Darbhanga.	
Cumberbatch & Co.—Colombo.	114. T. V. Braddelley—The Great Social Buildings, Sir Phirozeshah Mehta Road, Fort, Bombay.	172. East India Agencies Private Ltd.—Palai, Kerala State.	
		173. Moulton G. S. & Co. (India) Ltd.—11 and 12, Esplanade Mansions, Calcutta.	
		174. M. M. Cole—4, Clive Row, Calcutta.	

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

231. Ramamurthy, A.—Ravakhada (Orissa), Koraput Dist.
232. Ratnams Ltd.—Pugalur, Trichinopoly.
233. T. Shamanna—1129, Vani Vilasa Road, Mysore.
234. Bangur Bros. Ltd.—14, Netaji Subhas Road, Calcutta.
235. Soorajmull Nagarmull—8, Dalhousie Square East, Calcutta.
236. Shaw Wallace & Co. Ltd.—4/5, Bankshall Street, Calcutta.
237. Srivastava, J. P. & Sons—Kanpur.
238. Bharat Ram Charat Ram & Co. Private Ltd.—Bara Hindu Rao, Delhi.
239. A. R. Kalairaja Chettiar—Coimbatore.
240. A. K. T. K. M. Narayanan Namboodirpad—Kallai Malabar.
241. Singh, Ranjit—Lucknow.
242. N. L. Roy & Co.—9, Royal Exchange Place, Calcutta.
243. Shyam Lal Agarwal—9, Dalhousie Sq. East, Calcutta.
244. Sovaram Keshavdeo—15, Netaji Subhas Road, Calcutta.
245. Dr B. N. Ghose—6, Ganesh Avenue, Calcutta-13.
246. Sundaren, S.—Indian Mercantile Chambers, Nicol Road, Bombay.
247. Singhania Padampat—Kamala Tower, Kanpur.
248. E. K. Srinivasan—16, Hare Street, Calcutta.
249. Steel Bros. & Co., Ltd.—Gillanders House, Netaji Subhas Road, Calcutta.
250. T. Stanes & Co.—Coimbatore.
251. Southern India Plantations Agency Ltd.—Coonoor.
252. Saha, Bahuballav—18/11B, Raja Raj Ballav Street, Calcutta.
253. R. B. Pradhan—Empire House, 214, Hornby Road, Bombay.
254. Sindia, M. Ramchandra Rao—3rd Road, Chamaraipet, Bangalore City.
255. Setalvad, J. C.—73, Oppo. Churchgate Station, Fort, Bombay.
256. Scindia Steam Navigation Co., Ltd.—Ballard Estate, Bombay.
257. Ramnath A. Podar—Podar Chambers, Parsee Bazar St., Fort, Bombay.
258. Swedish Match Co.—Nicol Road, Ballard Estate, Bombay.
259. S. Ramashramony Aiyer—Trivandrum.
260. Purnamal Buttha Sons—Indu House, Dougall Road, Ballard Estate, Bombay.
261. N. Sirur & Co. Private Ltd.—70, Forbes Street, Fort, Bombay.
262. Ramnarayan Sons Ltd.—Bank Street, Fort, Bombay.
263. Seshasayee Bros. Private Ltd.—Met-tur Dam, R.S.
264. V. Venugopal Naidu—Sir Jayachamaraja Wadiyar Road, Bangalore-2.
265. Shree Hahuman Invt. Co. Ltd.—173, Harrison Road, Calcutta.
266. Talukdar, B. S.—Amiasadarpur, Nadia, West Bengal.
267. Tata Hydro-Elec. Agency, Ltd.—34, Bruce Street, Bombay.
268. Turner Morrison & Co., Ltd.—6, Lyons Range, Calcutta.
269. Tata Industries Private Ltd.—Bombay House, Bruce Street, Fort, Bombay.
270. Thomas, A. V. & Co., Ltd.—Alleppey.
271. Thomas, P. T.—Kottayam, S. India.
272. Thomas, M. K. & Co., Ltd.—Trivandrum.
273. Tayabjee, O. S.—159, Gunfoundry Rd., Hyderabad (Deccan).
274. A. Hydari and S. Gothberg—Indian Mercantile Chambers, Nicol Road, Ballard Estate, Bombay.
275. United Eastern Agencies—Bombay House, Bruce Street, Fort, Bombay.
276. United Agencies Ltd.—Punalur.
277. Villiers Private Ltd.—F-3, Clive Buildings, Calcutta.
278. S. M. Smith—4, Bankshall St., Calcutta.
279. Williamson Magor & Co., Ltd.—4, Mangoe Lane, Calcutta.
280. Whitman, Mj. M. C.—Mayo Road, Rawalpindi.
281. N. K. Jhajharia—22, Chittaranjan Avenue, Calcutta.
282. C. Hockley—3, Netaji Subhas Road, Calcutta.
283. P. R. Jhunjhunwaja—Sewrie, Bombay-15.
284. Walchand & Co., Ltd.—Ballard Estate, Fort, Bombay.
285. Wallace & Co.—9, Wallace Street, Bombay.
286. Wilkinson, A.—117/119, Esplanade Road, Bombay.
287. Young India Agencies Private Ltd.—175/1, Mount Road, Madras-2.
288. Dass Group Private Ltd.—29, Strand Road, Calcutta.
289. B. L. Mathur—4, Clive Row, Calcutta-1.
290. K. S. Basu—63, Netaji Subhas Road, Calcutta.
291. Lionel Edwards (Private) Ltd.—21, Old Court House Street, Calcutta.
292. R. N. Jhunjhunwalla & Co., Ltd.—9, Ezra Street, Calcutta.
293. A. J. Zullig—31, Chowringhee Road, Calcutta.
294. R. L. Rampuria—5, Fairlie Place, Calcutta.
295. Premnath & Sons, Ltd.—New Delhi.
296. S. N. Tania—1 & 2, Old Court House Corner, Calcutta.
297. F. H. Mehta—Mehta House, Apollo Street, Bombay.
298. L. S. Vaidyananthan—Oriental Buildings, Bombay.
299. Kishore M. Premchand—61, Apollo Street, Fort, Bombay.
300. North Bihar Trading Co. (Private) Ltd.—11, Brabourne Road, Calcutta.
301. J. W. L. Russell—1 & 3, Brabourne Road, Calcutta-1.
302. Mitra Mondal—Khatauli, Dt. Muzaffarnagar.
303. G. S. Shroff—2, Hardinge Avenue, New Delhi.
304. James Finlay & Co., Ltd.—2, Netaji Subhas Road, Calcutta.
305. Thakersey Mooljee & Co.—16, Apollo Street, Fort, Bombay.
306. Jatia Brothers Ltd.—21, Rupchand Roy Street, Calcutta.
307. Bhatler's Agency Ltd.—18, Netaji Subhas Road, Calcutta.
308. The Hyderabad Constructions Co., Ltd.—Kothagudium Collieries, Singaren, P.O., Deccan.
309. T. Leslie Martin—12, Mission Row, Calcutta.
310. D. S. Barron—Chakala, Andheri P.O., Bombay.
311. Pyne & Sons—23A, Netaji Subhas Road, Calcutta.
312. Ram Kumar Agarwalla & Sons—4, Lyons Range, Calcutta.
313. Bullion Co., Ltd.—7, Canning Street, Calcutta.
314. Brooke Bond India Ltd.—2, Metcalfe Street, Calcutta.
315. Anderson Wright (Ramgarh) Ltd.—7, Wellesley Place, Calcutta.
316. The Cotton Agents Private Ltd.—14, Radha Bazar Lane, Calcutta-1.
317. Bird & Co. (Pakistan) Ltd.—Narayan-ganj.
318. Shree Krishna Investment Co. Ltd.—1-B, Halwasiya Road, Calcutta.
319. H. V. R. Iengar—Dare House, Parry's Corner, Madras.
320. F. W. J. Penn—32, Grant Road, Bangalore-1.
321. B. Ghosh—14, Old Court House Street, Calcutta.
322. Messrs. Tata Sons Ltd.—New India Assurance Buildings, Mahatma Gandhi Road, Fort, Bombay-1.
323. Anderson Wright & Co.—7, Wellesley Place, Calcutta.
324. Indo Corporation Private Ltd.—5, Swinhoe Street, Calcutta-19.
325. Brian Granger Pearson—Virginia House, 37, Chowringhee, Calcutta.
326. B. L. Pyne—14, India Exchange Place, Calcutta.
327. Marwar Textiles (Agency) Ltd.—Waudby Road, Fort, Bombay-1.
328. John Taylor & Sons (India) Ltd.—Mysore Oorgram, South India.
329. Sri G. D. Bhagat—15, Shih Thakur Lane, Calcutta.
330. Mahindra & Mahindra Ltd.—Gateway Building, Apollo Bunder, Bombay.
331. N. L. Roy & Sons—Canning Street, Calcutta.
332. A. D. Mango—16, Hare Street, Calcutta.
333. Mungtaram Jaipuria—Swadeshi House, Civil Lines, Kanpur.
334. H. Mackay Tallack—2, Fairlie Place, Calcutta.
335. Sahu Jain Ltd.—11, Clive Row, Calcutta.
336. Tulsidas Kilachand—Scindia House, Dougall Road, Bombay.
337. Beriwalla & Co.—63, Netaji Subhas Road, Calcutta.
338. D. R. Sons Ltd.—Hornby Road, Fort, Bombay.
339. M. G. Investment Corp. Ltd.—Mafat-lal House, Backbay Reclamation, Bombay-1.
340. K. O. Cheriyan—Travancore,
341. N. L. Kanoria—India Exchange, Calcutta-1.
342. O. N. Chatterjee—2, Royal Exchange Place, Calcutta.
343. Indra Singh—135, Canning Street, Calcutta-1.
344. V. J. Pilani—Victoria Bunder, Colaba.
345. The National Tea Corporation—130, Cotton Street Calcutta.
346. Seshasayee Brothers (Travancore) Ltd., —Elcor Factory, Alwaye.
347. Tania Brothers Private Ltd.—1 & 2, Old Court House Corner, Calcutta.
347. M. D. Jalan—62, Ballygunge Circular Road, Calcutta-19.
349. Seth Sohanlal Murarka—19, Circular Garden Reach, Calcutta-23.
350. K. Agarwal—Empire House, Dr. Dadabhoj Naoroji Road, Fort, Bombay.
351. L. & T. (Management) Private Ltd.—I. C. House, Dougall Road, Ballard Estate, Bombay.
352. Chinai And Co. Private Ltd.—Sadhana Rayon House, Dr. Dadabhai Naoroji Road, Bombay-1.
353. N. K. Jhajnaria—14, Netaji Subhas Road, Calcutta.
354. L. C. Kanor—P-8, Mission Row Extension, Calcutta.
355. T. R. Jalan—16, Strand Road, Calcutta.
356. R. Bajoria—10, Clive Row, Calcutta.
357. A. K. Jain—11, Clive Row, Calcutta.
358. I. P. Goenka—14, Old Court House Street, Calcutta-1.
359. G. D. Kothari—15, India Exchange Place, Calcutta.
360. R. E. S. Talvarkhan—Volkart Building, 19, Graham Road, Bombay-1.
361. N. K. Bose—85, Netaji Subhas Road, Calcutta.
362. Dalmia Agencies Private Ltd.—Raj-gangpur (Orissa).
363. C. L. Nahata—14, Old Court House Street, Calcutta.
364. W. A. C. H. Bosschaart—7, Justice Chandra Madhab Road, Calcutta-20.
365. S. L. Dhanuka & P. L. Dhanuka—5, Mission Bow, Calcutta.
366. A. K. Sen—48/1, Diamond Harbour Road, Calcutta-27.
367. Lakshmi Pat Singhania—7, Council House Street, Calcutta.
368. Kalyanji Mavji & Company—14, Netaji Subhas Road, Calcutta.
369. P. L. Batia—7, Canning Street, Calcutta.
370. Pannalal Saraogi—8, Lyons Range, Calcutta-1.
371. G. L. Saraogi—56, Sir Hariram Goenka Street, Calcutta-7.
372. H. K. Newar—9, Brabourne Road, Calcutta.
373. C. L. Maheswari—Shreenivas House, Waudby Road, Fort, Bombay.
374. Talukdar Law & Co. Private Ltd.—4, Chittaranjan Avenue, Calcutta-13.
375. K. N. Mookerjee—Leslie House, 19, Chowringhee, Calcutta-13.
376. K. D. Gangul—Mercantile Buildings, Lalbazar, Calcutta.
377. K. C. Dass & B. Maltra—33, Panditia Road, Calcutta-20.
378. R. N. Goenka—18-A, Brabourne Road, Calcutta.
379. S. R. Damanl—30, Clerk Road, Bombay-11.
380. British India Corporation Ltd.—Sutherland House, Kanpur.
381. A. K. Jain—Dalmianagar, Bihar.
382. B. P. Kedia—7, Wellesley Place, Calcutta-1.
383. W. H. G. Baird—9, Brabourne Road, Calcutta.
384. Punam Chand Batia—19, Circular Garden Reach Road, Calcutta-23.
385. G. P. Kanoria—5, Clive Row, Calcutta.
386. D. N. Jalan—McLeod House, 3, Netaji Subhas Road, Calcutta.
387. Shibendra Sankar Sarbadhyaksha—Jaipalguri.
388. A. V. Birla—9, Kaliprasanna Singhee Road, Calcutta-2.
389. British India Corporation Ltd.—Kanpur.
390. T. Ratan—16/3, Chowringhee Road, Calcutta-13.
391. H. M. Cox—59C, Chowringhee Road, Calcutta-20.
392. R. A. Godwin—32, Chowringhee Road, Calcutta-16.
393. Khatau M. Shethia—14, Netaji Subhas Road, Calcutta-1.
394. B. M. Birla—India Exchange, Calcutta-1.
395. W. F. Malden—Lohat, Darbhanga.
396. D. Manson—21, Netaji Subhas Road, Calcutta.
397. N. M. Bhuwalka—135, Canning Street, Calcutta.
398. Hoare Miller & Co., Ltd.—5, Fairlie Place, Calcutta.
399. B. Patnaik & Co. Private Ltd.—P.O. Chowdwar, Cuttack.
400. R. K. Kanoria—9, Brabourne Road, Calcutta-1.
401. K. V. Venkitasubramoney Iyer—Seetagundy Estate, Sitharkunda P.O., Palghat Dist., Kerala State.
402. A. V. George & Co., Ltd.—Anchoril Bank Buildings, Post Box 1, Kottayam, Kerala State.
403. Mathew Sebastian—Thodupuzha, Kerala State.
404. Planting Agencies Private Ltd.—Oriental Buildings, Armenian Street, Madras-1.
405. The Consolidated Coffee Estates (1943) Ltd.—Pollibetta, Coorg.
406. C. I. Machia—Pollibetta, S. Coorg.
407. Srinivas Agencies—Coimbatore-2.
408. K. N. Krishna Iyer—22, Royapettah High Road, Madras-14.
409. Yong India Agencies Pvt. Ltd.—Monorama Bldgs., K. K. Road, Kottayam (Kerala State).
410. Parkins Private Ltd.—Kottayam.
411. Johnsons Estates & Agencies (Private) Ltd.—Malankara Bldgs., Kodimatha, Kottayam, Kerala.
412. Associated Planters (Pvt.) Ltd.—25, General Patters Road, Madras-2.
413. J. R. Motishaw—Mercantile Bank Building, 16, First Line Beach, Madras-1.
414. K. V. Mathew—Kottayam, Kerala State.
415. K. Ramachandran—Patton Palace, P.O. Trivandrum-4.
416. N. Kunjukrishna Pillai—T. C. 6/750, Patton Palace, P.O. Trivandrum-4.
417. Rango Rao & Co.—Venkatarayapuram, Tannku, West Godavari Dist., Andhra Pradesh.
418. The India Sugar Agencies Private Ltd.—139, Meadows Street, Fort, Bombay-1.
419. R. S. Industrial Corporation Private Ltd.—Rayagada, Koraput Dist., Orissa State.
420. V. Ramakrishna Sons (Private) Ltd.—38, Mount Road, Madras-6.
421. Seshasayee Brothers (Travancore) Pvt. Ltd.—1, Ceramic Factory Road, Kundala (Kerala).
422. Sir A. Ramaswamy Mudaliar—Ennore, Madras.
423. P. J. M. Leigh—7, Armenian Street, Madras-1.
424. K. R. Sundaram Iyer—Tiruvottiyur, Madras-19.
425. Essen Private Ltd.—175/1, Mount Road, Madras-2.
426. J. L. D'sa—Old Tumkur Road, Malleswaram, Bangalore-12.
427. The Standard Motor Co. (India) Pvt. Ltd.—29, Mount Road, Madras-2.
428. E. H. Stanes—6/33, Race Course Road, Coimbatore-1.
429. Balasundaram & Co.—Satyamangalam Road, Ganapathy P.O., Coimbatore-6.
430. A. M. M. Arunachalam—52/53, Jehangir Street, Madras-1.
431. J. M. Parsons—2, Fairlie Place, Calcutta-1.
432. Mahabir, S. J. B. Rana—1, Humayan Place, Calcutta.
433. G. N. Sam & Co.—'Senthottam', Sowripalayam P.O., Coimbatore-4.
434. C. Kejriwal—Rajgangpur, Dist. Sundergarh, Orissa State.
435. D. C. Ghosh & Co. (Agents) Private Ltd.—11, Government Place East, Calcutta.
436. N. D. Bangur—14, Netaji Subhas Road, Calcutta.
437. R. N. Bhotika—4, Old Court House St., Calcutta.
438. Birla Gwalior Private Ltd.—Industry House, 159, Churchgate Reclamation, Bombay-1.
439. R. S. Bajpal—Kamala Tower, Kanpur.
440. R. L. Jatia—9, Brabourne Road, Calcutta-1.
441. S. K. Agarwalla—24, Netaji Subhas Road, Calcutta-1.
442. S. P. Bhoomick—17, 18 & 19, Old Court House Street, Calcutta.
443. Madan Mohan Lall Shri Ram Ltd.—D.C.M. Premises, Bara Hindi Rao, Delhi-6.
444. T. R. Jalan—3, Brabourne Road, Calcutta-1.
445. A. D. Galloway—7, Armenian Street, Madras-1.
446. Talukdar Law & Co. Private Ltd.—Hindusthan Bldg., Calcutta-13.

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To rush men and material to threatened frontiers, motor vehicles are the quicker, more flexible, more economical means of transport.

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Each vehicle sold provides the Government with a large share of money in the form of taxes, duties and levies. An Ambassador car, for instance, contributes some 5140 rupees or one third of the "on the road" price of the car in Calcutta to the Government in this form. This revenue and those received from the ancillary industries that are largely dependent for their existence on the automobile industry provide to Government the wherewithal to meet a substantial portion of the cost of defence requirements.

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CAR PRICE STRUCTURE :

Government taxes, direct and indirect :	33%
Raw materials, manufacturing and overhead expenses, salaries and wages, depreciation, profit etc. :	25%
Indigenous ancillary components :	24%
Imported components :	11%
Dealer's commission including distribution, service, advertising etc. :	7%

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